

1 [Settlement of City's Lawsuit Against Defendant Coral Energy Resources, L.P.]

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3 **Ordinance authorizing partial settlement of the lawsuit filed by the City and County of**  
4 **San Francisco against defendant Coral Energy Resources, L.P.; the lawsuit entitled**  
5 ***City and County of San Francisco v. Sempra Energy, et al.* (JCCP No. 4221-00023) was**  
6 **filed on June 8, 2004, and has been coordinated as Natural Gas Anti-Trust Cases I, II, III**  
7 **& IV in the Superior Court of the State of California for the County of San Diego (JCCP**  
8 **Nos. 4221, 4224, 4226, and 4228); the settlement provides approximately \$277,000 to**  
9 **the City from defendant Coral Energy Resources, L.P.**

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

12 Section 1. The City Attorney is hereby authorized to settle in part the action entitled  
13 *City and County of San Francisco v. Sempra Energy, et al.* in the Superior Court of the State  
14 of California for the County of San Diego (JCCP No. 4221-00023). The City Attorney may  
15 settle the claims of the City and County of San Francisco ("City") against defendant Coral  
16 Energy Resources, L.P. by entering into a settlement agreement with Coral Energy  
17 Resources, L.P. The City's litigation against the remaining defendants in Natural Gas Anti-  
18 Trust Cases I, II, III & IV will continue. The total amount of the settlement with Coral Energy  
19 Resources, L.P. is \$23,000,000. The City's pro rata share of the settlement, net of costs and  
20 attorney's fees, is expected to be approximately \$277,000.

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

1 Santa Clara, the Regents of the University of California, the Board of Trustees of the  
2 California State University, the Sacramento Municipal Utility District, the Association of Bay  
3 Area Governments Publicly Owned Energy Resources, and a number of private entities.  
4 More than a dozen entities have been named as defendants, including Coral Energy  
5 Resources, L.P.

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

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12 APPROVED AS TO FORM AND  
RECOMMENDED:

13 DENNIS J. HERRERA  
14 City Attorney

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William K. Sanders  
17 Deputy City Attorney

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