

California Sues Big Oil for Denying, Downplaying Impact of Fossil Fuels on Climate Change

October 24, 2023



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On September 16, 2023, California Attorney General Rob Bonta filed a lawsuit against five of the world's largest oil and gas companies for allegedly denying or downplaying the harm caused by fossil fuels on climate change. Along with Governor Gavin Newsom, Bonta filed a seven-count, 135-page complaint in state court in San Francisco against the defendants for "engaging in a decades-long campaign of deception and creating statewide climate change-related harms in California."

California asserts that the companies have known for decades that burning fossil fuels would result in climate change. For example, a 1968 report commissioned by API and its members concluded "[s]ignificant temperature changes are almost certain to occur by the year 2000, and . . . there seems to be no doubt that the potential damage to our environment could be severe." The complaint alleges that the defendants' deceptive conduct has been a substantial factor in the increasingly frequent and intense climate change impacts including extreme heat, drought, wildfires, storms and flooding, degradation of air and water quality, agricultural damage, rising sea levels, and habitat and species losses. Accordingly, the complaint asserts claims for public nuisance, damage to natural resources, false advertising, misleading environmental marketing and products liability. It also requests the assessment of damages and penalties against the defendants; the creation of a special fund to finance climate mitigation and adaptation efforts; and injunctive relief to protect California's natural resources from pollution and prevent the defendants from making any further false or misleading statements about the contribution of fossil fuel combustion to climate change.

In a **statement to** *The New York Times* about the suit, API described it as "nothing more than a distraction," adding that "[c]limate policy is for Congress to debate and decide, not the court system."

Taking the Temperature: This lawsuit marks yet another step California is taking to address the impacts of climate change. California is the largest economy in the U.S. and one of the largest in the world, and claims to have spent billions of dollars responding to climate-related events. As we have previously discussed here and here, California has positioned itself as a leader, particularly in the U.S., in supporting the global push for mitigating the risks posed by climate change, including through enhanced reporting and disclosures for climate-related risks and opportunities.

This litigation also signals an accelerating global trend of litigation, both in climate-related litigation generally and in suits brought against industries perceived to be the biggest contributors to greenhouse gas emissions, in particular energy companies and airlines. In June 2023, we discussed the lawsuit filed by, among others, Greenpeace and 12 Italian citizens against ENI S.p.A. alleging that ENI knew of the detrimental effect of fossil fuel burning since around 1970 but through "lobbying and greenwashing" continued to encourage extraction, thereby contributing to climate change. Relatedly, we covered a similar suit filed by the state of Oregon against more than a dozen large oil, gas, and coal companies.

California Attorney General Bonta has supported several states and cities in filing their own, similar suits, including by filing an amicus brief in similar litigation on behalf of the City of Honolulu, the County of Maui, the City of Baltimore, the state of Rhode Island, the state of Minnesota, the District of Columbia, the City of Oakland and the City and County of San Francisco.