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23 **UNITED STATES DISTRICT COURT**
24 **NORTHERN DISTRICT OF CALIFORNIA**
25 **SAN FRANCISCO DIVISION**

26 THE PEOPLE OF THE STATE OF
27 CALIFORNIA,

28 Plaintiff,

v.

BP P.L.C., *et al.*,

Defendants.

Case No. C 17-06011 WHA
Case No. C 17-06012 WHA

**AMICUS BRIEF OF INDIANA AND
FOURTEEN OTHER STATES IN SUP-
PORT OF DISMISSAL**

Date: April 19, 2018
Time: 11:00 a.m. PT

TABLE OF CONTENTS

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

TABLE OF CONTENTS.....2

TABLE OF AUTHORITIES3

INTEREST OF THE AMICI STATES7

SUMMARY OF THE ARGUMENT7

ARGUMENT8

I. Plaintiffs’ Claims Are Non-Justiciable8

 A. Plaintiffs’ claims raise political questions and must fail8

 B. Plaintiffs’ claims jeopardize our national system of cooperative federalism11

II. Federal Statutes Have Displaced the Federal Common Law on Which
Plaintiffs Have Based Their Claims.....18

III. This Case Threatens Extraterritorial Regulation by Imposing Plaintiffs’
Policy Choices on Other States and on Commercial Transactions Occurring
Outside California20

 A. Plaintiffs’ desired remedies are a form of regulatory enforcement20

 B. Plaintiffs’ desired remedies are unconstitutional because of the
extraterritorial effect on wholly out-of-state commercial activity21

CONCLUSION.....24

ADDITIONAL COUNSEL25

TABLE OF AUTHORITIES

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564 U.S. 410 (2011).....8, 19

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1
2
3
4
5
6
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8
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10
11
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Change, <https://unfccc.int/process/conferences/what-are-united-nations-climate-change-conferences>.....15

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CASE NOS. C 17-06011 WHA, C 17-06012 WHA

INTEREST OF THE AMICI STATES

The justiciability of climate change lawsuits under federal common law is an issue of extraordinary importance to the Amici States. To permit federal adjudication of claims for abatement and fund remedies would disrupt carefully calibrated state regulatory schemes devised by politically accountable officials. Federal courts should not use public nuisance theories to confound state and federal political branches' legislative and administrative processes by establishing emissions policy (or, as is more likely, multiple conflicting emissions policies) on a piecemeal, ad hoc, case-by-case basis under the aegis of federal common law.

States have an especially strong interest in this case because the list of potential defendants is limitless. Plaintiffs' theory of liability involves nothing more specific than promoting the use of fossil fuels. As utility owners, power plant operators, and generally significant users of fossil fuels (through facilities, vehicle fleets and highway construction, among other functions), States and their political subdivisions themselves may be future defendants in similar actions.

SUMMARY OF THE ARGUMENT

In the name of the State of California, the cities of San Francisco and Oakland seek to harness the power and prestige of federal courts to remedy global climate change. They assert that five fossil fuel corporations, by producing such fuels and promoting their use, have broken the law—but not law enacted by a legislature, promulgated by a government agency, or negotiated by a President. Rather, the law Plaintiffs invoke is common law. They say that Defendants' production of fossil fuels and the subsequent use of those fuels by third parties sufficiently contributes to global warming as to constitute a "public nuisance" that the federal judiciary should enjoin.

But the questions of global climate change and its effects—and the proper balance of regulatory and commercial activity—are political questions not suited for resolution by any court. Indeed, such judicial resolution would trample Congress's carefully-calibrated process of cooperative federalism where States work in tandem with EPA to administer the federal Clean Air Act.

And even were that not so, the Supreme Court has already said that the Clean Air Act and related EPA regulations have displaced the federal common law on which Plaintiffs base their claim in this case: "We hold that the Clean Air Act and the EPA actions it authorizes displace any

1 federal common law right to seek abatement of carbon-dioxide emissions from fossil-fuel fired
 2 power plants.” *American Electric Power Co. v. Connecticut*, 564 U.S. 410, 424 (2011) (*AEP*).
 3 Plaintiffs seek to evade *AEP*’s mandate by framing the “nuisance” as “producing” and “promoting”
 4 the use of fossil fuels rather than “emitting carbon dioxide,” but this tactic serves only to show that
 5 their claim is too attenuated. ECF No. 168, First Amended Compl. at ¶¶ 10, 33, 117. Similarly,
 6 they request relief in the form of an “abatement fund remedy” rather than outright abatement, but
 7 the Ninth Circuit has already said that the remedy requested is irrelevant to the displacement issue.
 8 Ultimately, neither stratagem changes the essential nature of Plaintiffs’ claim or of the liability
 9 that they are asking the court to impose—liability that could serve as the predicate for myriad
 10 remedies in future cases or even in this one.

11 Finally, Plaintiffs’ claims, if successful, would have impermissible extraterritorial impact.
 12 Consider: Plaintiffs are asking the court to order Defendants to pay to build sea walls, raise the
 13 elevation of low-lying property and buildings, and construct other infrastructure projects necessary
 14 to combat the effects of global climate change for the major cities of Oakland and San Francisco.
 15 Such a remedy could cost several billion dollars and seriously impact Defendants’ ability to pro-
 16 vide energy to the rest of the country. In effect, Plaintiffs would be imposing limitations on com-
 17 merce that takes place wholly outside California’s borders. Such limitations violate the dormant
 18 Commerce Clause just as surely as any statutory enactment, and the court should not permit them.

19 ARGUMENT

20 I. Plaintiffs’ Claims Are Non-Justiciable

21 A. Plaintiffs’ claims raise political questions and must fail

22 Plaintiffs’ objections to fossil fuel use are based in public policy, not law, and are thus not
 23 appropriate for judicial resolution.

24 1. Longstanding Supreme Court precedent has established that a claim presents non-
 25 justiciable political questions if its adjudication would not be governed by “judicially discoverable
 26 and manageable standards” or would require “an initial policy determination of a kind clearly for
 27 non-judicial discretion.” *Baker v. Carr*, 369 U.S. 186, 217 (1962). The political question doctrine
 28 arises from the Constitution’s core structural values of judicial modesty and restraint. As early as

1 *Marbury v. Madison*, Chief Justice Marshall stated that “[q]uestions in their nature political, or
2 which are, by the constitution and laws, submitted to the executive, can never be made in this
3 court.” 5 U.S. (1 Cranch) 137, 170 (1803). These questions, Marshall wrote, “respect the nation,
4 not individual rights” *Id.* at 166. There, in the very case that establishes the power of judicial
5 review, the political question doctrine received its judicial imprimatur.

6 Earlier attempts to litigate climate change public nuisance lawsuits have run headlong into
7 the political question doctrine. Indeed, *this* Court previously dismissed two cases seeking relief
8 from industry for harms allegedly caused by global climate change. In one case, it dismissed an
9 Alaskan village’s claims seeking damages from dozens of energy companies for coastal erosion
10 allegedly caused by global warming, observing that “the allocation of fault—and cost—of global
11 warming is a matter appropriately left for determination by the executive or legislative branch.”
12 *Native Vill. of Kivalina v. ExxonMobil Corp.*, 663 F. Supp 2d 863, 877 (N.D. Cal. 2009), *aff’d*,
13 696 F.3d 849 (9th Cir. 2012). In another, it dismissed public nuisance claims against automakers,
14 recognizing “the complexity of the initial global warming policy determinations that must be made
15 by the elected branches prior to the proper adjudication of Plaintiff’s federal common law nuisance
16 claim[,]” and the “lack of judicially discoverable or manageable standards by which to properly
17 adjudicate Plaintiff’s federal common law global warming nuisance claim.” *See California v. Gen.*
18 *Motors Corp.*, No. C06-05755, 2007 WL 2726871 at *6, *16 (N.D. Cal. Sept. 17, 2007).

19 Similarly, a district court in Mississippi dismissed on political question grounds a lawsuit
20 by Gulf of Mexico residents against oil and gas companies for damages from Hurricane Katrina,
21 which plaintiffs alleged was strengthened by climate change. *Comer v. Murphy Oil I*, No. 05-436,
22 2007 WL 6942285 (S.D. Miss. Aug. 30, 2007) (unpublished ruling), *appeal dismissed*, 607 F.3d
23 1049 (5th Cir. 2010), *mandamus denied*, No. 10-294 (U.S. Jan. 10, 2011).

24 More broadly, several Circuits in addition to the Ninth Circuit and other federal courts have
25 recognized that political questions may arise in cases that are nominally tort claims. *See, e.g., Oc-*
26 *cidental of Umm al Qaywayn, Inc. v. A Certain Cargo of Petrol.*, 577 F.2d 1196, 1203 (5th Cir.
27 1978) (concluding tortious conversion claims were barred by the political question doctrine); *Car-*
28 *michael v. Kellogg, Brown & Root Servs., Inc.*, 572 F.3d 1271 (11th Cir. 2009) (finding tort claims

1 arising from automobile accident were barred by the political question doctrine); *Antolok v. United*
2 *States*, 873 F.2d 369, 383 (D.C. Cir. 1989) (noting that “[i]t is the political nature of the [issue],
3 not the tort nature of the individual claims, that bars our review and in which the Judiciary has no
4 expertise.”); *Chaser Shipping Corp. v. United States*, 649 F. Supp. 736, 738 (S.D.N.Y. 1986)
5 (“Even though awarding tort damages is a traditional function for the judiciary, it is apparent that
6 there is a clear lack of judicially discoverable and manageable standards for arriving at such an
7 award.”).

8 As the weight of authority demonstrates, Plaintiffs claims in this case may be styled as
9 torts, but they are in substance political, and thus nonjusticiable.

10 2. Plaintiffs’ claims plainly are not governed by “judicially discoverable and man-
11 ageable standards[.]” *Baker*, 369 U.S. at 217. They are instead governed by “policy determina-
12 tion[s] of a kind clearly for non-judicial discretion.” *Id.*; see also *Kivalina*, 663 F. Supp. 2d at 874–
13 77. There are no judicially enforceable common law “nuisance” standards to apply, or any practical
14 limitation on the judicial policymaking role as the court decides whether the prospect of global
15 climate change makes it “unreasonable” for energy companies to extract and produce fossil fuels.

16 To determine liability, the court would need to determine that plaintiffs have a “right” to
17 the climate—in all of its infinite variations—as it stood at some unspecified time in the past, then
18 find not only that this idealized climate has changed, but that Defendants caused that change
19 through “unreasonable” action that deprived Plaintiffs of their right to the idealized climate. And,
20 as a remedy, it would need to impose a regulatory scheme on fossil fuel emissions already sub-
21 jected to a comprehensive state-federal regulatory scheme by way of balancing the gravity of harm
22 alleged by the Plaintiffs against the utility of each Defendant’s conduct. Such decisions have no
23 principled or reasoned standards. Federal judges are not in a position to discern, as a matter of
24 common law, the proper regulatory balance.

25 There should be no doubt that adjudicating these claims would require a complex “initial
26 policy determination” that is more appropriately addressed by other branches of government.
27 *Baker*, 369 U.S. at 217. EPA reaffirmed this point long ago when it observed that “[t]he issue of
28

1 global climate change . . . has been discussed extensively during the last three Presidential cam-
2 paigns; it is the subject of debate and negotiation in several international bodies; and numerous
3 bills have been introduced in Congress over the last 15 years to address the issue.” *Control of*
4 *Emissions from New Highway Vehicles and Engines*, Notice of Denial of Pet. for Rulemaking, 68
5 Fed. Reg. 52922, 52928 (Sept. 8, 2003). Furthermore, EPA observed, “[u]navoidably, climate
6 change raises important foreign policy issues, and it is the President's prerogative to address
7 them.” *Id.* at 52931. For these reasons, “[v]irtually every sector of the U.S. economy is either
8 directly or indirectly a source of [greenhouse gas] emissions, and the countries of the world are
9 involved in scientific, technical, and political-level discussions about climate change.” *Id.* at
10 52928.

11 Federal courts should not set nationwide energy and environmental policy—or, more
12 likely, competing policies—on an *ad hoc*, case-by-case basis under the aegis of federal common
13 law. They face immutable practical limits in terms of gathering information about complex public
14 policy issues and predicting long-term consequences that might flow from judicial decisions. And
15 critically, federal courts lack political accountability for decisions based on something other than
16 neutral principles.

17 **B. Plaintiffs’ claims jeopardize our national system of cooperative federalism**

18 Plaintiffs’ desired remedies are nothing more than a form of regulatory enforcement and
19 creation of policy through the use of judicial remedies. Plaintiffs seek to inject their political and
20 policy opinions into the national regulatory scheme of energy production, promotion, and use. Yet
21 *all* States play a critical regulatory role within their borders, and Congress has leveraged and aug-
22 mented that authority by way of the Clean Air Act, a cooperative federalist program designed to
23 permit each State to achieve its optimal balance of regulation and commercial activity. Cooperative
24 federalism in the environmental and energy production policy arena underscores the political na-
25 ture of this case.

26 1. Cooperative federalism—where the federal government creates federal standards
27 and leaves the implementation to the States—allows states significant discretion and power and,
28 as a consequence, encourages multiple levels of political debate and negotiation. *See* Phillip

1 Weiser, *Towards a Constitutional Architecture for Cooperative Federalism*, 79 N.C. L. Rev. 663,
2 668–70, 671–73 (2001). It proves to be especially beneficial in areas of regulation where eco-
3 nomic trade-offs and regional variation are important, such as the balance between energy produc-
4 tion and environmental law. *See generally, e.g.*, Holly Doremus & W. Michael Hanemann, *Of*
5 *Babies and Bathwater: Why the Clean Air Act’s Cooperative Federalism Framework is Useful for*
6 *Addressing Global Warming*, 50 Ariz. L. Rev. 799 (2008).

7 As underscored by the Supreme Court’s decision in *AEP*, the Clean Air Act, 42 U.S.C.
8 § 7401 *et seq.*, serves as the most significant political instrument to address the consequences of
9 air emissions and is a prime example of cooperative federalism in action. While the Clean Air Act
10 requires the EPA to establish national health-based air quality standards to protect against common
11 environmental pollutants, it also assigns States a significant role in enforcing these standards. It
12 thereby illustrates the inherently political undertaking regulation of environmental standards
13 weighed against energy production and emission-producing activities.

14 For example, States adopt their own State Implementation Plans (SIPs) for compliance
15 with National Ambient Air Quality Standards within three years of EPA promulgation. *See* 42
16 U.S.C. § 7410(a). While such plans must meet basic requirements and are subject to EPA approval
17 or disapproval, they must be adopted through a process involving public input, ensuring that the
18 plans are adapted to the particular circumstances of each state. *Id.* States are free to choose how
19 best to meet federal requirements within their borders and are expressly allowed to have more
20 stringent requirements than the basic federal mandate. *See id.* § 7416. As a consequence, no two
21 SIPs are identical. And even the EPA SIP approval process is subject to public notice and com-
22 ment, which permits a wide range of participation by the public and helps ensure that EPA and the
23 States make reasonable trade-offs in the course of implementing the Clean Air Act.

24 2. The political negotiations and compromises necessary for accountable regulatory
25 action extend beyond the Clean Air Act to regional compacts, where groups of states, with the
26 blessing of Congress, can add yet more greenhouse gas limits. These compacts differ greatly as
27 they address a wide spectrum of issues related to global climate change. Some target emissions,
28 and in so doing vary in reduction targets. Whereas the Regional Greenhouse Gas Initiative aims

1 to reduce CO2 emissions from 2009 levels by 10% by the year 2018, the Midwestern Greenhouse
2 Gas Reduction Accord seeks to reduce emissions by 20% from 2005 levels by the year 2020.
3 *Compare Regional Greenhouse Gas Initiative auction prices are the lowest since 2014*, TODAY
4 IN ENERGY, U.S. Energy Info. Admin. (May 31, 2017), [https://www.eia.gov/todayinenergy/de-](https://www.eia.gov/todayinenergy/detail.php?id=31432)
5 [tail.php?id=31432](https://www.eia.gov/todayinenergy/detail.php?id=31432) with Org. for Econ. Co-Operation & Dev., 2010/15 *OECD Economic Surveys:*
6 *United States* 129 (Sept. 2010). Another compact, the Western Climate Initiative, has targeted a
7 15% reduction from 2005 levels by the year 2020. David G. Tuerck *et al.*, *The Economic Analysis*
8 *of the Western Climate Initiative's Regional Cap-and-Trade Program* 1 (Mar. 2009),
9 <https://www.washingtonpolicy.org/library/docLib/westernclimateinitiative.pdf>.

10 These programs share a “cap and trade” methodology, combined with technology invest-
11 ments and offsets, in order to allow regional economic growth while pursuing environmental goals.
12 Despite this similarity, each differs in its particular implementation based on the aggregate condi-
13 tions—both economic and ecologic—of the region. What is more, while some place mandatory
14 requirements on their member states, others urge voluntary compliance. *Compare Regional Green-*
15 *house Gas Initiative auction prices are the lowest since 2014*, TODAY IN ENERGY, U.S. Energy
16 Info. Admin. (May 31, 2017), <https://www.eia.gov/todayinenergy/detail.php?id=31432> (describ-
17 ing RGGI as “the nation’s first mandatory cap-and-trade program for greenhouse gas emissions”),
18 with David R. Wooley & Elizabeth M. Morss, § 10:30. *Regional greenhouse gas reduction initia-*
19 *tives*, Clean Air Act Handbook (2017) (noting that “an advisory panel [of the Midwestern Regional
20 Greenhouse Gas Reduction Accord] released its final recommendations for a regional GHG cap-
21 and-trade program” but “the governors of the states who signed the Accord never adopted the rec-
22 ommendations of the advisory panel[.]”). These compacts—each the result of yet more politics—
23 further demonstrate the unsuitability of a one-size-fits-all environmental and energy production
24 regulatory regime as a matter of judicial review.

25 This is not to say that such policies are implemented solely on federal and regional levels.
26 At least 21 States have designed individual regulations addressing those sources of greenhouse
27 gases of greatest local concern, in a way consistent with their local priorities. See Pew Center on
28 Global Climate Change, <https://www.c2es.org/content/state-climate-policy/> (providing a dynamic

1 maps of state and regional activities in the United States). California has its own cap and trade
2 program, requires power companies to source 33% of their electricity from renewable sources, and
3 requires greenhouse gas emission reporting, among other regulations. *See Climate Change Pro-*
4 *grams*, California Air Res. Bd., <http://www.arb.ca.gov/cc/cc.htm>. In contrast, Nebraska invests in
5 research on the effectiveness of using agricultural land for carbon sequestration. *See, e.g.*, Uni-
6 versity of Nebraska Carbon Sequestration Program, <http://csp.unl.edu/public/>. Virginia has com-
7 mitted to a 30% reduction in greenhouse gas emissions from 2007 levels by 2025, driven by energy
8 conservation and renewable energy usage. Mike Porter, *Governor Unveils New Virginia Energy*
9 *Plan during VCU Visit*, VCU NEWS, Sept. 13, 2007, [https://news.vcu.edu/article/Governor_un-](https://news.vcu.edu/article/Governor_unveils_new_Virginia_Energy_Plan_during_VCU_visit)
10 [veils_new_Virginia_Energy_Plan_during_VCU_visit](https://news.vcu.edu/article/Governor_unveils_new_Virginia_Energy_Plan_during_VCU_visit). Each State's decision implicitly reflects a
11 balancing of the costs of climate change regulation weighed against the benefits likely to accrue
12 from the regulation.

13 Thus, through the cooperative federalism model, States use their political bodies to secure
14 environmental benefits for their citizens without sacrificing their livelihoods, and each does so in
15 a different fashion—a natural result of the social, political, environmental, and economic diversity
16 that exists among States. A plan to modify greenhouse gas emissions that is acceptable to Cali-
17 fornia or Vermont may be unacceptable to Indiana, Georgia, or Texas, for example.

18 3. If these multi-level approaches are not enough to demonstrate the political nature
19 of the claim Plaintiffs have brought to federal court, the very description of the problem this case
20 seeks to address surely resolves any remaining doubt. Plaintiffs are worried not about *national*
21 climate change, but about *global* climate change. And, indeed, the global nature of concerns over
22 anthropogenic climate change has spawned a variety of treaties and other international initiatives
23 aimed at addressing air emissions. This activity has been multifaceted, balancing a variety of eco-
24 nomic, social, geographic, and political factors and emphasizing multiparty action rather than ar-
25 bitrarily focusing on a single entity or small group of entities.

26 The United Nations has responded to concerns about the possibility of climate change by
27 creating the United Nations Framework Convention on Climate Change (UNFCCC). This treaty
28 has been joined by 196 nations and 1 regional development group. *See Status of Ratification of*

1 *the Convention*, U.N. Climate Change, <https://unfccc.int/process/the-convention/what-is-the-con->
2 [vention/status-of-ratification-of-the-convention](https://unfccc.int/process/the-convention/what-is-the-convention/status-of-ratification-of-the-convention) (providing link to listing of 197 signatories to the
3 UNFCCC). The UNFCCC is mostly aspirational, with provisions suggesting that parties “should”
4 attempt to “anticipate, prevent, or mitigate” climate change. *See generally* U.N. Framework Con-
5 vention on Climate Change, May 9, 1992, 1771 U.N.T.S. 107; S. Treaty Doc No. 102-38 (entered
6 into force March 21, 1994). A number of provisions also focus on technology transfers from
7 developed to developing nations and economic sustainability of environmental policies. *See id.*
8 Countries retain discretion to set their individual policies in pursuit of these goals on the basis of
9 the specific conditions of each party. *See id.* art. 3, ¶3.

10 These commitments implicate delicate matters of national and international policy, includ-
11 ing the relationships between “developing nations” and “developed nations;” the transfer of tech-
12 nology and skills between nations; education; methods of containing climate change; and the time-
13 tables involved in doing so. *See id.* art. 4. Because of the complex nature of these commitments,
14 the member countries of the UNFCCC and its different committees have met regularly since 1996
15 to discuss implementation. *See What are United Nations Climate Change Conferences?*, United
16 Nations Climate Change, <https://unfccc.int/process/conferences/what-are-united-nations-climate->
17 [change-conferences](https://unfccc.int/process/conferences/what-are-united-nations-climate-change-conferences). At these meetings, the nations involved discuss implementation of the aspi-
18 rational commitments contained within the UNFCCC and recent scientific developments. *See*
19 *generally id.*

20 These meetings have spawned numerous ancillary agreements, including the Kyoto Proto-
21 col to the UNFCCC, 37 I.L.M. 22 (1998), Dec. 10, 1997; the Marrakesh Accords of 2005, UN-
22 FCCC, October 29–November 10, Decision 11/CP.7, 7th sess. (2001); the Copenhagen Accord,
23 UNFCCC, December 7–19, Decision 2/CP.15, 15th sess. (2010), and the Paris Agreement, UN-
24 FCCC, November 30–December 13, Decision 1/CP.21, 21st sess. (2016). These agreements, un-
25 like the UNFCCC, typically require binding commitments from members. *See, e.g., What is the*
26 *Kyoto Protocol*, U.N. Climate Change, <https://unfccc.int/process/the-kyoto-protocol/what-is-the->
27 [kyoto-protocol](https://unfccc.int/process/the-kyoto-protocol/what-is-the-kyoto-protocol) (stating the Kyoto Protocol “commits its Parties by setting internationally binding
28 emission reduction targets”).

1 Notably, President Clinton signed the Kyoto Protocol, which required reductions of “de-
2 veloped nations” but not “developing nations,” but the United States did not ratify the treaty. *See*
3 *Status of Ratification of the Kyoto Protocol*, U.N. Climate Change, [https://unfccc.int/process/the-](https://unfccc.int/process/the-kyoto-protocol/status-of-ratification)
4 [kyoto-protocol/status-of-ratification](https://unfccc.int/process/the-kyoto-protocol/status-of-ratification). Explaining the United States’ decision not to ratify the Pro-
5 tocol, President Bush noted that it exempted from its limitations 80% of the world, including India
6 and China, and that he believed it would harm the United States’ economy. *See, e.g.,* Michael
7 Weisslitz, *Rethinking the Equitable Principle of Common but Differentiated Responsibility: Dif-*
8 *ferential Versus Absolute Norms of Compliance and Contribution in the Global Climate Change*
9 *Context*, 13 *Colo. J. Int’l Envtl. L. & Pol’y* 473, 507–08 (2002).

10 In contrast, President Obama placed the United States at the forefront of the negotiation of
11 the Copenhagen Accord in 2009, with the hope that this new agreement would ameliorate the flaws
12 of the Kyoto Protocol. *See, e.g.,* Elisabeth Rosenthal, *Obama’s Backing Raises Hopes for Climate*
13 *Pact*, *N.Y. Times* (Mar. 1, 2009), [https://www.nytimes.com/2009/03/01/science/earth/01treaty.](https://www.nytimes.com/2009/03/01/science/earth/01treaty.html)
14 [html](https://www.nytimes.com/2009/03/01/science/earth/01treaty.html). The United States has since agreed to be bound by it. *See Information Provided by Parties*
15 *to the Convention Relating to the Copenhagen Accord*, U.N. Climate Change, [https://un-](https://unfccc.int/process/conferences/pastconferences/copenhagen-climate-change-conference-december-2009/statements-and-resources/information-provided-by-parties-to-the-convention-relating-to-the-copenhagen-accord)
16 [fccc.int/process/conferences/pastconferences/copenhagen-climate-change-conference-december-](https://unfccc.int/process/conferences/pastconferences/copenhagen-climate-change-conference-december-2009/statements-and-resources/information-provided-by-parties-to-the-convention-relating-to-the-copenhagen-accord)
17 [2009/statements-and-resources/information-provided-by-parties-to-the-convention-relating-to-](https://unfccc.int/process/conferences/pastconferences/copenhagen-climate-change-conference-december-2009/statements-and-resources/information-provided-by-parties-to-the-convention-relating-to-the-copenhagen-accord)
18 [the-copenhagen-accord](https://unfccc.int/process/conferences/pastconferences/copenhagen-climate-change-conference-december-2009/statements-and-resources/information-provided-by-parties-to-the-convention-relating-to-the-copenhagen-accord).

19 More recently, the United States entered into the Paris Agreement, which went in to force
20 on November 4, 2016. *See Paris Agreement – Status of Ratification*, U. N. Climate Change,
21 <https://unfccc.int/process/the-paris-agreement/status-of-ratification>. The Paris Agreement’s cen-
22 tral aim is address climate change by limiting global temperature increase to well below 2 degrees
23 Celsius, and also pursuing efforts to further limit the increase to 1.5 degrees. Paris Agreement, art.
24 2, (Dec. 12, 2015), [https://unfccc.int/files/essential_](https://unfccc.int/files/essential_background/convention/application/pdf/english_paris_agreement.pdf)
25 [background/convention/application/pdf/eng-](https://unfccc.int/files/essential_background/convention/application/pdf/english_paris_agreement.pdf)
26 [lish_paris_agreement.pdf](https://unfccc.int/files/essential_background/convention/application/pdf/english_paris_agreement.pdf). Parties to the Paris Agreement are also required to work to reduce its
27 emissions by adopting a Nationally Determined Contributions (NDCs) including requirements that
28 all Parties report their emissions and efforts to reduce such emissions. *Id.* at art. 3. On March 31,
2015, the United States filed its Intended Nationally Determined Contribution (INDC), which

1 serves as a formal statement of the United States that it would work to reduce emissions by 26–
2 28% below 2005 levels by 2025, and to make best efforts to reduce by 28%. *See* FACT SHEET:
3 *U.S. Reports its 2025 Emissions Target to the UNFCCC* (Mar. 31, 2015),
4 [https://obamawhitehouse.archives.gov/the-press-office/2015/03/31/fact-sheet-us-reports-its-](https://obamawhitehouse.archives.gov/the-press-office/2015/03/31/fact-sheet-us-reports-its-2025-emissions-target-unfccc)
5 [2025-emissions-target-unfccc](https://obamawhitehouse.archives.gov/the-press-office/2015/03/31/fact-sheet-us-reports-its-2025-emissions-target-unfccc). Yet, with the change in administrations, President Trump an-
6 nounced he would withdraw the United States from the Paris Climate Change Agreement on June
7 1, 2017. *See President Trump Announces U.S. Withdrawal from the Paris Climate Accord* (June
8 1, 2017), [https://www.whitehouse.gov/articles/president-trump-announces-u-s-withdrawal-paris-](https://www.whitehouse.gov/articles/president-trump-announces-u-s-withdrawal-paris-climate-accord/)
9 [climate-accord/](https://www.whitehouse.gov/articles/president-trump-announces-u-s-withdrawal-paris-climate-accord/).

10 The past two decades have thus seen four Presidencies with widely divergent views of what
11 the United States’ foreign policy on climate change and greenhouse gas emissions should be.
12 These shifts in direction further demonstrate the political nature of environmental and fossil fuel
13 regulation and reaffirm the need for such decisions to be the subject of political debate and ac-
14 countability.

15 4. Focusing on energy production rather than emissions does not make this case any
16 less inherently political. If anything, it underscores the political nature of the global climate change
17 problem by casting a spotlight on yet more political choices that bear on the issue.

18 In some instances States themselves promote the very energy production and marketing
19 targeted in this case. For example, the California State Oil and Gas Supervisor is charged with
20 “encourag[ing] the wise development of oil and gas resources” and “permit[ing] the owners or
21 operators of the wells to utilize all methods and practices known to the oil industry for the purpose
22 of increasing the ultimate recovery of underground hydrocarbons[.]” Cal. Pub. Res. Code §§ 3004,
23 3106(b), (d). Similarly, Texas permits the “land subject to its control surveyed or subdivided into
24 tracts, lots, or blocks which will, in its judgment, be most conducive and convenient to facilitate
25 the advantageous sale of oil, gas, or mineral leases[.]” Tex. Nat. Res. Code § 34.052, and allows
26 the issuance of “a permit for geological, geophysical, and other surveys and investigations on land
27 . . . that will encourage the development of the land for oil, gas, or other minerals.” *Id.* § 34.055.
28 More specifically addressing the extraction of such fossil fuels, the Texas legislature found that

1 “the extraction of minerals by surface mining operations is a basic and essential activity making
 2 an important contribution to the economic well-being of the state and nation[.]” *Id.* § 131.002(1).
 3 And the federal government is no different; numerous federal statutes expressly state the govern-
 4 ment’s intention “to promote the efficient exploration, production, storage, supply, marketing,
 5 pricing, and regulation of energy resources, including fossil fuels” Consolidated Appropria-
 6 tions Act, 2016, *codified at* 42 U.S.C. § 6212a(b); *see also* Energy Policy Act of 2005, *codified at*
 7 42 U.S.C. § 15910(2)(B) (“The purpose of this section is . . . to promote oil and natural gas pro-
 8 duction . . .”).

9 Such promotion not only demonstrates the inherently political nature of this issue, but also
 10 suggests that States and the federal government themselves could be subject to liability if Plain-
 11 tiffs’ claims are permitted to proceed. Indeed, in view not only of Plaintiffs’ expansive theories of
 12 liability, but also their presumption of suing as relators on behalf of the State, this case might as
 13 well be styled *California v. California*.

14 ***

15 To weigh environmental policy against promotion of energy production in the context of a
 16 public nuisance lawsuit would render pointless the process of interpreting and applying the politi-
 17 cal resolution of such policy disputes. A judicial determination inserting the common law of public
 18 nuisance into the state, regional, national, and international debates on energy production and en-
 19 vironmental policy would be governmentally untenable. It would render the results of political
 20 debate up to this point moot and irrevocably define the terms of future debate.

21 **II. Federal Statutes Have Displaced the Federal Common Law on Which Plaintiffs Have**
 22 **Based Their Claims**

23 In the alternative, should the Court believe Plaintiffs’ claims are justiciable, Plaintiffs still
 24 cannot prevail, because federal statutes have displaced the common law upon which they rely in
 25 this case. The Supreme Court held more than seven years ago in *AEP* that Congress, by “dele-
 26 gat[ing] to EPA the decision whether and how to regulate carbon-dioxide emissions,” had “dis-
 27 place[d] federal common law.” 564 U.S. at 426. There is no relief available for Plaintiffs’ common
 28 law tort claims because—like those in *AEP*—their theory relies on an alleged harm based on global

1 climate change. It does not matter that Plaintiffs here focus on production and promotion rather
2 than emissions; ultimately the alleged harm still arises from emissions, which is exactly what Court
3 deemed off limits to public nuisance claims in *AEP*.

4 Plaintiffs claim that they are “not seek[ing] to impose liability on Defendants for their di-
5 rect emissions of greenhouse gases and do not seek to restrain Defendants from engaging in their
6 business operations.” ECF No. 168, First Amended Compl. at ¶ 11. Yet in the very same breath,
7 they request “an order requiring Defendants to abate the global warming-induced sea level rise”
8 which Plaintiffs attribute directly to carbon dioxide emissions: “[p]ervasive fossil fuel combustion
9 and greenhouse gas emissions to date will cause ongoing and future harms regardless of future
10 fossil fuel combustion or future greenhouse gas emissions.” ECF No. 168, First Amended Compl.
11 at ¶ 57. They also allege that “[e]ach Defendant . . . continues to be aware, that the inevitable
12 emissions of greenhouse gases from the fossil fuels it produces combines with the greenhouse gas
13 emissions from fossil fuels . . . to result in dangerous levels of global warming with grave harms
14 for coastal cities like San Francisco.” ECF No. 168, First Amended Compl. at ¶ 58. In short, Plain-
15 tiffs allege the harm is global climate change, which in their view is caused by carbon dioxide
16 *emissions*.

17 The *AEP* Court rejected the same theory of liability on grounds of displacement, and to
18 conclude otherwise here would suggest that the transaction of a legally permissible commodity
19 can be a public nuisance without any causal connection to any supposed harm to the Plaintiffs or
20 public. The Ninth Circuit rejected similar arguments in *Kivalina* when it concluded that allegations
21 that energy companies “conspir[ed] to mislead the public about the science of global warming”
22 could only be successful if the underlying theory of injury based on emissions was successful. 696
23 F.3d at 854, 858.

24 Moreover, as the Defendants thoroughly address, *see* Defendants’ Motion to Dismiss, even
25 if this Court considers the case exclusively about fossil fuel production and promotion rather than
26 emissions, then *other* federal statutes still displace Plaintiffs’ federal common law claims. Con-
27 gressional enactments such as the Energy Policy and Conservation Act of 1992 (“EPCA”), *codified*
28 *at* 42 U.S.C. § 13401; the Energy Policy Act of 2005 *codified at* 42 U.S.C. § 15910(2)(B), the

1 Mining and Minerals Policy Act, *codified at* 30 U.S.C. § 21a; the Coastal Zone Management Act,
 2 *codified at* 16 U.S.C. § 1451(j), and the Federal Lands Policy Management Act, *codified at* 43
 3 U.S.C. 1701(a)(12), all speak “directly” to the reasonableness of the Defendants’ conduct in pro-
 4 ducing and promoting such materials. EPCA, for example, provides that “[i]t is the goal of the
 5 United States in carrying out energy supply and energy conservation research and development
 6 . . . to strengthen national energy security by reducing dependence on imported oil.” 42 U.S.C.
 7 § 13401.

8 As a result, there is no relief available for Plaintiffs’ common law tort claims here be-
 9 cause—whether Plaintiffs’ claims fall directly under *AEP* and *Kivalina* or not—such claims are
 10 displaced by federal statutes.

11 **III. This Case Threatens Extraterritorial Regulation by Imposing Plaintiffs’ Policy Choices**
 12 **on Other States and on Commercial Transactions Occurring Outside California**

13 **A. Plaintiffs’ desired remedies are a form of regulatory enforcement**

14 Plaintiffs seek “an order of abatement requiring Defendants to fund a climate change ad-
 15 aptation program for San Francisco consisting of the building of sea walls, raising the elevation of
 16 low-lying property and buildings and building such other infrastructure as is necessary for San
 17 Francisco to adapt to climate change.” ECF No. 168, First Amended Compl. at ¶ 148. Imposing
 18 such financial consequences on business activity contravenes Congress’s exclusive power to reg-
 19 ulate interstate and foreign commerce. *La. Pub. Serv. Comm’n v. Tex. & N.O.R. Co.*, 284 U.S. 125,
 20 130 (1931). One state should not (even through relators) have the power to seek a judicial remedy
 21 as means of implementing a national regulatory regime for environmental and energy production
 22 policy. Such a scheme is contrary to fundamental notions of horizontal federalism.

23 California cannot evade the application of the Commerce Clause by using common law
 24 rather than state statutory law to regulate commerce occurring outside its borders. The constitu-
 25 tional restrictions on California’s ability to regulate out-of-state commerce “reflect the Constitu-
 26 tion’s special concern both with the maintenance of a national economic union unfettered by state-
 27 imposed limitations on interstate commerce and with the autonomy of the individual States within
 28

1 their respective spheres.” *Healy v. Beer Inst., Inc.*, 491 U.S. 324, 335–36 (1989). California’s at-
 2 tempt to restrict and punish out-of-state production of fossil fuels by suing producers with a *com-*
 3 *mon law* cause of action implicates these constitutional concerns the same way a suit based on a
 4 state *statutory* cause of action would: as explained above, California is asking this Court to inter-
 5 pret its common law of public nuisance to impose limitations on out-of-state commerce that would
 6 interfere with other States’ regulatory choices—as well as the federal government’s own regula-
 7 tory choices.

8 For these reasons, the Supreme Court has repeatedly recognized that the constitutional
 9 principles sharply limiting States’ ability to regulate extraterritorially apply to common law torts
 10 just as they apply to States’ statutes.¹ It noted in *Healy* that “[t]he limits on a State’s power to enact
 11 substantive legislation *are similar to the limits on the jurisdiction of state courts. In either case,*
 12 ‘any attempt “directly” to assert extraterritorial jurisdiction over persons or property would offend
 13 sister States and exceed the inherent limits of the State’s power.’” *Id.* at n.13 (emphasis added)
 14 (quoting *Edgar v. MITE Corp.*, 457 U.S. 624, 643 (1982) (plurality opinion)). And in *BMW of*
 15 *North America, Inc. v. Gore*, it held that “a State may not impose economic sanctions on violators
 16 of its laws with the intent of changing the tortfeasors’ lawful conduct in other States,” observing
 17 that “[s]tate power may be exercised as much by a jury’s application of a state rule of law in a civil
 18 lawsuit as by a statute.” 517 U.S. 559, 572 & n.17 (1996). The rationale of the Supreme Court’s
 19 Dormant Commerce Clause doctrine and the language of its cases thus rule out any special exemp-
 20 tion for extraterritorial applications of common law.

21 **B. Plaintiffs’ desired remedies are unconstitutional because of the extraterritorial effect**
 22 **on wholly out-of-state commercial activity**

23 Plaintiffs seek to impose financial consequences against oil companies to regulate produc-
 24 tion and promotion of fossil fuel that it deems a “public nuisance” to California. ECF No. 168,

25 ¹ While this Court previously held that dormant Commerce Clause doctrine does not apply to state
 26 common law claims, *see Crowley v. CyberSource Corp.*, 166 F. Supp. 2d 1263, 1272 (N.D. Cal.
 27 2001), that opinion is neither binding on this court nor does it prove particularly instructive here
 28 given that it did not analyze the foundational principles of extraterritoriality and the Supreme
 Courts precedent surrounding such principles.

1 First Amended Compl. at ¶ 10. At the most basic level, such remedies represent an effort by one
2 state to occupy the field of environmental and energy production regulation across the nation, and
3 to do so by superseding sound, reasonable, and longstanding standards adopted by other states in
4 a system of cooperative federalism and by the federal government. Indeed, even if the Plaintiffs’
5 desired remedies do not directly conflict with other states’ existing laws and regulatory framework,
6 it nonetheless would “arbitrarily . . . exalt the public policy of one state over that of another” in
7 violation of the Commerce Clause. *Midwest Title Loans, Inc. v. Mills*, 593 F.3d 660, 667–68 (7th
8 Cir. 2010).

9 For an example, in *North Dakota v. Heydinger*, the court invalidated state regulations pro-
10 hibiting the supply of electricity that had been generated by a “new large energy facility.” 825
11 F.3d 912, 922 (8th Cir. 2016). Not only was the practical effect “to control activities taking place
12 wholly outside Minnesota,” *id.*, but those activities had no impact on the quality of electricity being
13 supplied. In light of Minnesota’s desire to phase out coal-fired power plants everywhere, what
14 triggered the trade barrier were production conditions bearing on the world at large—*i.e.*, produc-
15 tion in a *new* coal-fired power plant—not conditions bearing only on the safety of Minnesota citi-
16 zens.

17 Accordingly, in determining whether a state regulation constitutes forbidden extraterrito-
18 rial law is a function not merely of facial application, but of “practical effect[.]” including “the
19 consequences of the statute itself” *Healy v. Beer Inst., Inc.*, 491 U.S. 324, 336 (1989). Here,
20 Plaintiffs’ desired remedies exemplify “state-imposed limitations on interstate commerce and with-
21 the autonomy of the individual States within their respective spheres.” *Id.* at 335–36. There is no
22 doubt that, by attacking fossil fuel production and commerce (rather than emissions), Plaintiffs’
23 desired remedies would have an effect on commerce occurring wholly outside of California’s bor-
24 der, similar to the Minnesota regulation invalidated in *Heydinger*. Indeed, Plaintiffs’ own com-
25 plaint alleges that “Defendants are the five largest investor-owned fossil fuel corporations *in the*
26 *world* as measured by their historic production of fossil fuels.” Amended Complaint at 2. And the
27 Complaint goes on to assert that “Defendants continue to engage in massive fossil fuel production
28 and execute long-term business plans to continue and even expand their fossil fuel production for

1 decades into the future.” ECF No. 168, First Amended Compl. at ¶ 2. These allegations emphasize
2 the impact such energy production has on our national and state economies. They also illustrate
3 the extraterritorial significance and impact of regulating such an industry through judicial common
4 law remedies.

5 By asking a single federal judge to impose energy production penalties on defendant com-
6 panies, each of which is presumably compliant with the regulations of each state in which it oper-
7 ates, Plaintiffs are attempting to export their preferred environmental policies and their correspond-
8 ing economic effects to other states. Allowing them to do so would be detrimental to state inno-
9 vation and regional approaches that have prevailed through the political branches of government
10 to date. California’s attempt to regulate out-of-state production of fossil fuels and by suing pro-
11 ducers with *common law* cause of action implicates the constitutional doctrine against extraterri-
12 torial regulation. This is yet another reason to reject Plaintiffs’ novel theory of liability.

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CONCLUSION

The amici States respectfully urge the Court to grant the Motion to Dismiss.

Respectfully Submitted,

Dated: April 19, 2018

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