

1 Settlement of City's Lawsuit Against Defendant EnCana Corp.]

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3 **Ordinance authorizing partial settlement of the lawsuit entitled *City and County of San***
4 ***Francisco v. Sempra Energy, et al.* (JCCP No. 4221-00023), filed by the City and County**
5 **of San Francisco on June 8, 2004, and coordinated as Natural Gas Anti-Trust Cases I, II,**
6 **III & IV in the Superior Court of the State of California for the County of San Diego**
7 **(JCCP Nos. 4221, 4224, 4226, and 4228); the settlement provides approximately**
8 **\$265,695.80 to the City from defendant EnCana Corp.**

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10 Be it ordained by the People of the City and County of San Francisco:

11 Section 1. The City Attorney is hereby authorized to settle in part the action entitled
12 *City and County of San Francisco v. Sempra Energy, et al.* in the Superior Court of the State
13 of California for the County of San Diego (JCCP No. 4221-00023). The City Attorney may
14 settle the claims of the City and County of San Francisco ("City") against defendant EnCana
15 Corp. by entering into a settlement agreement with EnCana Corp. The City's litigation against
16 the one remaining defendant in Natural Gas Anti-Trust Cases I, II, III & IV will continue. The
17 total amount of the settlement with EnCana Corp. is \$23,000,000. The City's pro rata share of
18 the settlement, net of costs and attorney's fees, is expected to be approximately \$265,695.80.

19 Section 2. The above-named action was filed in the Superior Court for the State of
20 California, County of San Francisco on June 8, 2004 and has been coordinated as Natural
21 Gas Anti-Trust Cases I, II, III & IV in the Superior Court for the State of California, County of
22 San Diego (JCCP Nos. 4221, 4224, 4226, and 4228). The following parties are plaintiffs in
23 the coordinated lawsuits: City of San Diego, the Counties of Alameda, San Diego, San Mateo,
24 Santa Clara, the Regents of the University of California, the Board of Trustees of the
25 California State University, the Sacramento Municipal Utility District, the Association of Bay

1 Area Governments Publicly Owned Energy Resources, and a number of private entities.

2 More than a dozen entities have been named as defendants, including EnCana Corp.

3 Section 3. The proceeds received by the City under this settlement will be
4 appropriated to the San Francisco Public Utilities Commission ("SFPUC"). After payment of
5 the City's costs to pursue this claim, the SFPUC will then determine how to use the proceeds
6 to reimburse any other City departments that have already paid the SFPUC for their use of
7 natural gas during the applicable time period.

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9 APPROVED AS TO FORM AND
RECOMMENDED:

10 DENNIS J. HERRERA
11 City Attorney

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14 William K. Sanders
Deputy City Attorney

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