

1 [Settlement of City's Lawsuit Against Sempra Energy, Sempra Energy Trading Corp.,
2 Southern California Gas Co. and San Diego Gas and Electric Co.]

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4 **Ordinance authorizing partial settlement of the lawsuit filed by the City and County of**
5 **San Francisco against defendant Sempra Energy and other companies; the lawsuit**
6 **entitled *City and County of San Francisco v. Sempra Energy, et al.* (JCCP No. 4221-**
7 **00023) was filed on June 8, 2004, and has been coordinated as Natural Gas Anti-Trust**
8 **Cases I, II, III & IV in the Superior Court of the State of California for the County of San**
9 **Diego (JCCP Nos. 4221, 4224, 4226, and 4228); the settlement provides approximately**
10 **\$1,000,000 to the City from defendants Sempra Energy, Sempra Energy Trading Corp.,**
11 **Southern California Gas Co. and San Diego Gas and Electric Co.**

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

14 Section 1. The City Attorney is hereby authorized to settle in part the action entitled
15 *City and County of San Francisco v. Sempra Energy, et al.* in the Superior Court of the State
16 of California for the County of San Diego (JCCP No. 4221-00023). The City Attorney may
17 settle the claims of the City and County of San Francisco ("City") against defendants Sempra
18 Energy, Sempra Energy Trading Corp., Southern California Gas Co, and San Diego Gas and
19 Electric Co. (hereinafter "Sempra") by entering into a settlement agreement with Sempra. The
20 City's litigation against the remaining defendants in Natural Gas Anti-Trust Cases I, II, III & IV
21 will continue. The total amount of the settlement with Sempra is \$2,500,000. The City's pro
22 rata share of the settlement is expected to be approximately \$1,000,000.

23 Section 2. The above-named action was filed in the Superior Court for the State of
24 California, County of San Francisco on June 8, 2004 and has been coordinated as Natural
25 Gas Anti-Trust Cases I, II, III & IV in the Superior Court for the State of California, County of

1 San Diego (JCCP Nos. 4221, 4224, 4226, and 4228). The following parties are plaintiffs in
2 the coordinated lawsuits: City of San Diego, the Counties of Alameda, San Diego, San Mateo,
3 Santa Clara, the Regents of the University of California, the Board of Trustees of the
4 California State University, the Sacramento Municipal Utility District, the Association of Bay
5 Area Governments Publicly Owned Energy Resources, and a number of private entities.
6 More than a dozen entities have been named as defendants, including Sempra. Only
7 plaintiffs the City and County of San Francisco, the City of San Diego, the County of San
8 Diego and the County of Santa Clara will share in the proceeds of the Sempra settlement.

9 Section 3. The City's share of the proceeds will be distributed to the San Francisco
10 Public Utilities Commission ("SFPUC"). After payment of the City's costs to pursue this claim,
11 the SFPUC will then determine how to use the proceeds to reimburse any other City
12 departments that have already paid the SFPUC for their use of natural gas during the
13 applicable time period

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15 APPROVED AS TO FORM AND
16 RECOMMENDED:

17 DENNIS J. HERRERA
18 City Attorney

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20 William K. Sanders
21 Deputy City Attorney

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