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Gibson Dunn Secures Landmark Defense Victory for Energy Transfer

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Gibson Dunn has delivered one of the most significant securities litigation defense results of 2025, achieving a near-total victory for Energy Transfer LP in Allegheny County Employees' Retirement System v. Energy Transfer LP (E.D. Pa. No. 2:20-cv-00200-GAM). Our winning team of trial lawyers was hired to replace another defense firm after the motion to dismiss had been denied and a class had been certified.

While virtually all securities class action lawsuits are settled short of trial and long before a decision on summary judgment, our team had a single objective: to litigate the case to victory, including at trial if necessary. The odds of achieving this goal were steep. After years of litigation, plaintiffs sought more than $2.1 billion in damages stemming from claims that Energy Transfer misled investors about its multibillion-dollar Mariner East 2 and Revolution pipeline projects spanning the state of Pennsylvania. Once hired, our team — with critical assistance from a team of Morgan Lewis lawyers led by Laura H. McNally — sprang into action and implemented a strategy that eviscerated nearly all claims before trial and capped Energy Transfer's exposure at less than 5% of the alleged damages.

Following extensive discovery (over 1.5 million documents and 40 depositions), our team obtained a groundbreaking summary judgment ruling in August 2024. The court eliminated 98% of the plaintiffs' estimated damages, holding that only a single narrow corrective disclosure could even proceed to trial. With trial weeks away, plaintiffs agreed to a $15 million class settlement. To put this amazing defense result in context, the plaintiffs' lodestar (the amount they claim they would have received in fees had they charged at an hourly rate) was more than $50 million, and the settlement eliminated over $2 billion of exposure for Energy Transfer.

The recently approved settlement serves as a model of strategic and data-driven defense litigation by lawyers who, unlike most securities class action defense (and plaintiff) firms, are ready, willing, and able to win cases at trial. The court found the outcome "fair, reasonable, and adequate," noting the absence of any objections from over 745,000 notified class members.

This result exemplifies our firm's ability to dismantle complex securities claims through rigorous expert work, targeted motion practice, and disciplined trial readiness — shielding the client from potentially catastrophic liability while preserving its reputation and resources.

Led by partner Trey Cox, our winning team of trial lawyers included partners Brian Lutz, Colin Davis, and Lissa Percopo and associates Holly Rooke, Dana Sherman, Luke Dougherty, and Lydia Lulkin.

Related Capabilities

Litigation

Related People

Trey Cox

Brian M. Lutz

Colin B. Davis

Lissa M. Percopo

Holly Rooke

Dana E. Sherman

Luke A. Dougherty

Lydia Lulkin

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