[Urging Low-Income Heating Oil Assistance Program]

Resolution commending Citgo Petroleum Group for its plan to provide low-income communities in the United States of America with discounted home heating oil, inviting Citgo to engage in a similar program with San Francisco’s low-income residents, and urging other major oil companies to invest a portion of record profits in low-income assistance programs.

WHEREAS, According to the Energy Information Administration, homes that use natural gas for heat can expect to average an additional $306 per typical-sized household, 41 percent more this winter compared with last year and in some regions, the increase could be as high as 70 percent; and,

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

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

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

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

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

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

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

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

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

FINALLY RESOLVED, That the City and County of San Francisco urges other major
petroleum companies to engage in similar programs to share record profits with adversely
impacted low-income Americans.
Resolution commending Citgo Petroleum Group for its plan to provide low-income communities in the United States of America with discounted home heating oil, inviting Citgo to engage in a similar program with San Francisco’s low-income residents, and urging other major oil companies to invest a portion of record profits in low-income assistance programs.

December 6, 2005  Board of Supervisors — ADOPTED

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

I hereby certify that the foregoing Resolution was ADOPTED on December 6, 2005 by the Board of Supervisors of the City and County of San Francisco.

Gloria L. Young
Clerk of the Board

Date Approved

Mayor Gavin Newsom