

1 [Urging Low-Income Heating Oil Assistance Program]

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3 **Resolution commending Citgo Petroleum Group for its plan to provide low-income**  
4 **communities in the United States of America with discounted home heating oil, inviting**  
5 **Citgo to engage in a similar program with San Francisco's low-income residents, and**  
6 **urging other major oil companies to invest a portion of record profits in low-income**  
7 **assistance programs.**  
8

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

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

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

22 WHEREAS, In response to the Senators' letter of October 27<sup>th</sup> and in addition to a  
23 similar proposal announced by Venezuelan President Hugo Chavez during a speech in New  
24 York City in September of 2005, Citgo Petroleum Corporation announced a program to  
25

1 provide heating oil at 40% discounts to low-income residents in numerous cities across the  
2 eastern United States of America; and

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

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

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

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

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

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

22 FINALLY RESOLVED, That the City and County of San Francisco urges other major  
23 petroleum companies to engage in similar programs to share record profits with adversely  
24 impacted low-income Americans.



City and County of San Francisco

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

Tails

Resolution

File Number: 051926

Date Passed:

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

File No. 051926

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.

APPROVED DEC 16 2005

\_\_\_\_\_  
Date Approved

*Gloria L. Young*  
\_\_\_\_\_  
Gloria L. Young  
Clerk of the Board

*Gavin Newsom*  
\_\_\_\_\_  
Mayor Gavin Newsom