UNITED STATES DISTRICT COURT DISTRICT OF SOUTH CAROLINA

MDL No. 2:18-mn-2873

* May 17, 2019

REPORTER'S OFFICIAL TRANSCRIPT OF THE STATUS CONFERENCE HELD BEFORE THE HONORABLE RICHARD M. GERGEL UNITED STATES DISTRICT JUDGE MAY 17, 2019

Appearances:

For the Plaintiffs: Fred Thompson

Erin Dickinson
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Nancy Christensen
David McDivitt
Joshua Cohan
Tope Leyimu
David Hoyle

Dick Ortega
James Ferraro
Charles Crueger
Charles Schaffer

Marie Napoli Jim Ferraro

Christina Cossich Michael London Scott Summy Phil Cossich

Carla Burke Pickrel Rebecca Newman

Paul Napoli Christian Marcum

Rob Bilott

M. Cristina Sanchez Louise R. Caro

Bill Jackson Esther Berezofsky For the Defendants:

Mike Olsen Brian Duffy Daniel Ring Liat Rome

Liam Montgomery Joe Petrosinelli Sarah Williams Michael Carpenter Nicholas Mino Elizabeth Knauer Amanda Kitts David Dukes Jonathan Handler Stephen Bell George Farrell Natalie Komrovsky

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Also Appearing:

Amy Kendall Marshall Walker John Sherk Keri Berman Molly Craig Matthew Sinkman Viola Vetter Chin-Zen Plotner

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Proceedings recorded by mechanical stenography using computer-aided transcription software.

(Call to order of the Court.) 1 9:07AM 2 **THE COURT:** Good morning. Please be seated. 9:07AM in the matter of the AFFF products liability MDL monthly status 3 9:07AM 4 conference, 2:18-2873. 9:07AM Could those counsel who will be speaking here 5 9:07AM today identify themselves for the record, beginning with 6 9:07AM 7 plaintiffs' counsel? 9:07AM MR. THOMPSON: Your Honor, my name is Fred Thompson. 8 9:07AM I'm the plaintiffs' liaison counsel. 9 9:07AM 10 MR. LONDON: Good morning, Your Honor. Michael 9:07AM 11 I'm one of the plaintiffs' co-lead counsel on the PEC. London. 9:07AM 12 MR. SUMMY: Good morning, Your Honor. Scott Summy. 9:08AM 13 Good to see you again, Mr. Summy. THE COURT: 9:08AM 14 didn't see you last night. You must have been hiding. 9:08AM 15 I'm sorry, Judge. I got in late. MR. SUMMY: 9:08AM 16 THE COURT: Yes. 9:08AM 17 Good morning, Your Honor. Paul Napoli. MR. NAPOLI: 9:08AM 18 THE COURT: Yes. Thank you. Okay. 9:08AM 19 MR. PETROSINELLI: Your Honor, good morning. Joe 9:08AM 20 Petrosinelli, one of the defendant's co-leads. 9:08AM 21 THE COURT: I noticed you were there early and stayed 9:08AM 22 late. 9:08AM 23 Shall I not do that in the future? MR. PETROSINELLI: 9:08AM 24 **THE COURT:** Oh, no. That's just fine. 9:08AM 25 observed. 9:08AM

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Good morning, Your Honor. David Dukes.
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                        MR. DUKES:
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                        THE COURT:
                                     Yes.
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                                     Good morning, Your Honor. Mike Olsen.
                        MR. OLSEN:
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              just stayed late with Joe.
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                        THE COURT:
                                     You wanted to make sure he got home.
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                                     Good morning, Your Honor. Brian Duffy.
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                        MR. DUFFY:
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                                    Yes, sir. Okay, folks.
                        THE COURT:
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                             And, Ms. Perry, we have folks on the line, I
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              take it?
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                                            Yes, sir.
                        COURTROOM DEPUTY:
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                                            Thank you.
                        THE COURT:
                                    Good.
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                        COURTROOM DEPUTY:
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                        THE COURT: Okay.
                                           Very good. Okay.
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              of course as a preliminary matter that our next status
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              conference is Friday, June 21st, and I've by previous order
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              given those other dates.
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                              Somebody asked me last night, he says, "Are we
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              not doing August because it is so hot in Charleston?"
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              said, "Well, yeah. Maybe because if you came in August, you
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              wouldn't ever return. You'd do it only by phone."
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                                     Let's go through a couple of these -- I
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              have a checklist of things that I wanted to cover, and then --
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              then I'll -- any other matters that -- that counsel want to
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              raise with me, I'm certainly available to hear that.
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                              ESI protocol. Mr. Thompson, I've got something
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that came over the transom last night as I was walking out the door.

MR. THOMPSON: Yes, sir. Mr. Duffy conveyed an agreed ESI and a protective order to the Court yesterday that we were able to negotiate in good faith and good humor, and we've gotten those for your consideration.

THE COURT: Thank you. And I will -- I will review them in due course. If they look okay to me, I will sign them, and if I have any questions, we'll -- you know, I'll address them with counsel if I have any questions or concerns.

Talk to me about fact sheets. Where are we on developing fact sheets?

MR. THOMPSON: Judge, if I could go ahead and introduce Mr. London, who -- let me preface it by saying I went to see Hamilton, and I saw the thing that said, "Talk less, smile more."

THE COURT: Yes.

MR. THOMPSON: So I'm going to try to talk less. So let me just hand it --

THE COURT: He hasn't see Hamilton yet.

MR. THOMPSON: But we have been negotiating at a strong pace, but let me let Mr. London --

THE COURT: Let me hear about it, because I think it ties, I know, Mr. London, into sort of discovery strategy and everything else, right, I mean about how you organize

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discovery?

MR. LONDON: I think so, Your Honor. And I think —
I guess there are two components obviously. There's the
plaintiff fact sheets which we received from the defense,
excuse me, and we have volleyed back and forth various red
lines. I think the ball is in the defense court to respond to
our red lines. We had a productive meet and confer telephone
call yesterday afternoon. I think we expect some edits back
from them. I don't want to speak for them, but I think we're
anticipating to be able to have fact sheets for the Court to
approve as a discovery device in the next two weeks.

THE COURT: Good.

MR. LONDON: I think that's what we're shooting for. With the fact sheet, there will also be an implementing order. I'm being mindful now to try and speak less; an implementing order which will govern the parameters of how quickly they need to be responded to.

THE COURT: Right.

MR. LONDON: And obviously there will be two tiers, those plaintiffs who have already filed cases out there, and maybe a little bit more of a lag time for them to answer just to get the momentum going --

THE COURT: Yes.

MR. LONDON: -- and then obviously for future filed cases when this discovery device, the fact sheet, becomes due.

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THE COURT: Yes.

MR. LONDON: We also envision some cure process or if there's an objection or a deficiency, some process within --

THE COURT: I want you to know, I went through this in my prior MDL, and we dismissed them without prejudice allowing them to restore, but they had to come back in with the completed fact sheet. That's how they came back in. Not one person did it. Not a single person came back in. It was just very interesting. I don't like disposing on people's -- adjudicating their rights on technicalities, and sometimes you worry maybe somebody didn't see it, someone was away, et cetera, but, you know, it's kind of telling that -- and I got to say one of the benefits of the plaintiff fact sheet, it's not just for the defense. It's for the plaintiffs' PEC, to get people who really have claims, right? I mean, that those who just on their face don't have claims, you're having to manage this, and it's a burden on you as well.

MR. LONDON: Absolutely, Your Honor. We agree with that, and I think it makes -- it's important to put a point here. There are at this point four different and distinct fact sheets. There's --

THE COURT: Tell me about that.

MR. LONDON: Yeah, I think that's important here.

There's obviously the personal injury fact sheets that I think

Your Honor has experience with from Lipitor.

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THE COURT: Yes.

MR. LONDON: And is far more common in these contexts, and those will be addressed. Those plaintiffs alleging personal injury claims and medical backgrounds, health histories and whatnot.

There's also fact sheets, a separate fact sheet for those plaintiffs claiming property damage.

THE COURT: Okay.

MR. LONDON: And that's obviously a very distinct type of question.

THE COURT: It is.

MR. LONDON: There's also a plaintiff fact sheet designed and designated for the plaintiffs, the water providers, both government and private.

THE COURT: We're going to talk about that, because the provider claims are a distinct class of claims all to themselves, have different sort of elements you have to prove, and in some ways are not as arduous as some of these other claims are to get to the end of the game on them.

MR. LONDON: We agree.

THE COURT: But they are preliminary to everybody's claims, but they -- you know, we're able early on to sort out some issues that are very important for all the claims.

MR. LONDON: Agreed. And then the fourth, Your
Honor, category of fact sheet right now that's being discussed

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is a plaintiff fact sheet for those plaintiffs who are simply claiming medical monitoring, and they -- I think most of those plaintiffs have come to this Court through various other courts and through the Colorado class cases that were filed for particular reasons there. So these are really going to be in our view -- and this is still being negotiated -- truncated, simple fact sheets if, in fact, we even need them.

THE COURT: Do they live in an area that's allegedly in a zone of danger or something, right? I mean, you kind of need to know that. How long have they lived there?

MR. LONDON: That's really it, because there's no medical history needed, because there's no claimed injury.

THE COURT: Correct.

MR. LONDON: It's where do they live and for how long? If the zone of danger is here, if they're saying they lived here --

THE COURT: I mean, whether they are in a zone of danger or something will be later determined, but at this point you got to be arguably somewhere nearby, and if you don't or -- you know, if you were only there incidentally, then you don't go to some other levels which will require greater effort to establish. So --

MR. LONDON: Yeah, and that's really what that fact sheet is --

THE COURT: And what I'm interested in, and we've

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been reading a little bit about medical monitoring. Obviously it's not universally recognized, right? So some of the jurisdictions don't recognize it. Others do. And in some ways like the water district, it has elements common to all claims, but you don't -- as you just said, you don't have to prove individual causation, which is in these cases often the most challenging of all proofs.

And -- and let me say this, and we'll get into more of this as we go along in this and others. I've read everybody's -- thank you for those notebooks. They were -- you know, how y'all -- nobody gave me the same ten articles, which I found fascinating. It's like y'all live on two different planets, you know. And -- but I read everything, and, you know, even the argument that -- you know, that the C8 study doesn't -- C8 studies don't tell us much, if you argue that, all of them say, "There's something going on, and we need more study." I mean, that's a lot of what they say is, "We need more study." And I didn't see -- y'all can point it out to me. I didn't see much work out there on -- on exposure that might have not been as intense as the manufacturing plaintiffs in the MDL in Ohio and West Virginia, and it doesn't mean they're not injured, but there's -- the data has focused on a more intense I use the term "dosing" as more of a pharmaceutical dosing. thing, but it's kind of relevant as how much exposure did you have, and how long did you have it? That's like probably

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important. May not be. Maybe just a single exposure may cause injury. That may show it, but all those studies that the plaintiff showed me, necessarily almost all of them came out of the C8 data, you know, the very important data that came -- maybe one of the great benefits of that suit is that you got all this data from those communities, but we then need to establish -- they say in Colorado, you know, "How much -- how intense was that exposure?" And I know the government has done some studies itself. I'm sure y'all are getting some of that now; is that right? Some of that -- the government is providing some of that data, Mr. London?

MR. LONDON: We received one CD or DVD about a month ago, and we understand that there should be more coming.

THE COURT: Good. I mean, I think -- you know, so we need to sort of get a sense of how much got exposed and, you know, what evidence is there of the contamination of water supply? I mean, what is that evidence? So a lot of this is like to me -- I guess what I'm saying is that some of the things you would do to look that you might gather in medical monitoring, first determining whether there's a basis for a class -- I can't imagine classes that wouldn't be site specific because so much of this is site specific, but even if you got there, and you decided, "Hey, maybe there's something to this," the data you might receive could be very important for the rest of the case. And you lawyers would have to be doing something

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every lawyer hates to do, asking a question you don't know the answer to, right? You don't know what you're going to get.

And -- but in some ways the medical monitoring may produce information that would be -- first of all, determining whether there's a basis for a class would be very important, and discovery needs to be directed towards that, and then even if you did it, what evidence do we have of any effect of this exposure that you would think at least some threshold showing might be in medical monitoring.

So I just say that that -- so it's interesting that, Mr. London, apparently the lawyers are thinking about it in the same way I am in terms of this sequence of -- and you just gave it to me in this order. I might -- actually in terms of where you go in proof, you might do just the reverse. Medical monitoring, water providers, and then you would do, you know, the individual injury.

I -- that is actually how we -- I chose MR. LONDON: that order simply because the plaintiff personal injury fact sheet was served on us first.

> THE COURT: Sure.

And I feel as though that probably is MR. LONDON: the --

And everybody is more familiar with THE COURT: It's easy. those.

> It is what it is, and -- but no. MR. LONDON: We

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agree, and then that's -- Mr. Summy might address that later as points related to science day, but we certainly agree with that position of that this is a contaminant out there or alleged contaminant, I think we both agree, and we should remediate and address its issues in the environment.

The other aspects of it in the claims, the injury claims, as Your Honor just alluded to, that science is developing, and that science is going to develop through the monitoring precisely what happened in the Ohio cases --

THE COURT: Correct.

MR. LONDON: -- when it took the 72,000 people. They monitored them for seven years, and they -- this incredibly body of science came out.

THE COURT: And I'm sure you can go back now and look at some of that data more precisely as you're looking as is relevant to this case. People who may not have had quite as intense exposure in one way, you might -- you know, you might want to see what that data shows you on human injury based on level of exposure. I didn't read the articles precisely looking for that, but it struck me that they were dealing with people that really had a lot of exposure. I mean, it was -- it was -- and whether that is or is not similar to what folks say in Colorado or New York, I don't know. I just don't know.

MR. LONDON: I think -- and this will obviously be discussed at science day, but, you know, one important element

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here, I don't want to get too much into it, is this exposure component that Your Honor has alluded to. This is a chemical, an agent that doesn't go away. So it's not as if there's one blast of exposure or one big dose or you've taken a pill that goes away.

THE COURT: That's why duration is going to be important.

MR. LONDON: Duration is, but it's also biopersistent and bioaccumulative, which means when you take a 400 milligram pill -- and that might be a really big dose -- versus a 100 milligram, in 48, 72 hours, that half-life is gone. Here if you take a smidgen of a dose, it never goes away. And then the next day when you brush you teeth --

THE COURT: But here's going to be the question, is when does that smidgen, even daily smidgen, become medically significant? And I didn't see any articles on either side trying to get us where it becomes material, and I'm hoping on science day and some of your experts and defense experts will help us deal with that issue about when -- because listen, we know from -- from data that just is the broad exposure of humanity to this chemical, there's a -- for people who have not had any exposure in their water have a certain very small amount in their bloodstream. I mean, it's common. So one of the things we want to -- I'm interested in looking at is what is that baseline that's sort of commonly out there versus what

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people who have had a -- you know, have had exposure in their water supply, how does it differ?

MR. LONDON: And in Ohio -- and I believe this is going to be discussed later -- it was .05 parts per million exposure for one year was enough to cause the disease at issue. So right now what we're looking at, Your Honor --

THE COURT: Well, that's why on science day, I want both sides to be able to address that. I mean, that's an issue I'm interested in.

MR. LONDON: Great. The states are setting right now various state levels in their states.

THE COURT: Yeah, because the EPA hasn't really done it, right?

MR. LONDON: New Jersey has the lowest. I think Michigan is -- well, it varies, but New Jersey right now is the lowest.

THE COURT: But remember now, what they might do to set a level for safe water might not also be the number that you can say most probably causes human injury, because you're going to have a margin of -- you're going to hope to have some margin of safety there.

MR. LONDON: And that goes back to the point, Your Honor, that this is evolving greatly, and right now -- which is what Your Honor said, and we agree with -- look at the monitoring, almost group them, and then let's talk about the

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ratio that's really at bar, and the public safety issue is remediation and getting it out of the providers, the water providers, public and private, who are delivering water that has state-based unsafe levels or levels that are too high. That's -- that's an issue with us.

THE COURT: Which is one of the reasons -- this is one reasons why the water districts are a unique component here because, you know, if a state or even if the water districts themselves based on reasonable scientific data determine that after a certain level it is unsafe and they will not sell it, then that's injury, right? I mean, as long as that's a reasonable basis for it, and particularly if it's a state that has already set that limit, and -- but you could see a scenario where maybe a state hadn't set a limit, but the water district hires consultants, and they say, "Beyond this level, we don't think -- you know, we're not going to sell a tainted product. we're just not going to do it." Well, that might be enough, you know, to establish the -- the injury of the -- of the water district if they can then demonstrate that these defendants were a proximate cause of that contamination.

So that's why I really see those cases as being kind of an early kind of common -- common MDL turn on bellwether. It could well be an early bellwether, is to get to those cases kind of early, and if they don't make it, then your chance of not making the others go up. And if you make it, it

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doesn't mean they're going to get further, but they're pretty important all by themselves, because they're mass effect, right? I mean, their population is going to be exposed if they don't -- and are -- these water districts, Mr. London, what are they doing now? Let's say in a state that has set a limit and it's been determined at least some of their wells are at a point above that number, what -- is there a universal response of how they're dealing with this? Are they --

MR. LONDON: You know, Your Honor, remediation is -is -- what I understand, the -- New Jersey and the lawyer
representing who's just filed on behalf of New Jersey is here,
I believe, can address that question, what the state of New
Jersey is doing who has set the lowest limit in the state.
They have filed I believe a few lawsuits. If you would like to
address the state of New Jersey --

THE COURT: Well, I don't want to get too much aways. I'm talking more generally here, and I'm really trying to give the lawyers sort of a signal here about how I -- you know, to me just logically how this -- you know, if we try to bite all this off in one bite, we're all going to choke, right? There's just no way you can do all of these multifold issues at one time, and -- but there are kind of issues I've thought about that seem to be in common, and many of the water district issues are common to all the claims, but they have less to prove than the other claimants, and -- and they also have a

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potentially large amount of social good to the extent there's a merit to their position.

So, you know, it seems to me that as we're organizing discovery -- and I don't want people to say, "Oh, because the judge said something in the May conference, we're not going to allow discovery in a certain area," because I'm not trying to do that. What I'm trying to say is I think it would be prudent among early issues to address is the -- is what would be necessary for a water district to prove its claims, because I think that's a -- if you can't survive that, you're not going to survive much else. If you do survive it, it's kind of signal where we might be going, right? I just think it's an important early element.

And while we're talking about early elements, let me just say another issue that I think we need to go ahead and get the discovery done and get this addressed up or down, and that is the governmental contractor immunity issue, and I'm aware from reading enough so far that there are issues about whether the government actually mandated this. That seems to be disputed. There could be issues about did the -- did the defendant manufacturers disclose to the government adequate -- make adequate disclosures? All those issues, to me the facts just aren't developed yet, and I think -- and we're talking about a period, but I think the patent is in the late sixties or something. We're talking a lot of work needs to be done,

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and I think early on, y'all need to get on with that, because it's one of those issues that to the extent the contractor defense is valid, it affects the case tremendously, and if it doesn't apply, it also affects the case tremendously. And it just seems to me one of those sort of pivot issues early in the case that y'all need to get on with it, get it over with, fully develop the record on it. You got a lot of people in y'all's plaintiff and defense teams, and I think y'all need to get to work, go different places, get these depositions done, get the documents.

Did any of the -- in the C8 litigation, did they get into what the manufacturers knew and when they knew it? Was that something that was relevant in that litigation?

MR. LONDON: It was, Your Honor. It's important to point out that C8 was DuPont only was the only plaintiff.

THE COURT: That's right.

MR. LONDON: And it was plant -- Washington Works plant.

THE COURT: Right. But is there much -- in other cases, has there been discovery about what these defendants knew or should have known about -- about -- and did they disclose it to the government? Yes, sir, Mr. Summy?

MR. SUMMY: Your Honor, Scott Summy. I've taken a look at the other cases. The other cases, especially the one where all of these studies came out, it was a direct release

from the manufacturer. 1 9:30AM 2 THE COURT: Yes. 9:30AM 3 And so there was not really a focus on MR. SUMMY: 9:30AM 4 what the product manufacturers knew about the environmental 9:30AM effects. 5 9:30AM 6 THE COURT: I get that, yes. 9:30AM 7 So I think it's extremely important that MR. SUMMY: 9:30AM we delve into that, like you said, and that's got to be done 8 9:30AM 9 quickly so we can get to this government contractor defense. 9:30AM I mean, it's important. 10 THE COURT: 9:30AM 11 Mr. Petrosinelli, don't you agree this is something we just 9:30AM 12 need to get on with? 9:30AM 13 MR. PETROSINELLI: Absolutely, Your Honor. 9:30AM 14 going to make a comment about that. The other PFOS litigation, 9:30AM 15 the C8 litigation and so on, didn't -- the government contract 9:30AM defense was not an issue --16 9:30AM 17 Right. It wasn't present. THE COURT: 9:30AM 18 MR. PETROSINELLI: -- number 1. And number 2, those 9:30AM 19 are PFOS cases, as Mr. Summy said, manufacturers of the 9:30AM chemical. 20 9:30AM 21 Right. THE COURT: 9:30AM 22 MR. PETROSINELLI: This is a AFFF case. 9:30AM 23 THE COURT: Correct. 9:30AM 24 MR. PETROSINELLI: We don't manufacture --9:30AM 25 THE COURT: It's just one of the products. 9:30AM

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MR. PETROSINELLI: Right. It's a product that uses the chemical.

> THE COURT: Correct.

MR. PETROSINELLI: And so this issue about what was known -- and remember, the government contractor defense, it's not "should have known". It's "actual knowledge" and what was communicated to the government and what did the government know And remember, it's defendant specific, because it and when. focuses on individual defendant knowledge or manufacturer knowledge in this case, the answer could be different for different defendants.

> That's correct. THE COURT:

MR. PETROSINELLI: And so --

THE COURT: I really think it's -- you know, we've got -- if we had to sit back for a minute and say, "How do we do all of this," it would be -- it would -- to get your arms entirely around it is just sort of -- we'd just say, "All right. I don't know how we will do it." But you break into manageable pieces, and that's why I think to me a couple of the sort of early manageable pieces, one would be the water district cases, because I think it kind of goes to a certain -some threshold facts that are very important. I think the federal contractor immunity defense is something that really affects a lot of the case, and you kind of need to know the answer to that. And I got to say, I think some of the medical

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monitoring issues are important as well. Is there really a -can you class it? I mean, is there a basis to class it? Can
we meet the Rule 23 standards to even class it? How would you
do it? And even if you did it, maybe you even ought to think
about doing it in one or two places and just sort of see if
it's actually giving you information that's worth something.

MR. PETROSINELLI: I think that's what these early fact sheets are for. You just used an expression that Judge Fallon uses which is, "I want to get my arms around the docket," and that's why he uses these early fact sheets.

THE COURT: Yeah, he talked -- that's one of the first things on my first MDL he talked to me about was, "Get those fact sheets. They really help everybody to know what you got and what you don't have."

MR. PETROSINELLI: Because before you decide how to structure litigation, Your Honor may -- Your Honor's instinct may be right, that maybe the water provider cases and the medical monitoring cases are a good place to start, but you won't know that until you get the fact sheets and you see -- because it might be when you look at the fact sheets -- for example, there are about 20 medical monitoring putative class actions. It's not just Colorado, and so --

THE COURT: And there are states that don't have them.

MR. PETROSINELLI: There are states that don't have

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-- you know, and so I think from our perspective, getting -- as Mr. London said, we agree that I think within a couple of weeks, we ought to have agreed fact sheets for perhaps all these categories or at least some of these four categories, and then we'll have to talk about when people have to answer those, you know, how many days.

THE COURT: How about defense fact sheets, about getting the information about -- you know, one of the things -- let's say you determine one of the air bases in Colorado has contamination, and I know there's not a sheet out there that says, "Okay. This is where -- these are the manufacturers who sent the --" I mean, it's going to take some work. Hopefully you can trace to see who -- whose product actually was in Colorado and when it was there and how long it was there. I mean, all these things, but it seems to me that that information is also important.

MR. PETROSINELLI: Absolutely. I think in Colorado -- I mean, we can talk about it, but we had huge document productions in the Bell case, and we can talk about what those were and so on, but one of the things we produced in Colorado that I would expect would be part of a defendant fact sheet here or informal discovery would be where else did you ship? Because obviously in the Colorado case, we provided evidence of -- to the extent there were shipments into Colorado and we had them, had evidence of that, we produced it. But for

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all of these sites in this case, you're -- I assume the plaintiffs are going to want to know and we're going to want to know, are there records to show whether each defendant shipped products here or there?

I think as you know and you've heard with the military products, which is about 80 percent of the MDL so far, which would be subject to the government contractor immunity --

THE COURT: Right.

MR. PETROSINELLI: -- generally you ship those not to the site where they're going to be used. You ship those to the central depot called the Defense Logistics Agency.

THE COURT: And do they keep good records?

MR. PETROSINELLI: And that's the question. I know Ms. Williams is working on that.

THE COURT: Yeah. Well, it just seems to me that among those sort of foundational pieces of information we need is we got to trace the product from the defendants to the ground, right? I mean, we gotta -- we just -- how did it get there? Who was involved? All of that. I mean, maybe some of it will be unknowing, and we'll have to figure out methods to get a reasonable determination of that.

MR. PETROSINELLI: Particularly if you're talking about the sixties and seventies --

THE COURT: Correct.

MR. PETROSINELLI: -- or records going back that far.

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THE COURT: And they're going to be -- they're not going to be computers. They're going to be manual records, and so I do think it's -- so talk to me about the defendant fact sheets. What are y'all doing on that?

MR. PETROSINELLI: We're -- we've talked to
Mr. London about that, and the plaintiffs haven't sent us a
draft yet, but I think they're still working through internally
how they're going to do that.

One thing I thought was helpful to my mind is we -- at one of the initial meet and confers we had, we suggested that they send us just some informal, like by email, basic questions about what are the names of the products you sold, when did you sell them, and so on, which are the kinds of things I think -- not only things, but the kind of things that would be in a defendant fact sheet, and I'm inclined -- and this would be my practice generally -- just to provide that to them informally without waiting for a fact sheet.

THE COURT: And I just think y'all need to have

Ms. Williams in the loop here, because -- and telling her what

y'all are looking for, and I think you've already started that.

MR. PETROSINELLI: Yes, Your Honor.

THE COURT: Where is Ms. Williams here today? Oh, there you are. And so she -- I mean, obviously tracing it, if you trace 80 percent of it to this Defense Logistics thing, then that's just a start, and then we've got to figure out

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where it went and when it went and all of that, and I think that's like -- again, just like some of the threshold things we're talking here about the plaintiffs, I think that's something really important early on everybody needs to get on the same page about.

MR. PETROSINELLI: Well, because -- to Your Honor's point, the government contractor defense applies to all types of cases, including water provider cases, right? If the source of exposure in the water provider case was an Air Force base, it's a cross -- as Judge Fallon, another term he uses, a cross-cutting issue. Like it cuts across all the claims, and so we totally agree that that's --

THE COURT: That's one reason I think we got to get to the -- and I've seen different defenses in one claim. I think it was in the -- maybe the New York's Motion on Remand. By the way, whoever is from New York, I'm not remanding it. Rule. But it kind of made the point that -- that the -- the argument -- whether it's true or not I have no way of knowing -- that the government did not specify the use of PFOS and PFOA. That was something the manufacturers did, and there were other alternatives. I looked at the patent. I couldn't figure out what was in it and what was mandated. It was beyond my ability to do it, but that seems to me a very important issue to know is, you know, there's clearly what is it, like the Naval Research Center is like very involved in developing

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the foam. I mean, there's clearly government activity in that, but it seems to me pretty probative is the chemicals at issue here, whether that was required by the government.

MR. PETROSINELLI: Well, I think you'll have to read our opposition to the Motion to Remand, and actually in a case that you have in this MDL now, Judge Seybert in the Eastern District of New York, she ruled on this.

THE COURT: Tell me what was the ruling.

MR. PETROSINELLI: So her ruling -- she issued a 40-page opinion that someone moved to remand a case that was -we had removed to the Eastern District in New York, and she -it was fully briefed and looked at the law and said, "It's not part of the government contractor defense that -- that the government specifies exactly the type of chemical that you use."

But it's got to be reasonably precise is THE COURT: the language.

MR. PETROSINELLI: Correct.

THE COURT: And the question though is it just seems really relevant to this case though, and the way this has normally arisen is, you know, the government says -- it's usually like a piece of military equipment, right? It's like a piece of a helicopter, part of a helicopter, and the government says, "We need for this to happen." And they didn't literally draw the engineering plans out, but they basically told them

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what they needed, and there wasn't a lot of discretion. The manufacturer had to get in there and do it.

And what I don't know enough -- and this is one of the reasons I'm going to learn a lot at science day -- is how much of this patent is the recipe? You know, what else is there? And, you know, was -- and the decision to add these particular chemicals that are at issue in this litigation, how -- so let's say that was just a discretionary call by the manufacturer. That was what they -- that was what they added to the mix. I mean, that's just a really important issue, and I -- I tried. I read the patents. I said, you know, I was trying to figure out comparing these -- the information I had, and I just couldn't figure it out, whether that assertion by New York was correct or not.

MR. PETROSINELLI: But the key thing is to focus on -- the military specification says you have to use a fluorinated surfactant, which is a very specific term about what that means, and it has to meet all of these performance requirements, and the fact is, as you'll see, and part of our reason why the remand motion should be denied, is you get into the merits of the case.

THE COURT: Oh, completely. It's not even close. Don't worry.

MR. PETROSINELLI: And so --

THE COURT: How's that for argument, right?

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MR. PETROSINELLI: Shall I leave now or -- but the fact is -- and part -- this could be part of science day, in fact. The fact is that there are only certain chemicals that are fluorinated surfactants that could meet those standards.

THE COURT: Well, that's one of the things I want to know.

MR. PETROSINELLI: Exactly.

THE COURT: You know, what were they and, you know, how many were they, and why one would be picked over another, and what was known at the time about potential risk, all of that.

MR. PETROSINELLI: Exactly. And it's only -- if you look at the Sawyer case in the Fourth Circuit which is the key government contractor case, defense case, because -- and it actually -- it was on a motion -- it was on a remand issue. The question was should the case have been remanded? The standard is that the government has exercised some -- not all, not all-encompassing -- some control and guidance over what the manufacturers do. And so -- and one of the many factors you look at is what ingredients are, you know, put in the specification? But it's not a dispositive issue that it didn't say exactly this ingredient.

THE COURT: I get that. I just think that is something that on my own, I can't figure out about --

MR. PETROSINELLI: Definitely.

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THE COURT: -- you know, what were the potential products, and what were the options, and why was one picked over another, and did it matter? That is, do all these products produce the same result? What was known at the time?

MR. PETROSINELLI: And so I think we need to get to all those issues early in discovery.

THE COURT: Correct. We do. It's not the only issue --

MR. PETROSINELLI: No, no.

THE COURT: -- but it is an issue that we need to get to.

MR. PETROSINELLI: Definitely.

THE COURT: So it sounds like I'm pushing a little bit on defense fact sheets too. I think that plaintiffs needs to do their part of that, because I do think the tracing process is something we need to get on with, because it may take a while.

MR. LONDON: And we agree. That's one of the central elements in the defense fact sheets that we hope to get to them in draft shortly.

THE COURT: And I would urge you all not just to do it among yourselves, but to keep the Department of Justice involved, because I think they can help facilitate and may be able to tell you ways to shortcut what you're trying to do.

Ms. Williams is learning about this herself, and she may tell

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you, "This is a way -- a path to this rather than the way you may be thinking about." So I think y'all need to stay in touch and keep her involved.

I know that we had -- we had some discussion earlier about deposition protocols. Where are we on all of that?

MR. THOMPSON: Judge, I had an opportunity to talk with your law clerk. This is an issue that may represent some distinction between the two sides. We -- and when I say "we", I mean "me" -- we view the Federal Rules as providing sufficient framework to conduct depositions, and an elaborate protocol is really not needed as prerequisite to --

THE COURT: We got to have some order to it. This is why we have a PEC and a defense committee, is to coordinate with each other, but I agree with you that I don't need to micromanage, authorize you to take a deposition. We've stayed discovery initially here just, you know, to get ourselves organized but, you know, I'm not intending to micromanage when you're going to take depositions and so forth. That's something y'all need to work out. And to the extent there's a problem, somebody will move for either a protective order or compel, and I'll address it at the next status conference.

I mean, but I agree with you that I think
it's -- and listen, you don't want to start your depositions in
a way that -- that if you didn't have the underlying

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information, you can't be as effective as you would be, so you need some information. Obviously some 30(b)(6)s may be appropriate to get to some of that information that you can't get other -- just by written discovery, but if you don't feel a need for a -- a deposition protocol, I personally don't -- I'm not going to micromanage your discovery, and the rules provide for a party's right to do -- you know, gather evidence by deposition. So --

MR. PETROSINELLI: Your Honor, could I be heard on that for one second?

THE COURT: Yes, sir.

MR. PETROSINELLI: I think just so you understand from a defense perspective, what we were talking about on the deposition protocol is not so much timing or things that are covered by the rules, but in a case where you have multiple plaintiff constituencies, state, federal, different kinds of cases, water provider cases, and you have multiple defendants, some structure -- at least it's been my experience in multiple plaintiff constituencies and multiple defendant cases, some structure on how many lawyers can question and that kind of thing; not so much --

THE COURT: Here's my proposal to you. If you think -- and I -- you'd like to think you could just sort of work that out. You can't have -- I mean, you can't have an army of people asking questions. You can't do that.

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MR. PETROSINELLI: Right.

THE COURT: That y'all try to work it out informally. You might -- if you've got an idea, I'm sure if this has been done before, y'all had some written protocols. You give it to the plaintiffs. If y'all can't reach a resolution, I'll help you get to the end. We'll decide it if we need it, but there needs to be -- I mean, a lot of this is -- the whole structure we're doing here, the fact that the two of you are standing up instead of all the people in the room standing up is that you just can't run litigation with a hundred chiefs. You got to have people running it, and the same thing with depositions. You can't have just a lineup of people like a tag team in a wrestling match, you know. But there are differences -- you know, different groups may have different needs to talk to certain witnesses, and, you know, someone might get deposed more than once because the discrete set of facts and different constituencies that you're talking about might have completely different issues they need to address.

MR. PETROSINELLI: For the record, I don't want to wrestle Mr. Thompson. That's the last thing I'd want to do.

THE COURT: You wouldn't win.

MR. PETROSINELLI: I've heard you say about his elbows in the basketball courts.

THE COURT: Yes.

MR. PETROSINELLI: But anyway, that's what we plan to

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do. Just send them something and break it up.

MR. THOMPSON: Judge, when I'm talking, I sound so good, and then when Mr. Petrosinelli was talking, he sounds good. It sounds like we're talking a little bit past each other. I would suggest that they write us out a protocol, and we will --

THE COURT: I think that's what we need to do, because he raises an important issue. There's got to be some basic rules here. All of us have been in litigation where somebody didn't want to abide by those rules, and you create utter -- one person can create utter chaos. Part of my job is to keep the train running down the track here.

So, Mr. Petrosinelli, you'll submit something on that?

MR. PETROSINELLI: Yes, Your Honor, we will.

THE COURT: Good. Okay. Direct filing. United States objected, Ms. Williams, to if you were brought in as a -- a defendant in a direct file case?

MS. WILLIAMS: Yes, Your Honor. Specific to the Federal Tort Claim Act, the Federal Tort Claim Act has a specific venue provision that cannot be satisfied by --

THE COURT: I'm fully familiar with it. Let me tell you my take. The case you cited is pure dicta. I do not -- I have not had a change of venue based on the MDL. If I did, it would be lexicon issues all day long. We haven't done that.

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It's not correct. And a loose sentence in that one case you cited, it's -- just for our purposes is inadequate.

I am helping pretrial my colleagues who are the transferor judges. I mean, it's their cases, not my case, and I'm going to handle these things, and hypothetically if somebody names the United States as a defendant, and you object to it, you can file a motion, but I want to tell you, I'm not impressed with the idea that venue has been changed. absolutely it has not been changed. That's why I can't sit here and try cases. When this thing was filed, the MDL thought it wise enough in his wisdom to send me all the cases. no South Carolina cases, so I could literally try no cases myself.

MS. WILLIAMS: Your Honor, our position isn't there's a problem with venue in any of the existing cases. We believe that --

THE COURT: File a motion, and I'll rule.

MS. WILLIAMS: It's if they direct file here, that 1402 --

I understand your argument. If somebody THE COURT: does it and you object, file a motion. The parties will brief it, and I'll rule, okay?

There was an issue raised about the direct filing with a Pennsylvania group, 700 plaintiffs in Pennsylvania. What's going on with all of that?

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MR. THOMPSON: Judge, this was -- I believe it was a motion that was put to you to allow -- these cases were filed in Pennsylvania under their court rule which allows filing of multiple plaintiff complaints.

THE COURT: There wasn't even like a summons, wasn't even a lawsuit filed. Who would let that happen? But anyway, does that toll the statute or something? You just put names on a piece of paper, and it tolls the statute?

MR. THOMPSON: Yes, Your Honor.

MR. OLSEN: We don't love it either.

THE COURT: Let me tell you what I don't like about it, Mr. Thompson. I get 700 names on a piece of paper. How an I to manage that litigation? It's sort of chaotic, and if actually they waived lexicon and I was to try it, I would -- I can't try 700 people. I'm going to be severing every -- each one of them into -- I mean, it's kind of a -- that's why we're going to allow a direct filing, but it's going to be one case at a time or a family really. I define what that is. I'm not going to have 700 cases just dumped here collectively as one case.

MR. THOMPSON: Judge, this is limited to that venue. There is a case lawyer who's present, Mr. Cohan, and with your permission, if he wants to address the Court on that --

THE COURT: I would just say y'all need to file a formal motion relating to that.

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MR. THOMPSON: Yes, sir.

THE COURT: And let me brief it. I just -- I had -you say it's unique. Let me just say this. I had it in the
Lipitor case. They had people from Missouri with all of
these -- I mean, this is not unique to Pennsylvania. And it
just -- you know, it's just a really -- you know, we talk in
here about direct filing. If the -- if they move to have it
transferred, I guess it goes to Federal Court, and then it's
transferred. Is it sitting in State Court right now? Is that
where --

MR. THOMPSON: Judge, I've exhausted my knowledge.

THE COURT: Yes, sir?

MR. COHAN: Your Honor, Josh Cohan. I represent many of the plaintiffs in Pennsylvania. The cases are currently pending in State Court. Complaints have not been filed. Writs of summons have been filed in PA.

THE COURT: Yeah. So is your idea to remove it to Federal Court and then transfer it, or how would you do this?

MR. COHAN: We've been working with defendants to come up with this joint agreement, and we would directly file into the MDL.

THE COURT: You're going to do one -- you're going to do one at a time. If they're family related, I define what direct file is. I'm just not -- I'm just not going to do this. It produces problems down the road that I can avoid by saying

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if you're going to do direct filing, you're going to do it the way we do it. Okay?

MR. COHAN: Okay, Your Honor.

THE COURT: It's based on logic and experience.

Science day. I saw the proposed order. I may refine it a little bit. I was -- some of my discussion here today was to guide the lawyers about issues that kind of interest me.

Do not send people in just to repeat what's in those articles. I've read the articles, okay? Don't -- you know, don't spoon feed me what I have already read. There are issues here that we need to get to -- I've talked about some of them -- that are important to understand, and the parties have distinctly different positions on the science, and I want to talk about those. And y'all ought to talk about -- think about the issues where you know there is dispute. The things y'all have in common, I mean, that's not -- I'm not worried about those. Where y'all dispute things, to identify those, and what is the science on both sides of those issues? I'm talking about scientific causation, and what level is -- is it harmful to humans? At what level is it safe or unsafe in water, et cetera? I mean, those -- those are some of the really important issues in the case. The parties have distinctly different positions, I take it, on it, and the science ought to drive my resolution of these things. So I'm -- I'm interested

in discussing those.

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I think we're probably going to do it in September. I just think in timing of the -- I think that's a better time for doing this and give y'all plenty of sort of advanced notice, and we'll do it on the day of the September status conference. We will -- we will do it -- you know, we'll have the status conference, and then we'll proceed.

Let me tell you one area where -- where I know we will not agree with each other, and that is there was a proposal to close my hearing. I don't close my hearings unless there's some really critical public purpose like a cooperator who might get shot, okay, something like that. I don't close hearings. I remember Judge Perry, my dear friend, was once asked to close it. He says, "This is not Russia. You know, we don't close hearings." So I'm not closing it.

On the other hand, it's not something either side is to use against the other. I will get a transcript. You will not get a transcript. I will get a transcript of that for me, because I refer to it and go back to it from time to time, but you're not going to have authorization to get a transcript, and there's not going to be a transcript. Don't bring in a court reporter to surreptitiously take it down, and you cannot use it in any way against each other. That is not the purpose of this. It's to help me understand, and y'all might want to talk among yourselves about the issues where

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there is dispute, kind of focus on what might be most useful so you don't have one side coming in and saying, "This is a big issue to us," and I don't hear from the other side about that same issue. I mean, where there's dispute, I want to hear in some logical way the presentation so I can -- I can understand the basis of each party's position. So we might even want to think about getting together and kind of listing some of the issues where we recognize there's a dispute, and in some coherent way I know we're addressing them, so I can kind of -- we don't have to do point/counterpoint during the presentation, but we can do things in a way that we know that we're addressing things that are material to the case, and I'm hearing both sides of the science. Okay?

MR. PETROSINELLI: Your Honor, could I ask you one question about that?

THE COURT: Yes.

MR. PETROSINELLI: Because it sounds like if it's going to be in September, we have more time to meet and confer --

THE COURT: Yes.

MR. PETROSINELLI: -- about topics and so on, but just procedurally one thing that we seem to have a difference on, and we just wanted to -- I wanted to at least get your guidance, which is the plaintiffs' proposal had something in the order that said that the lawyers could do direct -- might

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do direct exam.

THE COURT: No, no, no, no.

MR. PETROSINELLI: No, I thought you said no on that.

THE COURT: No, this is -- you got to have experts who speak English, right? And I don't mean because they're from a foreign country. It's because they talk in jargon, and if they sit there and talk in abbreviations and things that I don't recognize, they're not very helpful to me. They need to speak in a way in which lay people can understand the science they're explaining.

MR. PETROSINELLI: And would you anticipate so then the expert would just get up there and say, "Here's what I'm going to talk about," and just start talking?

THE COURT: Correct. And what the benefit will be is maybe y'all will have agreed on the topics that are going to be addressed, and so Expert A may address -- he's going to say, "I'm going to address these three issues," and so I know that that's the issues we're addressing, and when -- you'll have people who will have the kind of counterpoint to those issues. And we're not having argument afterwards or anything else. I'm trying to hear, I'm trying to absorb the science, and where there is -- where there are differences, I want an interpretation of what the science teaches us, that I can hear both sides not from the lawyers, but from experts in those fields.

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MR. OLSEN: Your Honor, one more question.

THE COURT: Yes.

MR. OLSEN: If you would give a little guidance on the scope of that hearing. I think our biggest concern is that we don't want to be two ships passing in the night where we both are talking about the same topics so Your Honor can get the benefit of --

THE COURT: Yes.

MR. OLSEN: And in our initial meet and confer process, I think the two sides have very different views as to what we should be covering substantively at science day, and we will continue to meet and confer and hopefully work it out.

THE COURT: Hopefully you can share with me what y'all are thinking, and I might tell you, "Don't bother on that issue."

MR. OLSEN: All right.

THE COURT: "This is the one I really think is important," or if I think y'all are not addressing an issue. I tried to raise some today. I wasn't casual about it. I was just trying to tell you some of the issues that that mean something, to me mean something, and in which -- but there may be science issues fundamental to this case that I don't know y'all disagree on. You know it. I don't know it, and I need to understand those issues.

MR. OLSEN: Are you still thinking one or two experts

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per side for a few hours?

THE COURT: Yes. Yeah, two hours each side. I can't absorb more than that.

MR. THOMPSON: Judge, my mind is racing with a variety of things, one of which would be to come up with not an agenda, but simply a series of topic areas --

THE COURT: Correct.

MR. THOMPSON: -- and then run that by you, but it strikes me that we should use our best efforts to do that and then have input from the Court so that we have that organized.

THE COURT: I would love for you -- because you know better than me the issues in dispute. I think I know some of them. I don't know all of them, and it may well be things that I have perceived to be disputed aren't really disputed, but some portion of that issue is in dispute, and I just need some help from you, because I don't want to waste any of our time here. I want it to be something that we're kind of zeroing in on the important scientific questions here.

And so yeah, I would hope that maybe -- you know, we got a little time between now and September; that y'all would meet and confer, you'd share with me your list. If y'all disagree fundamentally, you can share with me both lists, and I might go through and say -- and you might explain to me why you think that -- if you don't have an agreement, why you think one side or the other thinks that's an important issue to

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address. And so we got to give a little structure to our experts. We don't just say, "Go for it." Right? I mean, they know they all have assignments. So if you have two experts, one of them may -- knows he's taking issues A, B, and C. The other one is C, D, and E. You know, they know what they're doing.

And I will say also that if the expert thinks there might be some preliminary reading, not to the volume you've already given me, but something that I might read ahead of time, I'm game for doing that, but not -- but not ten articles each or 20 articles. Let me just say after a while, they're pretty tiresome, okay? You know, but I have to appreciate that y'all probably read a hundred articles each to get to the 10 that -- but I did note with interest that not one of you -- not one article did y'all both put in. Completely different set of authorities. Yes?

MR. LONDON: Your Honor, yes. Just in terms of -and we will with this time certainly meet and confer over our
two lists that are set forth in the status report, topic areas.
In terms of the presentation by the experts, having done a
bunch of these science days before historically, and these
parameters all make sense, while the expert is lecturing, it's
not a direct exam, but it has helped if there is --

THE COURT: We're not doing that.

MR. LONDON: No, I mean, it's not a direct, but if

But

1 one --10:02AM They're going to stand right here at the 2 THE COURT: 10:02AM podium. 3 10:02AM 4 MR. LONDON: Okay. 10:02AM And they're going to talk. 5 THE COURT: 10:02AM Not in the witness box? 6 MR. LONDON: 10:02AM 7 THE COURT: No, no, not in the witness -- they're 10:02AM going to stand right there at that podium, and they're going to 8 10:02AM 9 talk, and I'm going to ask them questions. 10:02AM 10 MR. LONDON: Okay. 10:02AM 11 MR. THOMPSON: Judge, I don't think I can reach him 10:02AM from here. Will I be able to --12 10:02AM 13 THE COURT: Y'all get one of those long sticks. 10:02AM 14 no, this is not lawyer driven. This is -- you know, I'm 10:03AM 15 looking to -- and, you know, I'm going to be asking questions, 10:03AM 16 that will leave one side or the other uncomfortable. 10:03AM Okay? I'm just trying to figure the science out. 17 10:03AM 18 Just responses here today, I know there's really 10:03AM 19 significant differences on a lot of issues that are important, 10:03AM and I hear both sides, and I just -- you know, I'm going to one 20 10:03AM 21 day have to address these issues, and I'd like to do it in a 10:03AM 22 more informed way than I'm capable of doing right now. 10:03AM 23 So written discovery. Where are we on written 10:03AM 24 discovery? 10:03AM 25 MR. LONDON: Your Honor, in terms of the plaintiffs' 10:03AM

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side, we had provided -- and I think we've talked about this -- informal discovery six questions by email following a meet and confer about three plus weeks ago. Maybe we'll get some answers. They were really done to avoid 30(b)(6) questions. Really simple.

THE COURT: Yes.

MR. LONDON: Which products did you make, the names, over what years?

THE COURT: Correct.

MR. LONDON: Hopefully we'll get some answers. In terms of the other discovery, the master discovery on behalf of the personal injury claimants, the government entities, the private well owners, states, et cetera, we hope to serve a master set of discovery, keeping with Your Honor's suggestions at the last conference, serve it informally on the defendants within a few weeks, discuss that with them, see if there's anything that may need to be fine tuned, and then short order after that, it's deemed officially served and --

THE COURT: Okay. You know, I entered a stay initially just while we got organized. Does anybody oppose me lifting the stay on discovery? I just think I will do it. I didn't intend to do it for any other reason other than to not have people noticing depositions while I'm trying to pick a Plaintiffs' Executive Committee, right? So I'm going to -- I'm going to lift the stay.

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But I do think a lot of times -- and this is why I suggested talking to Ms. Williams, is that a lot of times you could ask the question in a certain way that makes it really hard to answer it, but there's an easier way to get exactly the same information. You don't even know that it's available, but if you talk to the other lawyer and that lawyer talks to his or her people, then suddenly you're -- I had this hearing the other day where some lawyer asked a not particularly important question in the case, and his opposing counsel gave him a million documents back, and his excuse was, "Well, I just put in some search words. This is what I got." Of course it's on I was like, "That's like giving nothing. it's just ridiculous." And even if they had gotten what they wanted, it wasn't important. So I said, "You got to use some judgment here and talk to each other, and if it's going to produce -- if a search is going to produce a million documents, your search words aren't good, right? I mean, you're just too general."

So anyway, I do think consulting back and forth, and to the extent you can't work it out, make motions. I'll rule. I'm glad to do that. I'll do it expeditiously.

MR. OLSEN: Your Honor, the only other point I would like to make on this, and we're not -- we haven't in the meet and confer process suggested to the PEC to limit themselves to what they ask for, and we've been conducting it informally, but

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we're about to produce as soon as Your Honor enters a protective order to compel production just for the benefit of some context here, just 3M, for example, produced 250,000 documents and 3 million pages. We searched 124 custodians. Search terms were negotiated. There were 65 or so substantive search terms around foam, around the topics that are in issue here. We would suggest rather than getting just master discovery that asks for everything and millions and millions of pages of documents, that the PEC look at what they have already, and that might narrow the focus --

THE COURT: Well, you ought to direct that to them, Mr. Olsen, and talk to them. I will tell you that the worst thing that a lawyer could get when they ask for millions of documents is to actually receive them, right?

MR. OLSEN: Yep.

THE COURT: Then how do you -- how do you manage those millions of documents? They don't want a bunch of stuff that's not relevant to their case either. So talk to them, and obviously the production -- we'll quickly look at this protective order, because I do think it's important that the prior discovery in the Bell case will certainly -- not only will it give them substantively a lot of information, it may give them ideas about what to ask for and how that information is organized and what seems to be better than others.

Okay. I guess one could say that I perhaps have

not -- have jumped the gun on the State of New York Motion to 1 10:08AM Who's here from New York on this issue? 2 Remand. 10:08AM MR. SINKMAN: Good morning, Your Honor. 3 10:08AM 4 **THE COURT:** You got anything to add not in the brief? 10:08AM 5 MR. SINKMAN: Well, Your Honor, expectations are low, 10:08AM so I have that going for me. We will be filing a reply, and I 6 10:08AM 7 prefer to put my arguments in that reply. 10:08AM Okay. I won't rule until your reply 8 THE COURT: 10:08AM 9 comes in. Replies are optional in our district, but I will 10:08AM 10 await your reply with bated breath. 10:08AM 11 MR. SINKMAN: Thank you, Your Honor. 10:08AM 12 **THE COURT:** I will not do this, however. My -- one 10:08AM 13 of my colleagues has a red stamp. It says "Denied". 10:08AM 14 not to return your reply with a stamp that says "Denied". 10:08AM 15 MR. SINKMAN: I appreciate that, Your Honor. And I 10:08AM 16 will say that we do disagree with some of the points you made, 10:09AM 17 and I hope you look at our papers with an open mind. 10:09AM 18 THE COURT: Very good. I will look for it. 10:09AM 19 MR. PETROSINELLI: We can get you a yellow stamp, 10:09AM 20 Your Honor. 10:09AM 21 THE COURT: Yes. 10:09AM 22 MR. SINKMAN: For the court reporter, my name is 10:09AM 23 Matthew Sinkman. 10:09AM 24 THE COURT: Thank you very much. I hope you got a 10:09AM 25 good meal last night. I don't want -- your trip won't be 10:09AM

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totally wasted to Charleston.

what is our information we have about -- I know there have been numbers bandied around about the number of sites that are allegedly contaminated. How much information do we have about the number of sites and how much alleged contamination there is? I mean, the testing of wells, what has been done? What's sort of out there already that we know about? Mr. Napoli, you know something about all of this?

MR. NAPOLI: We have been following it pretty closely. I would say in the MDL, I think Your Honor is right. We probably have about 15 to 20 sites identified where there's either medical monitoring or there is some action filed, but there have been various reports by the Department of Defense that have identified upward of 400 military sites that have findings of PFOS with AFFF foam, and in our office we've been looking state by state. I know in New York, New York has identified not only Air Force bases, but civil aviation that have AFFF foam and county firefighting facilities. In New York, we have 62 counties. Each of them have their own firefighting training facility. Each of them have been identified with firefighting foam.

I've talked to other states and other attorneys in other states. Some states have a centralized fire training center. Others have county by county. We believe those are going to be issues.

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There's also industrial sites. For example, one case we have here out of Marinette, Wisconsin with Chemquard, they would produce their AFFF foam and then test it in the neighborhood, and that contaminated some wells. That case is in front of Your Honor as well.

So it's not only going to be government sites. It will be industrial sites. There will also be civil fire training sites.

The products were also used, Your Honor, in the fire suppression systems in many buildings. We have a number of cases where that may be the source.

Car fires in some counties that we've --

I saw a video of a building online where THE COURT: the foam went way up in the building. I don't know where it went after.

MR. NAPOLI: So Newburgh, for example, which is a case before Your Honor, they did use it for training. They did use it --

THE COURT: Yeah, I think it was a training film is what I saw.

MR. NAPOLI: Well, they used it for training, and that specific site had an exposure involving training, an exposure just involving the firefighters by accident spilling it, an actual emergency situation with a FedEx airplane, and then a hangar situation where the fire suppression system

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released the foam from floor to ceiling, and all of them have been identified as potential reasons why --

THE COURT: Now, Mr. Napoli, here is the next For those sites, however many number we're talking about, how much study has been done on whether there is abnormal levels of PFOS or PFOA in the water supply?

MR. NAPOLI: Okay. It varies site by site. Newburgh as an example, they shut the water system down for a period of time. There was an extensive study by the New York State EEC. I believe the DOD has also been involved in some of the studies. There's been community groups and lawyers involved in looking at what's going on.

If we go back for a second in Bell and Your Honor's idea of a progression in the cases from the water provider to medical monitoring, personal injury, I think that is what Judge Jackson had implemented in our Colorado case. began with -- there wasn't a water provider that brought suit, even though it was a second most contaminated site in the country. The water provider at that time did not bring a suit. They recently have, one of the three, which will be -- is on transfer to Your Honor.

So we began with the monitoring case. all the other personal injury cases and the monitoring cases because of the unique nature of the law of monitoring in Colorado, and Judge Jackson wanted to address monitoring. So

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what we did is we did 30(b)(6)s of the water districts. We learned how their distribution system worked. We then took that information, understanding all their testing, who was exposed. The class then got limited to those people who would have had exposure from those wells that were contaminated.

We then did a dosing analysis with our experts who then would identify based on duration and time under the existing HAL, which was 70 parts per trillion, whether or not these people were at risk for any of the --

THE COURT: And were they above -- did you find whether there were some above that number?

MR. NAPOLI: Some were above. Some were not, and we were in the process of arguing that. The judge had issued two decisions I believe that sort of addressed the state of what he believed medical monitoring was in Colorado. There's no law for medical monitoring, legislation that allows medical --

THE COURT: It's almost all case law is what I see out there.

MR. NAPOLI: There's case law. It was a District Court, well respected District Court Judge had issued an opinion, and then Judge Jackson made his determination that he believed that Colorado would recognize medical monitoring, and we were proceeding into the hearing. And he was at the stage where Your Honor is where he was about to hear testimony from some of the experts to make a determination how broad the

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medical monitoring should be, who it would encompass, what level of exposure --

THE COURT: You know, you keep talking, they're going to jump up and say, "Well, he didn't rule," so don't do that.

I've actually read all the transcripts, okay? So I'm not --

MR. NAPOLI: He did rule in the sense that he wrote an opinion that I think is instructive, at least on what was going on in his courtroom. Some -- and we're certainly --

THE COURT: But I'm going to make my own independent determination on this --

MR. NAPOLI: Sure.

THE COURT: -- but I read the transcript. It was very interesting frankly. I thought the whole discussion on both sides was very interesting, and it gives us a lot -- so, I mean, that's the kind of -- and I'll -- you know, you never quite know how in your own brain you sort of come to think about things, but a lot of what you just described is sort of where I want to get and to see -- okay. We've got Colorado. Are there other sites as well in which -- I know the government is doing a fair amount of testing. You know, I don't know how much you guys in the Bell case had the government's testing. Did you have access to that?

MR. NAPOLI: The government water district was doing testing. The --

THE COURT: How about the U.S. -- I mean, I know the

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U.S. Government has been doing some testing itself trying to determine the scope of the problem.

MR. NAPOLI: Yes.

THE COURT: Did you in Colorado have access to that information?

MR. NAPOLI: Yes.

THE COURT: Okay.

MR. NAPOLI: So there were private contractors of -for the water districts that also accumulated information.
There was the government information. Right now the federal
government has set aside money and -- to do health testing.
They're doing it at PC Air Force Base and another -- other
bases around the country.

THE COURT: Are they doing it to people who do not reside on the base but live nearby?

MR. NAPOLI: But they're doing former military, I believe people on the base, and in certain circumstances I believe people nearby. In Colorado, Colorado School of Mines, which is a state entity, but with people that are very knowledgeable on environmental health and occupation, they did testing of people's blood in the community. We also did our own testing.

THE COURT: See, I think all this information is going to end up -- the accumulation of this information here from all different kinds of sources is going to end up being

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really important to sorting out a lot of these issues. kidded y'all a little bit we're asking the question we don't know the answer to. We don't know -- you know, I don't know the answer to it, and I imagine we're going to have a fair amount of scholarship out there, people studying the data y'all are gathering trying to figure out what it tells us. me just say, folks, I know that you can't yourselves, the lawyers, control what scholarship gets published in peer-reviewed literature. You shouldn't control it, right? And as we all say in some cases, you had suspicions some of it was driven by lawyers, but, you know, it would be like really good to have scholars, researchers not tied to either side here analyze some of this data and share with us some of the findings. I mean, I would find that very helpful. may well be that I will consider down the road appointing my own science expert to help me, you know, organize all of this, because we really do need independent assessment.

And, folks, you're going to be gathering really cutting edge information here that is largely unknown right now. I mean, literally they're drawing blood in Colorado. I mean, has anybody actually done a -- written an article on that and what it tells us? I mean, that would be pretty important. I didn't have it in my ten articles. You know, I think that would be a valuable thing to know.

Mr. London, you --

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MR. LONDON: I was just going to add, Your Honor, that's precisely what happened out of the settlement previously, and there were the 72,000 members that were studied by three epidemiologists.

THE COURT: Yes

MR. LONDON: Plaintiff/defense unified picked, and it yielded -- it was one of the largest epidemiological studies.
72,000 people in the community --

THE COURT: Right. And y'all think -- legitimate point. This was the manufacturer of the chemical. It's not exactly the same, but it would be -- you know, I think in some ways in what we're going to be doing here, we may be gathering the underlying data that would answer a lot of the scientific questions that I think frankly are in dispute, but the data may answer the question for us if we just, you know, organize it.

Yes, sir?

MR. NAPOLI: The CDC is also doing a study on children, and I don't know to the extent that Ms. Williams can help us identify what studies are going on and what stage they're at. I mean, that -- the government is doing more testing than anyone at the moment.

THE COURT: Correct. Y'all, I might be missing something. I think Ms. Williams is trying to be a facilitator, giving -- kind of a neutral presenter of whatever data she has. Is that fair, Ms. Williams, that you're trying to do that?

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MS. WILLIAMS: Yes, Your Honor. And in the voluntary disclosures, the CDC section speaks to what they're doing now. One of the biggest things they're doing is these environment assessments, and those are -- one of those is at Peterson Air Force base. They've identified sites around the country for those assessments.

THE COURT: And I know Congress has -- you and I talked last night about this. Congress has a lot of interest in this as well. They're --

MS. WILLIAMS: There has been a lot of congressional interest, yes, sir.

THE COURT: Yeah. So I think we're -- you know, we're going to be in the middle of the -- in some ways this is going to be a very dynamic process as this litigation goes on, and some things which are very unfocused right now may soon become very focused as we come to learn more about this.

Let me ask a question about the -- let's say hypothetically that you wanted to do some monitoring. Are there tests, screening tests that would be not particularly involved -- blood tests, et cetera -- that may provide as a screening device some information about AFFF toxicity? Are there tests out there?

MR. LONDON: Yes, Your Honor. It's a blood test, and it's not necessarily the AFFF toxicity.

THE COURT: PFOS?

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MR. LONDON: Precisely. That's the acronym. PFOS. PFOA. Yes, that was -- that's the model.

> And that's just a simple blood draw? THE COURT:

There is a protocol that -- I'm sorry. MR. NAPOLI:

MR. LONDON: Go ahead.

So in New York there has been appointed MR. NAPOLI: by the governor several physicians, one whom my partner had mentioned to me who is -- the state is actually referring people to this physician who has a whole protocol. As I stand here today, I do not know the protocol, but --

THE COURT: You know, I saw in one of these things --I know it's early in the process -- somebody proposed, "Well, we're just going to send everybody over for a physical." That doesn't make any sense to me. You'd over-evaluate people, and you would have all these conditions. "Oh, they have hypertension. I guess that's caused by PFOS." I mean, that wouldn't be very helpful to anybody. But there are things that to me -- and I'd like -- very much like to see this New York protocol the doctor's come up with, and you could get it, share it with defense, and share it with the Court. I mean, I'm interested, but to me what would make most sense -- and maybe somebody will tell me it doesn't, some expert will tell me it doesn't -- you'd have some kind of threshold screening of that test that would not be particularly expensive or involved, and if it produced a -- a positive result, that is a result showing

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some elevated blood levels or whatever, then you might have a second wave of evaluation based upon that finding. Yes, sir?

MR. NAPOLI: And, Your Honor, that's exactly our medical monitoring claim and what we were talking about in front of Judge Jackson and he was talking about; is to have that initial testing, determine whether they -- those people need additional follow-up and what exactly that follow-up was.

THE COURT: Correct. That's exactly my thinking on this. And, you know, you tell me we have 15 to 20 sites. If we got to the point where we could -- I mean, there are all these issues. Can you define the class? Is there a meaningful way to define this class that would meet Rule 23 requirements? And are there tests that would give us meaningful information?

Then my idea would be not to pick to do this in 15 to 20 sites. We couldn't do them in states that don't allow medical monitoring, but we might pick one or two, and let's just test drive the thing and see what it teaches us. And it may be after, you know, 18 months of this, we'll say, "This is like not giving us anything worth having," or it might tell us we're on to something, or might tell us that we're not doing it exactly right but there's a better way to do it.

But I think we need to be thinking about -these are the kind of questions I have. Is there a meaningful
way to define a zone of danger if you were going to do a -based on location at a site? And how would you define that?

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And then if you were going to allow medical monitoring, what could you do that would not be incred -- that would produce information worth having, you know? I mean, I don't want to do it just for the sport of doing a medical monitoring.

But, you know, if we did medical monitoring and you found out A, there are a lot of people with elevated blood levels, a lot more than you'd expect in the general population, that's a finding that would be very meaningful. Here's another It's not, right? It's not elevated, even where finding. places -- it's not elevated. Maybe there will be arguments that the test isn't the right test or whatever. I mean, I'm hoping to hear anything, but I just -- I think that's potentially valuable information to have and something that could help guide the litigation and help inform the lawyers about -- I mean, I know if you ask the plaintiffs' counsel, they would say, "This is like one of the greatest environmental tragedies in the history of man." And the defense lawyers said, "I'll drink it by the bottle, and it won't hurt us." You know, so somewhere the truth may lie, you know, and we've got to figure out what is it, what it is, you know, unemotionally, rigorously, scientifically looking at the data. You know, what's the answer here?

MR. PETROSINELLI: Can I give you one thought on that, Judge?

THE COURT: You're not offering to drink it.

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MR. PETROSINELLI: No, I'm not. I'm not. say two things, because Colorado, that's a good example. What we found in the plaintiffs who -- or putative class members, it's all over map in terms of their blood level who got blood Some of them had none. Some of them had in the single digit parts per trillion, and some of them had, as Mr. Napoli said, over 70 parts per trillion. That's one thing.

The second thing --

THE COURT: 70 parts per trillion. That's the water supply you're talking about?

MR. PETROSINELLI: Yeah, people who the claim was that they drank water from --

But we're not talking about their blood THE COURT: serum levels. We're talking -- are we talking about blood serum levels?

MR. PETROSINELLI: Yes, sir.

THE COURT: Okay. So we're talking about people who were identified living in an area which had contaminated water, and then we're talking about they took blood tests, and some of them had elevated in their blood, accumulated levels above even the 70 parts whatever.

MR. PETROSINELLI: But a lot didn't, and then the question is -- and you hit on it earlier -- what does that mean? Because you can be sure that the EPA when they do this as a regulatory matter, if they think the level that causes

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harm is 71 parts per trillion, they don't set the level at 70 parts per trillion. There's a massive --

THE COURT: But, you know, they originally set it at 400, and then they went to 70, and they haven't issued a final, so it may be very dynamic about what that number is. New Jersey is what? What's New Jersey's number?

MR. PETROSINELLI: 13 or something.

THE COURT: So, I mean, again, what is it worth? I mean, I think we got to -- you know, I think --

MR. PETROSINELLI: But it gets to the general causation question, which is I guess what science day will get you a start on, which is what is the level -- you know, in toxicology you have the basic principle of dose matters, right? Every substance is toxic.

THE COURT: You've read my Lipitor order. Dose matters.

MR. PETROSINELLI: And so the question is at what level is there evidence that these compounds cause any --

THE COURT: Well, that was one of my first questions
I raised here today when I was talking about this, is at what
level is this harmful to humans? I think we know from the C8
work that at very high levels, it is really bad, okay? But at
what level when you're not having that type of intense exposure
is it most probably something that causes injury?

Mr. London?

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MR. LONDON: Your Honor, the proposal or outline of or thinking that -- I don't want them to jump up and call it proposal that Your Honor is thinking in terms this quasi monitoring, and Mr. Napoli alluded to it starting in New York, this is precisely what's going on and has gone on since '05 or '06 in West Virginia with those 72,000 people.

THE COURT: Right.

MR. LONDON: Ongoing monitoring, simple blood draw. And it really -- it wasn't lots and lots of stuff, this dose that matters. It was .05 parts per million. That's nothing for one year. That was the exposure level. So living there and then still having .05 parts per --

THE COURT: But it has the accumulated effect.

MR. LONDON: It has accumulation, which is why you can be removed, you can move to New York, and still have it in you despite not living in a contaminated area.

THE COURT: But what harm -- I mean, we're being told -- and I don't know if it's true or not, but we're being told that the whole world has some part of this; that somehow this product through indirect, Teflon, whatever, we've all been exposed to it, and then there's some minimal level, and I don't know if it's been demonstrated having that sort of de minimis level that everybody in this room has has caused harm. But you didn't bring this suit because the universe has it. You are claiming that there are people who have a great deal more

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exposure than that.

MR. LONDON: And that's correct. And where we are now -- and this is really what Your Honor started today's discussion on, is these water providers -- and basically it's to go backwards a little bit, the precautionary principles is what's at play here. If you know something is toxic, you must remove it first and remediate and get what's toxic out. We may argue for some time -- and in fact they argued for seven years down in -- eight years down in West Virginia about which injuries were caused by .05 parts per million for one year. It turned out these three scientists ruled out close to 200 other ailments, other cancers, other conditions.

THE COURT: I saw that.

MR. LONDON: And only found six. And so right now we're in this public health situation where this stuff is toxic. This stuff is bioaccumulative. The precise injuries, maybe we still need --

THE COURT: Well, this is one of the reasons I pointed out about medical monitoring in the water district cases; that, you know, to the extent there is reasonable science to support injury at a certain level of exposure, then the water districts say, "We don't want to sell a contaminated product, a contaminated product." That's all -- as long as that's a reasonable scientific basis for that, that's a claim.

MR. LONDON: That's a claim.

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THE COURT: But the person who drank that water may not have a claim if you can't prove more likely than not that it caused them injury. Now, that's a different case, and they may live in the same community and drink that water, but that's a different issue, a more demanding issue for the plaintiffs to prove.

MR. LONDON: And in those Ohio cases, those injury claims took --

> THE COURT: Years.

-- eight years. MR. LONDON:

THE COURT: Right.

-- to -- for that science to MR. LONDON: materialize.

THE COURT: But I agree with you. That's why the sequencing here makes sense to me.

MR. LONDON: Absolutely.

THE COURT: And I really want to know -- you know, obviously there's some -- there's no consensus out there on what level is dangerous. New Jersey's found one place. original EPA is 400. Then it's 70. New Jersey is now 13. I mean, I want to hear the basis of this. I mean, I don't think people just threw a dart at a wall and picked a number. mean, they had their own reasons, and my understanding is the EPA is in the middle of trying to look at this itself, right? And issued a -- I think -- what is done, an advisory, but not a

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prohibition; kind of mandated standard, is that correct?

MR. PETROSINELLI: Yeah, they have a health advisory level in drinking water. That's the 70 parts per trillion, and they're looking now at whether they're going to establish an actual MCL, a maximum contaminant level, which would actually be a requirement. It wouldn't just be an advisory.

THE COURT: So water districts would prohibited from selling.

MR. PETROSINELLI: Correct.

THE COURT: Well, let me ask you this. If a water district comes in and says, "We've looked at the science. We think New Jersey is right. This is 13 parts. That's our judgment, and we've hired consultants, and it's our good faith belief that if we sell more than that, we're irresponsible, and we have to remediate. We have to get it below that level." Is that a claim?

MR. PETROSINELLI: It's a claim. It's not a dispositive claim.

THE COURT: So, I mean, obviously you got issues about who caused it and all of those; right?

MR. PETROSINELLI: There's different sources of PFOS contamination --

THE COURT: Correct. You have to get all that, but if you were -- if they were able to carry their burden of proving whoever was responsible and they were -- happened to be

a party in this lawsuit, potential claim; right? 1 10:33AM MR. PETROSINELLI: Potential claim. 2 10:33AM 3 THE COURT: Yeah. 10:33AM 4 MR. PETROSINELLI: Subject to -- but there's the 10:33AM government contractor defense. 5 10:33AM 6 THE COURT: I get all that. 10:33AM 7 MR. PETROSINELLI: And number 2, remember that's just 10:33AM the nuisance claim. They've asserted in this case negligence, 8 10:33AM 9 design defect. Those are subject to the same -- you have to 10:33AM 10 prove causation. It's not -- it's no different than the 10:33AM 11 personal injury claims. You have to prove that these --10:33AM But if their product is contaminated and 12 THE COURT: 10:33AM 13 they can't sell it --10:33AM 14 MR. PETROSINELLI: They'd have a potential claim. 10:34AM 15 **THE COURT:** -- they have a potential claim. 10:34AM 16 Mr. Summy? 10:34AM 17 MR. SUMMY: Your Honor, I would like to address this. 10:34AM Having represented public water providers for the last 20 18 10:34AM 19 years, this has been a very big issue in litigation and out of 10:34AM I think it's important to note that when you're 20 litigation. 10:34AM 21 talking about MCLs that are set by different state 10:34AM 22 legislatures, those are really political numbers. 10:34AM 23 THE COURT: They can be. 10:34AM 24 MR. SUMMY: They very well can be, and so public 10:34AM 25 water providers, if they make a decision that, "Look, we're not 10:34AM

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going to put our constituents at risk or much less us at risk," they make these decisions. They definitely have a claim, and we want --

THE COURT: Well, Mr. Summy, let me say this. It's got to be -- have a reasonable scientific basis.

MR. SUMMY: Sure.

THE COURT: They can't do -- they can't also pick a number and just say, "That's our number." They have -- they will have to come -- that's why I kept prefacing this that they have to have a reasonable scientific basis for their number.

MR. SUMMY: Absolutely.

THE COURT: And they're just going to say, "While you guys are over here litigating whether -- how much harm this causes, we're not selling the product. We are not engaging in this."

MR. SUMMY: That's correct.

THE COURT: "You know, and putting -- letting our customers be canaries in the mine to figure out when it kills them."

MR. SUMMY: Or what they do is they also will raise money to filter it out, which is extremely expensive to filter it out, and that becomes the basis of their claim is to get reimbursement for the cost of treating the water.

THE COURT: It could be, or it could be a claim that they -- you know, prospectively they have to do something.

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MR. SUMMY: That's correct, Your Honor, because I think one of the things that's very important here is to realize that while these cases are going on -- and this Court and the lawyers are going to play an incredible role in the development of this -- there is exposure going on all over the country, and these water providers have to make a choice of whether or not to filter this water and to spend the money or to at least make claims to address it, and I think the Court is looking at this appropriately in that I think we should be focused in the sequencing on stopping the exposure or addressing the claims that are attempting to stop the exposure, and then secondly address the medical monitoring, because that sort of comes before we can get to the personal injuries. so I think the Court is looking at the sequencing of this exactly right, and I think it's the appropriate way to do it.

THE COURT: I'm not sure anybody -- yes, sir, Mr. Napoli?

MR. NAPOLI: I just want to add in New York and New Jersey, there were science committees of epidemiologists and public health officials who helped come up to make a determination on their levels of 10 parts per trillion, 13 parts per trillion. At the federal side, people on the ATSTR came out with a report.

THE COURT: What is ATS -- you're now doing what I said -- you gotta tell me --

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MR. NAPOLI: I couldn't tell you what the acronym stands for, but they are the part of the --

THE COURT: The worst part, to use an acronym, and you don't even know what it means.

MR. NAPOLI: It is the -- of the EPA. It's the health arm of the EPA.

THE COURT: I gotcha. I gotcha. Okay.

MR. NAPOLI: They came out with 7 and 11 parts per trillion. What's going on now politically, to Mr. Summy's point, federally, even though they've set a 70 parts per trillion, the Department of Defense is going to have to clean up the sites that are at whatever level is set as an MCL. So there is argument -- the DOD is arguing that 400 parts per trillion should be the cleanup level, and so there is political aspect. So each of these standards --

THE COURT: I can assure you of this. We will not be making here a political decision.

MR. OLSEN: Your Honor, I think that's the only point the defense is going to make throughout here, is there's a lot of politics going on in what's being discussed, and all we're looking for is some scientific basis for those levels.

THE COURT: Right. If y'all know anything about me, I'm going to go to the science, and I'm going to -- we're going to be rigorous about the science.

Yes, sir. Could you state your name, please?

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MR. JACKSON: Bill Jackson. I represent the state of New Jersey. We have filed an AFFF case, excuse me, on Tuesday, so it's not made its way here yet, but it will. As everyone is discussing, New Jersey has set levels right now at 13 parts per trillion for PFOS, and 14 for PFOA in a rule making decision. There are interim levels of 10 parts per trillion each while that rule making is finished. Another report that has come down, PFNA has already been set at 14 parts per trillion. So these are based upon years of science and data and process.

THE COURT: Well, I would hope -- you know, we're talking about science day, I would hope that both sides would address the underlying scientific basis of these various numbers. I mean, I -- they're obviously distinctly different from each other, and what was the reasoning and -- you know, and where do they part ways? What is it that is causing them to part ways?

MR. JACKSON: The science has evolved over time.

It's the Agency for Toxic Substances and Disease Registry which is the United States agency that is under --

THE COURT: Mr. Napoli, did you write that down?

MR. JACKSON: It's under the Department of Health,

and in 2018, in the summer -- last summer 2018, they issued an

800-page report that was accumulating the --

THE COURT: Is this CDC? Is this a CDC agency?

MR. JACKSON: Yes.

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THE COURT: Okay.

MR. JACKSON: And they didn't give you the number in the document. They told you how to calculate the math basically.

THE COURT: And that number comes out to be what?

MR. JACKSON: Between 7 and 11 parts per trillion on a cumulative basis. So you've got a lot of the weight of the science moving to these smaller and smaller levels. As you noted, originally the numbers were much higher, and it has dropped over time. So anyway, that's the evolution of it. There's a great deal of scientific work that is going on, and these state levels that are being set are based upon that data.

MR. PETROSINELLI: Your Honor, could I throw one other number at you?

THE COURT: Absolutely.

MR. PETROSINELLI: Just so you understand the range here, today as we sit here, the United States Government, the military says, "We still need this foam," and it can have in it -- they just changed this in 2017, for PFOS and PFOA 800,000 parts per trillion. 800,000 parts per trillion. They say, "As long as the foam has less than that, we need it." And that's what the mil spec says today, and it says, "By the way, we'll still use the stuff in inventory that has more than that," but they set the level in 2017 at 800,000 parts per trillion.

MR. OLSEN: Rather than addressing back and forth, I

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mean, Mr. Jackson says the science has evolved to establish these lower numbers. The defense vehemently disagrees with that.

THE COURT: That's why we're going to have a science day.

I was just going to say, I think both MR. OLSEN: sides agree we will address this at science day rather than keep going back and forth as to what the right number is.

THE COURT: Well, I think it just highlights that everybody's view of this, nobody took a dart out and threw it against a wall. So someone's view on science may be more persuasive than others. I think I'm going to have to get to this.

But I make the point about the water districts. Let's say there's this variance between the Department of Defense and the state of New Jersey and epidemiologists, but the water district says, "We have weighed all of this, and we as an entity cannot sell a product that we have deemed at this level to be tainted." Even though the Department of Defense might say, "Well, we would -- we're willing to use the stuff." I'm not sure the water district doesn't have a claim. don't have to -- they're not bound by the Department of Defense's -- which has maybe some very important military purposes and so forth that justify the use of this. you got a jet fuel fire on an aircraft carrier, you got one

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heck of a problem, and so there may be real justifications for the military willingness to use it, but not sufficient to make a water district in Colorado use it. You know, I mean, those are really two different factors.

But I'm hoping early on that we can at least come to understand why these numbers are so greatly different and what are the underlying presumptions. Everybody is making presumptions, right? They're taking data, and they're extrapolating from known data. Where exactly are those pivot points? And I'd like to know where they are. Where are people reaching different — or assuming different points? So where is the government getting its — its foam with PFOA or PFOS in it? Are the defendants still manufacturing it for them?

MR. PETROSINELLI: Yes, the government still needs -the military needs it, so they issue government contracts or
purchase orders --

THE COURT: Are there products without those two chemicals in it?

MR. PETROSINELLI: You can make fluorine-free foam, but the government has said, "It doesn't meet our specifications." So that's the issue. In other words, there are fluorine-free foams that are used in commercial applications that are used overseas, but for the U.S. Military, they have -- it's actually right in the new mil spec, the one I just mentioned to Your Honor, the 2017 amendment. It says,

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"We're still looking at trying to come up with fluorine-free foams, but none of them is able to meet our specifications.

THE COURT: And that is to be able to retard fire or whatever, right?

MR. PETROSINELLI: You know, to put out a certain level of fire in 30 seconds. You know, if you're on a military airplane and you have a fire that comes up under the airplane, you want it out in 30 seconds, not three minutes, which is what it takes with fluorine-free foams. And so there -- I think -- I don't think there's any disagreement that there is no foam that is fluorine-free that can meet the mil specs.

THE COURT: But is there going to be an argument that what you might need on a plane crashing into an aircraft carrier might not be the same thing you need in an airport in the United States on land? I'm just saying --

MR. PETROSINELLI: It may be, but again with a military base or an FAA airport, they require mil spec foam.

You cannot supply them fluorine --

THE COURT: And what is mil spec?

MR. PETROSINELLI: Military specification is the, you know, jargon for what the Naval Research Lab came out with to say that if you're going to sell foam to the United States Government or an FAA airport, it must meet this specification.

THE COURT: Okay. Y'all need to be able to address all of that, about what alternatives there are and so forth.

1 10:45AM 2 10:45AM 3 10:45AM 4 10:45AM 5 Et cetera. 10:45AM 6 10:45AM 7 10:45AM wishes to raise? 8 10:45AM 9 10:45AM 10 10:45AM 11 10:45AM 12 10:45AM 13 THE COURT: Okay. 10:45AM 14 10:45AM 15 record. 10:45AM 16 okay. THE COURT: 10:45AM 17 first. 10:45AM 18 10:45AM 19 THE COURT: Yes. 10:46AM 20 10:46AM 21 Viola Vetter. 10:46AM 22 10:46AM the microphone, please? 23 10:46AM 24 10:46AM 25 could state your name please. 10:46AM

And we need to, you know -- obviously another piece of the evidence is going to be -- in discovery is who knew what when, and what they did do? What the disclosure was? What the government knew already? What the government learned? Et cetera.

Okay. I've gone through my list. First from the plaintiffs, Mr. Thompson, anything else plaintiffs' counsel wishes to raise?

MR. THOMPSON: Your Honor, we have completed our agenda. I had mentioned to Blaise that there was a representative from Grant and Eisenhofer who wanted to address the Court about CMO 3 briefly.

MR. THOMPSON: Wanted to place a statement on the

THE COURT: Okay. Let me go to Mr. Petrosinelli first. Anything further from the defense?

MR. PETROSINELLI: Nothing further from the defense.

MS. VETTER: Good morning, Your Honor. My name is
Viola Vetter.

THE COURT REPORTER: I'm sorry, could you come up to the microphone. please?

THE COURT: Come to the microphone, yes. If you could state your name please.

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MS. VETTER: Sure. It's Viola Vetter.

THE COURT: Yes.

MS. VETTER: With Grant and Eisenhofer. We are counsel to the state of Ohio.

THE COURT: Yes.

MS. VETTER: We just wanted to raise really briefly an issue of concern for the state, and we just want to make sure it's out there, the Court's aware of it, just so there's no surprise to the extent we do file a formal objection.

THE COURT: Okay.

MS. VETTER: So in brief, the state of Ohio has some concerns about the amount of the attorney fee holdback that's included in CMO 3. The state of Ohio ultimately believes its damages claims in this case will be comparatively large, and with that potential payment of attorney's fees would also be comparatively large and in the state's view potentially too large, and so we just wanted to raise this issue. It's the state's intention to work with co-lead counsel to the extent we're able to on a potential exception or workaround, and we would only address it with the Court if it's absolutely necessary.

THE COURT: Let me say this. Number 1, you're doing exactly what you need to do, which is to raise it with the Plaintiffs' Executive Committee, and a holdback is not a final determination. It is simply a holdback. There will be -- if

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there's a recovery at the end, the reasonableness of fees would be a subject of discussion. And I don't intend to rubber stamp anything, and if at that time Ohio feels like the recovery is excessive and unreasonable in light of the result, then that would be -- seems to me the time, so you're not committing yourself to that is the absolute award, because -- am I correct on that, Mr. London, that that's the way the system -- the thing is designed?

MR. LONDON: That's correct, Your Honor. Absolutely.

THE COURT: It's just a holdback now so that money doesn't go out and then you have to go claw money back in to But let me say this. To the extent there's a get the fee. very large recovery brought about by these -- this Plaintiff Executive Committee, if you had a complaint they're getting paid too much, as my grandmother used to say, "You should have such problems." And, you know, the basis of a contingency fee is that it rewards effort, and it rewards talent and rewards result. Yes, at times it can be completely out of proportion to what it should be, and I don't hesitate if I think we reached that that we will -- that I wouldn't allow it. And -but I think at this point if you feel urgency, you can file a motion now about it. I will tell you that my view of it is it's just a temporary holding of funds so that later we can make the determination. I assure you I would hear out for Ohio and everybody else who would question a proposed fee.

course, the plaintiffs haven't even asked for a fee yet, so we 1 10:49AM don't know what they -- they may surprise you and actually show 2 10:49AM I wouldn't count on it, but -- but that's also 3 restraint. 10:49AM 4 possible, okay? But thank you. 10:49AM 5 Thank you very much, Your Honor. MS. VETTER: 10:49AM 6 THE COURT: Yes. 10:49AM I understand it's a fluid situation. 7 MS. VETTER: 10:49AM 8 Yes. Thank you. THE COURT: 10:49AM 9 We just wanted to make sure we bring it MS. VETTER: 10:49AM to your attention in a timely fashion. 10 10:49AM 11 **THE COURT:** You've been heard on it, okay? Yes. 10:49AM 12 Thanks very much. MS. VETTER: 10:49AM 13 Thank you. Anything further? THE COURT: 10:49AM 14 MR. THOMPSON: Well, Judge, after listening to 10:49AM 15 Mr. Petrosinelli, I'm thinking that they don't think we're 10:49AM 16 going to get any fee out of this at all, but --10:49AM 17 **THE COURT:** Yeah, he wasn't complaining about the 10:49AM He wasn't worried about it at all. 18 holdback. 10:49AM 19 MR. PETROSINELLI: X percent of zero is zero. 10:50AM Judge, you've determined a trillion, 20 10:50AM MR. THOMPSON: 21 and I have tried to get my mind around what a trillion is, 10:50AM 22 and --10:50AM 23 Don't fall in love with that number THE COURT: 10:50AM 24 regarding your fee award. 10:50AM 25 MR. THOMPSON: Well, I was thinking, and a trillion 10:50AM

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liters of water makes a cubic kilometer of water. That's what -- and that is --

THE COURT: Well, I read in one of the articles y'all gave me that -- and I don't remember which side -- that 70 parts per trillion was the equivalent to one drop of PFOS in a swimming pool 100 yards long and 43 feet deep. That's how much one 70 per trillion is. It's a very small amount. Tells you something that everybody seems to recognize, that at some higher -- at some level, it is a very potent and potentially toxic chemical. So what it is actually, you know, and whatever the number is is fine. It's just a question at what point does it have a material effect on human health? And that's something I really want -- I want everybody to address, and I got a feeling, as our Ohio lawyer just mentioned, it's a very dynamic thing here. This whole case is very dynamic, and we got -- we all have a lot to learn.

Now, Mr. Thompson facilitated this wonderful reception last evening at the Bennett Hotel, and I believe the ball passes to the defense counsel to find an equally spectacular location, and that seems to me Mr. Duffy's special role here will be as a local to meet that challenge.

Mr. Duffy, are you up for such a challenge?

MR. DUFFY: Well, Your Honor, we would cede the title to Mr. Thompson if he'd like to take it. But I will do my best.

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THE COURT: Good. Okay. If nothing further, this hearing is adjourned. Thank you.

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CERTIFICATE

I, Tana J. Hess, CCR, FCRR, Official Court Reporter for the United States District Court, District of South Carolina, certify that the foregoing is a true and correct transcript, to the best of my ability and understanding, from the record of proceedings in the above-entitled matter.

Tana J. Hess, CRR, FCRR, RMR Official Court Reporter