FILE NO. 071513

ORDINANCE NO. 283-07

[Settlement of City's Lawsuit Against Dynegy, Inc., Dynegy Marketing and Trade and West Coast Power LLC.]

Ordinance authorizing partial settlement of the lawsuit filed by the City and County of San Francisco against defendant Sempra Energy and other companies; the lawsuit entitled *City and County of San Francisco v. Sempra Energy, et al.* (JCCP No. 4221-00023) was filed on June 8, 2004, and has been coordinated as Natural Gas Anti-Trust Cases I, II, III & IV in the Superior Court of the State of California for the County of San Diego (JCCP Nos. 4221, 4224, 4226, and 4228); the settlement provides approximately \$480,000 to the City from defendants Dynegy, Inc. and its affiliates Dynegy Marketing and Trade and West Coast Power LLC.

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

Section 1. The City Attorney is hereby authorized to settle in part the action entitled *City and County of San Francisco v. Sempra Energy, et al.* in the Superior Court of the State of California for the County of San Diego (JCCP No. 4221-00023). The City Attorney may settle the claims of the City and County of San Francisco ("City") against defendants Dynegy, Inc. and its affiliates Dynegy Marketing and Trade and West Coast Power LLC (hereinafter "Dynegy") by entering into a settlement agreement with Dynegy. The City's litigation against the remaining defendants in Natural Gas Anti-Trust Cases I, II, III & IV will continue. The total amount of the settlement with Dynegy is \$20,000,000. The City's pro rata share of the settlement is \$706,000. After the City's retained outside counsel (Cotchett, Pitre & McCarthy) is reimbursed for its costs and deducts its attorney's fees, the City's proceeds from the settlement will be approximately \$480,000.

City Attorney BOARD OF SUPERVISORS Section 2. The above-named action was filed in the Superior Court for the State of California, County of San Francisco on June 8, 2004 and has been coordinated as Natural Gas Anti-Trust Cases I, II, III & IV in the Superior Court for the State of California, County of San Diego (JCCP Nos. 4221, 4224, 4226, and 4228). The following parties are plaintiffs in the coordinated lawsuits: City of San Diego, the Counties of Alameda, San Diego, San Mateo, Santa Clara, the Regents of the University of California, the Board of Trustees of the California State University, the Sacramento Municipal Utility District, the Association of Bay Area Governments Publicly Owned Energy Resources, and a number of private entities. More than a dozen entities have been named as defendants, including Dynegy.

Section 3. The City's share of the proceeds will be distributed to the San Francisco Public Utilities Commission ("SFPUC"). The SFPUC will then determine whether and how to use some of those proceeds to reimburse any other City departments that have already paid the SFPUC for their use of natural gas during the applicable time period.

APPROVED AS TO FORM AND RECOMMENDED:

DENNIS J. HERRERA City Attorney

liam K. Sanders

Deputy City Attorney

City Attorney BOARD OF SUPERVISORS

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Ordinance

File Number: 071513

Date Passed:

Ordinance authorizing partial settlement of the lawsuit filed by the City and County of San Francisco against defendant Sempra Energy and other companies; the lawsuit entitled City and County of San Francisco v. Sempra Energy, et al. (JCCP No. 4221-00023) was filed on June 8, 2004, and has been coordinated as Natural Gas Anti-Trust Cases I, II, III & IV in the Superior Court of the State of California for the County of San Diego (JCCP Nos. 4221, 4224, 4226, and 4228); the settlement provides approximately \$480,000 to the City from defendants Dynegy, Inc. and its affiliates Dynegy Marketing and Trade and West Coast Power LLC.

December 4, 2007 Board of Supervisors — PASSED, ON FIRST READING Ayes: 10 - Alioto-Pier, Ammiano, Chu, Daly, Dufty, Elsbernd, Maxwell, Mirkarimi, Peskin, Sandoval

Excused: 1 - McGoldrick

December 11, 2007 Board of Supervisors — FINALLY PASSED

Ayes: 11 - Alioto-Pier, Ammiano, Chu, Daly, Dufty, Elsbernd, Maxwell, McGoldrick, Mirkarimi, Peskin, Sandoval

File No. 071513

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I hereby certify that the foregoing Ordinance was FINALLY PASSED on December 11, 2007 by the Board of Supervisors of the City and County of San Francisco.

Calueles)

Angela Calvillo Clerk of the Board Mayor Gavin Newsom

12.17.07

Date Approved

File No. 071513