

1 [Urging Low-Income Heating Oil Assistance Program]

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3 **Resolution commending Citgo Petroleum Group for its plan to provide low-income**
4 **communities in the United States of America with discounted home heating oil, inviting**
5 **Citgo to engage in a similar program with San Francisco's low-income residents, and**
6 **urging other major oil companies to invest a portion of record profits in low-income**
7 **assistance programs.**
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9 WHEREAS, According to the Energy Information Administration, homes that use
10 natural gas for heat can expect to average an additional \$306 per typical-sized household, 41
11 percent more this winter compared with last year and in some regions, the increase could be
12 as high as 70 percent; and,

13 WHEREAS, In the wake of Hurricane Katrina earlier this year, the oil industry has
14 reaped record profits including ExxonMobil Corporation which reported the largest quarterly
15 corporate net profit ever (\$9.9 billion, up 75 percent), Royal Dutch Shell which reported profit
16 growth of 68 percent, British Petroleum (up 34%), Chevron Corporation (up 12%) and
17 ConocoPhillips, up 89% to \$3.8 billion; and,

18 WHEREAS, On October 27th, 2005, members of the United States Senate, including
19 Rhode Island Senator Jack Reed, sent a letter to the chief executive officers of nine large oil
20 companies, asking them to donate 10 percent of their record profits to programs that provide
21 low-income heating assistance; and,

22 WHEREAS, In response to the Senators' letter of October 27th and in addition to a
23 similar proposal announced by Venezuelan President Hugo Chavez during a speech in New
24 York City in September of 2005, Citgo Petroleum Corporation announced a program to
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1 provide heating oil at 40% discounts to low-income residents in numerous cities across the
2 eastern United States of America; and

3 WHEREAS, As part of this program, Citgo will begin offering low-income residents in
4 the state of Massachusetts more than 12 million gallons of discounted heating oil over a four
5 month, to be distributed by two non-profit organizations; and,

6 WHEREAS, As a founding member of the Organization of Petroleum Exporting
7 Countries (OPEC), Venezuela is a leading producer of crude oil, with an estimated average
8 production of 2.1 million barrels per day, according to the CIA World Factbook; and,

9 WHEREAS, Venezuela is the fifth largest oil exporting country in the world, and is the
10 third largest source of oil imports for the United States of America, according to the Energy
11 Information Administration; and,

12 WHEREAS, Venezuela's state-owned petroleum company, Petroleos de Venezuela,
13 S.A. (PDV), owns Houston-based Citgo Petroleum Corporation that has about 13,500
14 independently owned U.S. gas stations; now, therefore, be it

15 RESOLVED, That the City and County of San Francisco commends the Citgo
16 Petroleum Corporation for its recently announced plan to invest a percentage of recent profits
17 to provide discounted heating oil to low-income residents in numerous cities across the
18 eastern United States of America; and be it

19 FURTHER RESOLVED, That the City and County of San Francisco invites Citgo
20 Petroleum Corporation to enter into a similar program with low-income residents in San
21 Francisco; and be it

22 FINALLY RESOLVED, That the City and County of San Francisco urges other major
23 petroleum companies to engage in similar programs to share record profits with adversely
24 impacted low-income Americans.

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