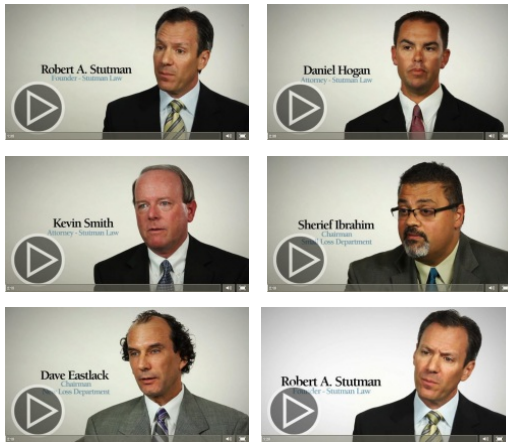


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"Defective" Power Yields Summary Judgment Victory in Case of First Impression

In an issue of first impression, Stutman Law obtained summary judgment in a subrogation action against a power utility alleging that the utility provided defective power to its customer causing equipment losses and a fire resulting in over eight hundred thousand dollars in losses. In the matter Cincinnati Insurance v. PPL, et al., Stutman Law established that strict product liability principles apply when a power utility supplies imbalanced power or a power surge, the power passes through the customer's meter and damages the customer's property. The Defendant Power Company vigorously opposed the motion on both factual and legal grounds. However, the Honorable Eduardo C. Robreno rejected the Defendant Power Company's arguments and granted summary judgment. The defendant subsequently agreed to settle the case for a confidential amount.

[Tom Underwood](#) and [Tom Paolini](#) of Stutman Law's New Jersey office argued the case on behalf of the plaintiff. The Court's opinion granting summary judgment can be found at 2013 WL 5786185.

[Click here](#) to view Court's opinion granting summary judgment.

Update - Inverse Condemnation Settlement Occurs After Court of Appeals Denies City's Petition

The California Court of Appeal, Fourth District, Division Two has issued a summary denial of a Petition for Writ of Mandate filed by the City of Hemet in a \$750K inverse condemnation case following a ruling in Stutman Law's favor on a motion for summary adjudication.

At issue was whether Stutman Law's novel theory that inverse condemnation will apply for damage to real property resulting from a leak in a water (or "service") line that ran between the main and the meter which served a commercial property in the city. The City of Hemet argued that inverse condemnation was not a proper cause of action because the service line served only the one building owner, and therefore there was no taking for the "public use", a necessary element of an inverse condemnation claim as required under the California Constitution.

Stutman Law argued that the water main and the service line were indivisible as part of the City's water distribution system, which was for the public use, and that this was reflected in the City's ordinances. Stutman Law further argued that the City had exercised ownership, maintenance and control over the service line to the exclusion of the public as a whole, including instituting an informal replacement program for similar lines.

This issue is one of first impression in California and has potential implications for public entities throughout the State. Service lines of this type are in use in many cities like Hemet. When they fail, the resulting underground leaks can result in soil collapse and loss of support for adjacent buildings. Inverse condemnation is a powerful remedy against a public entity, allowing a successful claimant to recover reasonable costs, disbursements and expenses including attorney, appraisal and engineering fees incurred in prosecuting the action.

Perhaps mindful of the potential for an adverse verdict at trial or on appeal, after two mediations the city ultimately agreed to settle this matter for a confidential amount.