

UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF
CALIFORNIA

Sheila Tovar, on behalf of herself and others similarly situated v.
LGCY Power, LLC, et al.

Tovar · No. 25-cv-02627-AJB-MSB · Decided December 5, 2025

SUMMARY

The United States District Court for the Southern District of California grants LGCY Power, LLC’s motion to compel individual arbitration in Sheila Tovar’s putative wage-and-hour class action. The court finds the arbitration agreement valid and enforceable, determines that Tovar’s individual claims fall within its scope, and dismisses the class claims without prejudice under the class-action waiver. The action is stayed pending arbitration, with the parties ordered to submit periodic status reports.

CASE DETAILS

COURT	United States District Court for the Southern District of California
WRITING FOR THE COURT	Anthony J. Battaglia
JURISDICTION	United States District Court for the Southern District of California
DECIDED	December 5, 2025
DOCKET	25-cv-02627-AJB-MSB
DISPOSITION	other
PROCEDURAL POSTURE	Defendant removed Plaintiff's putative wage-and-hour class action from California state court under the Class Action Fairness Act and moved to compel individual arbitration, dismiss the class claims, and stay the action. Plaintiff did not oppose the motion.
STANDARD OF REVIEW	The court applied the Federal Arbitration Act's framework for determining whether an arbitration agreement exists and whether the dispute falls within its scope, applying ordinary state-law principles of contract formation and generally applicable contract defenses.
PRECEDENTIAL VALUE	unpublished

TOPICS

- arbitration
- employment arbitration
- class actions
- wage and hour
- civil procedure

PRACTICE AREAS

arbitration

employment law

wage and hour

class actions

civil procedure

QUESTIONS PRESENTED

1. Whether a valid and enforceable arbitration agreement existed between Plaintiff and Defendant.
2. Whether Plaintiff's individual employment-related claims fell within the scope of the arbitration agreement.
3. Whether the agreement's individual-arbitration and class-action waiver barred Plaintiff's putative class claims.
4. Whether the action should be stayed pending completion of individual arbitration.

HOLDINGS

1. The electronically signed arbitration agreement was valid and enforceable because Plaintiff signed it, did not dispute her signature, and raised no defense to contract formation or enforcement.
2. Plaintiff's individual claims fell within the broad scope of the arbitration agreement and were required to proceed to individual arbitration.
3. The class claims were barred by the agreement's class-action waiver and were dismissed without prejudice because Plaintiff's individual claims were subject to arbitration.
4. The action was required to be stayed pending completion of individual arbitration.

KEY QUOTATIONS

“The FAA “leaves no place for the exercise of discretion by the district court, but instead mandates that district courts shall direct the parties to proceed to arbitration on issues as to which an arbitration agreement has been signed.”” (at 3)

“The Parties expressly waive any right to submit, initiate, assert, or participate in any class . . . action involving any other person[.]” (at 7)

FACTUAL BACKGROUND

On October 20, 2024, Plaintiff electronically signed an arbitration agreement with LGCY Power, LLC. The agreement broadly covered employment-related claims, including wage, overtime, meal-period, rest-period, wage-statement, and tort claims, and delegated gateway issues concerning scope, enforceability, and arbitrability to the arbitrator. It also required covered claims to be arbitrated individually and waived participation in class actions. Plaintiff later filed claims alleging misclassification, unpaid overtime, meal- and rest-period violations, wage-statement violations, and unfair business practices.

PROCEDURAL HISTORY

Plaintiff filed a putative wage-and-hour class action in the San Diego County Superior Court on August 21, 2025. Defendant removed the action on October 3, 2025, and moved to compel individual arbitration and stay

proceedings. The court denied Plaintiff's motion to remand and granted Defendant's unopposed motion to compel arbitration, dismissed the class claims without prejudice, and stayed the action pending arbitration.

DISPOSITION

other

REMAND INSTRUCTIONS

The parties were directed to file a joint status report concerning the status of arbitration by April 6, 2026, and every 60 days thereafter. The action was stayed pending completion of individual arbitration.

CASES CITED

- Brennan v. Opus Bank, 796 F.3d 1125, 1129-30 (9th Cir. 2015)
- AT&T Mobility LLC v. [citation incomplete in source], 344 (2011)
- Dean Witter Reynolds, Inc. v. Byrd, 470 U.S. 213, 218 (1985)
- Kilgore v. KeyBank, Nat. Ass'n, 673 F.3d 947, 955 (9th Cir. 2012), on reh'g en banc, 718 F.3d 1052 (9th Cir. 2013)
- AT&T Technologies, Inc. v. Communications Workers of America, 475 U.S. 643, 649 (1986)
- Knutson v. Sirius XM Radio Inc., 771 F.3d 559, 565 (9th Cir. 2014)
- Heckman v. Live Nation Entertainment, Inc., 120 F.4th 670, 680 (9th Cir. 2024), cert. denied sub nom. Live Nation v. Heckman, No. 24-1145, 2025 WL 2823733 (U.S. Oct. 6, 2025)
- Doctor's Associates, Inc. v. Casarotto, 517 U.S. 681, 687 (1996)
- Marsh v. S.D. County, 432 F. Supp. 2d 1035, 1043 (S.D. Cal. 2006)
- Cooper v. Adobe Systems Inc., No. 18-CV-06742-BLF, 2019 WL 5102609, at *4 (N.D. Cal. Oct. 11, 2019)
- Estrada v. KAG West, LLC, No. 1:24-CV-00257-KES-CDB, 2025 WL 2829425, at *1 n.1 (E.D. Cal. Oct. 6, 2025)
- Nguyen v. Marketsource, Inc., No. 17-CV-02063-AJB-JLB, 2018 WL 2182633, at *2 (S.D. Cal. May 11, 2018)
- Epic Systems Corp. v. Lewis, 584 U.S. 497, 502 (2018)
- Blair v. Rent-A-Ctr., Inc., 928 F.3d 819, 832 (9th Cir. 2019)