

1 [Settlement of City's Lawsuit Against Aquila, Inc. and Aquila Merchant Services, Inc.]

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3 **Ordinance authorizing partial settlement of the lawsuit filed by the City and County of**
4 **San Francisco against defendant Sempra Energy and other companies; the lawsuit**
5 **entitled *City and County of San Francisco v. Sempra Energy, et al.* (JCCP No. 4221-**
6 **00023) was filed on June 8, 2004, and has been coordinated as Natural Gas Anti-Trust**
7 **Cases I, II, III & IV in the Superior Court of the State of California for the County of San**
8 **Diego (JCCP Nos. 4221, 4224, 4226, and 4228); the settlement provides \$1,500,000 from**
9 **defendants Aquila, Inc. and Aquila Merchant Services, Inc. to the City and County of**
10 **San Francisco and the other plaintiffs, which will be used to prosecute the cases**
11 **against the remaining defendants.**

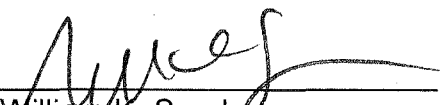
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13 Be it ordained by the People of the City and County of San Francisco:

14 Section 1. The City Attorney and retained outside counsel Cotchett, Pitre & McCarthy
15 (the "Cotchett Firm") are hereby authorized to settle in part the action entitled *City and County*
16 *of San Francisco v. Sempra Energy, et al.* in the Superior Court of the State of California for
17 the County of San Diego (JCCP No. 4221-00023). The City Attorney and the Cotchett Firm
18 may settle the claims of the City and County of San Francisco ("City") against defendants
19 Aquila, Inc. ("Aquila") and Aquila Merchant Services, Inc. ("AMS") by entering into a
20 settlement agreement with Aquila and AMS. The City's litigation against the remaining
21 defendants in Natural Gas Anti-Trust Cases I, II, III & IV will continue. The City will not
22 receive any of the settlement funds. The primary benefit to the City from the settlement will be
23 to provide funds to enable the City and the other plaintiffs to continue to prosecute these
24 cases against the other defendants.

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

11
12 APPROVED AS TO FORM AND
13 RECOMMENDED:

14 DENNIS J. HERRERA
15 City Attorney

16 
17 William K. Sanders
18 Deputy City Attorney



City and County of San Francisco

City Hall
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4689

Tails Ordinance

File Number: 071252

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 \$1,500,000 from defendants Aquila, Inc. and Aquila Merchant Services, Inc. to the City and County of San Francisco and the other plaintiffs, which will be used to prosecute the cases against the remaining defendants.

September 25, 2007 Board of Supervisors — PASSED, ON FIRST READING

Ayes: 10 - Alioto-Pier, Ammiano, Daly, Dufty, Elsbernd, Maxwell, Mirkarimi, Peskin, Sandoval, Chu

Excused: 1 - McGoldrick

October 2, 2007 Board of Supervisors — FINALLY PASSED

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

File No. 071252

I hereby certify that the foregoing Ordinance was **FINALLY PASSED** on October 2, 2007 by the Board of Supervisors of the City and County of San Francisco.

10/8/07

Date Approved

Kay Gallegos

for
Angela Calvillo
Clerk of the Board

[Signature]
Mayor Gavin Newsom