

US corporate law weekly news: federal circuit court ends JPMorgan's energy rate-fixing suit

23 MAY 2017

CATEGORY:

[BLOG](#)

On May 12, 2017, a unanimous Ninth Circuit panel affirmed a District Court decision involving a class action suit alleging fraudulently inflated electricity rates on the part of a JPMorgan Chase & Co. subsidiary, JPM Ventures. The plaintiffs had sought damages in a civil action under the Racketeer Influenced and Corrupt Organizations Act (RICO). The plaintiffs alleged that JPM Ventures fraudulently manipulated rates in California's wholesale electricity market, resulting in higher electricity costs for retail consumers.

Applying the so-called filed-rate doctrine, the Ninth Circuit concluded that courts are prohibited from meddling with rates that have been approved by regulators, and that as a consequence, electricity customers cannot seek damages related to prices agreed upon by the Federal Energy Regulatory Commission.

For more information, see <https://cdn.ca9.uscourts.gov/datastore/memoranda/2017/05/12/15-56697.pdf>.