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15 **UNITED STATES DISTRICT COURT**
16 **CENTRAL DISTRICT OF CALIFORNIA**

18 GREY FOX, LLC, et al.

19 Plaintiffs,

20 v.

21 PLAINS ALL AMERICAN
22 PIPELINE, L.P., et al.,

23 Defendants.
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Case No. 2:16-cv-03157-PSG-JEM

**ORDER GRANTING PLAINTIFFS’
MOTION FOR APPROVAL OF
PLAN OF ALLOCATION**

Date: September 13, 2024

Time: 1:30 p.m.

Judge: Hon. Philip S. Gutierrez

Courtroom: 6A

1 Plaintiffs have moved for an order approving the Plan of Allocation. Dkt.
2 #370. Upon due consideration of the motion and all of the papers, pleadings and
3 files in this action, and good cause appearing, the Court **GRANTS** the motion.

4 As part of its review of a proposed settlement, the trial court should consider
5 “the effectiveness of any proposed method of distributing relief to the class,
6 including the method of processing class-member claims.” Fed. R. Civ. P.
7 23(e)(2)(C)(ii). “A claims processing method should deter or defeat unjustified
8 claims, but the court should be alert to whether the claims process is unduly
9 demanding.” Fed. R. Civ. P. 23(e), 2018 adv. comm. note. Likewise, Rule
10 23(e)(2)(D) asks whether “the proposal [for distribution among class members]
11 treats class members equitably relative to each other.” Relevant considerations may
12 include “whether the apportionment of relief among class members takes
13 appropriate account of differences among their claims, and whether the scope of the
14 release may affect class members in different ways that bear on the apportionment
15 of relief.” Fed. R. Civ. P. 23(e)(2), 2018 adv. comm. note.

16 Fundamentally, “[a]ssessment of a plan of allocation of settlement proceeds
17 in a class action under Fed. R. Civ. P. 23 is governed by the same standards of
18 review applicable to the settlement as a whole – the plan must be fair, reasonable,
19 and adequate.” *In re Illumina, Inc. Sec. Litig.*, No. 3:16-CV-3044-L-MSB, 2021
20 WL 1017295, at *4 (S.D. Cal. Mar. 17, 2021) (*citing Class Pls. v. City of Seattle*,
21 955 F.2d 1268, 1284–85 (9th Cir. 1992)). The plan “need only have a reasonable,
22 rational basis, particularly if recommended by experienced and competent class
23 counsel.” *Jenson v. First Tr. Corp.*, No. CV 05-3124 ABC (CTx), 2008 WL
24 11338161, *9 (C.D. Cal. June 9, 2008) (citation omitted).

25 The Court has reviewed the Plan of Allocation and finds that it meets the
26 standards for approval. First, the Plan pays Class Members directly, obviating the
27 need for a claims process altogether. “[T]he goal of any distribution method is to
28 get as much of the available damages remedy to class members as possible and in

1 as simple and expedient a manner as possible.” *See Hilsley v. Ocean Spray*
2 *Cranberries, Inc.*, 2020 WL 520616, at *7 (S.D. Cal. Jan. 31, 2020) (quoting 4
3 William B. Rubenstein, *Newberg on Class Actions* § 13:53 (5th ed. Dec. 2021
4 update)). The proposed distribution plan is simple and expedient. This strongly
5 supports approval.

6 The Court also finds that the Plan treats Class Members equitably and is fair,
7 reasonable, and adequate. The Plan provides every Class Member with a uniform
8 base payment of \$50,000 and compensates Class Members additionally based on
9 reasonable, equitable, and objective criteria: the repair work on each Class Property
10 (if any); the value of the Class Properties’ easement and severance damages
11 pursuant to expert proof; and the presence, if any, of automatic termination clauses
12 in the easements.

13 Distribution methods such as these are regularly approved as fair and
14 reasonable. *Koenig v. Lime Crime, Inc.*, No. CV 16-503 PSG (JEMx), 2018 WL
15 11358228, at *4 (C.D. Cal. Apr. 2, 2018) (approving payment of equal shares for
16 portion of settlement); *In re High-Tech Emp. Antitrust Litig.*, 2015 WL 5159441, at
17 *8 (N.D. Cal. Sept. 2, 2015) (approving payment based on “fractional share[s]”);
18 *Jenson, v. First Tr. Corp.*, 2008 WL 11338161, at *10 (approving distinctions in
19 plan of allocation as reasonably reflecting likelihood of recovery of subgroups
20 within the class); *In re Biolase, Inc. Sec. Litig.*, No. SA-CV-13-1300 JLS (FFMx),
21 2015 WL 12720318, at *5 (C.D. Cal. Oct. 13, 2015) (variable pro rata distribution
22 plan based upon relative injuries of class members approved). Accordingly, this
23 strongly supports approval.

24 Finally, no Class members objected to the Plan of Allocation. This response
25 speaks to the Class members’ support for the Plan of Allocation. *See In re Heritage*
26 *Bond Litig.*, No. 02-ML-1475 DT, 2005 WL 1594403, at *12 (C.D. Cal. June 10,
27 2005); *see also In re Volkswagen “Clean Diesel” Mktg., Sales Pracs., & Prod.*
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1 *Liab. Litig.*, No. MDL 2672 CRB (JSC), 2019 WL 2077847, at *3 (N.D. Cal. May
2 10, 2019).

3 Accordingly, the Court finds that the Plan is fair and reasonable and meet the
4 standard for approval under Rule 23(e). Plaintiffs' motion is **GRANTED**.

5 Without affecting the finality of this Order, the Court reserves jurisdiction
6 over the Plan of Allocation and any other matters related or ancillary to the
7 foregoing.

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9 **IT IS SO ORDERED.**

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11 Dated: September 17, 2024

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HON. PHILIP S. GUTIERREZ
UNITED STATES JUDGE

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