

DWP TIMELINE OF EVENTS

August 13, 2010: City contracts with Price Waterhouse regarding DWP new Customer Information System ("CIS"). Contract amount = \$57.2 million. As of May 3, 2015, the city's cost to implement the system stood at \$178 million.

September 3, 2013:

DWP ignores its quality assurance expert's warning in mid-August that new CIS system isn't ready. Implementation is a disaster.

August 25, 2014: TMG Consulting audit says principal cause is "the premature cutover of systems not ready for production use and an organization not prepared for their proper operation." TMG finds that DWP "management was repeatedly warned of the risk created by a lack of testing."

December 4, 2014: first of four lawsuits filed on behalf of ratepayers between December 4 and March 31.

March 2015: The California State Auditor finds DWP was "fully aware that CIS had persistent problems through its development and immediately preceding its launch," had "the information necessary to ... recognize the strong likelihood that launching CIS would result in problems," but "ignored the severity of the issues that existed at the time it made the decision to launch CIS" despite reports from the department's quality assurance expert...that "no aspect of the project was ready..."

June 26, 2015: City of Los Angeles announces settlement with promise of repaying 100 percent of ratepayers' damages and promises billing fiasco is over.

July 8, 2015: City assures Court that settlement is completed and parties just need a little time to finish details. It proclaims that the settlement provides 100 percent relief. It asks Court to stay all cases and discovery to avoid "the media or other counsel or other externalities to interfere in a very delicate situation" of finalizing "a very, very good settlement."

August 17, 2015: City files proposed settlement. They assure the Court that the billing system is fixed. They promise to assure "accountability and transparency" on the accuracy of the 100 percent relief (to be determined by LADWP itself) via verification by the expert-consultant Paul Bender, retained by counsel for plaintiff Antwon Jones. (This lawsuit was chosen by the City to serve as the vehicle for the settlement of all ratepayer lawsuits.)

August 2015: DWP posts on its website that refunds and credits will be paid in June 2016.

September 11, 2015: At preliminary approval hearing, City says "it has an interest in getting this done quickly." City promises to address problems raised with settlement by other plaintiffs' counsel within a week. Counsel for the City says settlement will be ready in two weeks. It isn't.

November 3, 2015: At second preliminary approval hearing on second version of settlement agreement, counsel for the City again tells Court they “were ready to move forward without further delay” in order to get “customers their money back promptly.” As to new issues raised, City promises to work with counsel in other, related cases to get settlement ready for preliminary approval in two weeks. It isn’t.

December 21, 2015: At third preliminary approval hearing on third version of settlement, after Court orders class notice and settlement letters sent to ratepayers, City says settlement will be ready in 90 days. It isn’t.

End January 2016: City asks for time until April to work on settlement relief. In April, they ask for more time until July 29.

July 15, 2016: City asks for more time until November 18, 2016. Consultant Paul Bender says that he now needs 42 months and 6,500 hours to complete his work. He has identified class members missed by DWP. He needs until November to confirm the accuracy of DWP’s relief determinations and identification of class members. City hopes to be able to affirm that the system is working by the middle of 2017.

Problems with billing system ongoing: Counsel for ratepayers other than Jones contacted regularly by customers who continue to get estimated bills, enormous back-bills, and unreasonable threats to disconnect their electricity and water. Customers asking about refunds DWP promised by June 2016.