

****Legal Notice****

If You Received Natural Gas Service from Palo Alto Utilities Between September 23, 2015 and June 30, 2022 This Class Action Settlement May Affect Your Rights.

A court authorized this Notice. It is not a solicitation from a lawyer.

A customer of Palo Alto's natural gas utility has filed a class action lawsuit against the City of Palo Alto, claiming that Palo Alto has violated Propositions 26/218 by imposing fees for natural gas that exceed the reasonable cost of providing that service, without voter approval. The City denied any wrongdoing. The parties have settled the dispute, and Palo Alto has agreed to provide refunds to the affected customers totaling \$17,337,111. The class's attorneys will move for attorneys' fees which, if awarded, would be paid from the refunds. The Court has scheduled a hearing on December 21, 2023, at 1:30 p.m. to consider whether to approve the settlement and attorneys' fees motion.

Who is included? The Court has provisionally for purposes of settlement certified this case as a class action. All persons and entities the City billed for gas service between September 23, 2015 and June 30, 2020, and July 1, 2021 and June 30, 2022 are in the Settlement Class. The City's records indicate that you received gas service during these periods, and therefore, unless you ask to be excluded or are expressly excluded, you will be a member of the Settlement Class.

The Court previously certified three gas classes for the period of September 23, 2015 through June 30, 2019 when it entered judgment against the City in this action (the "Judgment Class"). For settlement purposes, the Court has provisionally decertified the Judgment Class.

If the settlement is finalized, the certification of the Settlement Class and the decertification of the Judgment Class will be final. However, anyone who was excluded from the Judgment Class is automatically excluded from the Settlement Class.

How much are the potential refunds? Because the overcharges were collected as a part of the per-unit charges on your gas bills (that is, the part of your bill which depends on the amount of gas you use), refunds will be issued based on a per-unit formula. Under that formula, your total gas use during the relevant time period(s) will be multiplied by a per-therm (unit of gas use) rate to spread the total refund across all gas sold to each class. For example, the median customer billed under the City's G-1 (Residential) rate schedule for the 2018 class period (July 1, 2018 to June 30, 2019) may receive a refund of approximately \$19.66. This same customer, if a member of all classes, may receive approximately \$156.32. Please visit the class notice website identified below for more details to calculate your potential refund. Individual refund amounts will vary, as refunds will be based on each customer's gas use and the duration of a customer's gas service during the class period.

What are your options? If you were excluded from the previously certified Judgment Class, you are automatically excluded from the Settlement Class. If not, you can stay in the Settlement Class by doing nothing, or you can elect not to be in the Settlement Class by submitting a "Request to be Excluded" form. If you do nothing and the settlement is approved, you remain in the Settlement Class, are bound by the settlement, and would receive your portion of a refund. You would also have a right to object to all or any part of the settlement. If you timely request to be excluded from the Settlement Class, you will not receive any benefits from the settlement and may, if you choose, pursue your own claims against the City. You must submit any objections to the settlement, or request to be excluded from the settlement, on or before **October 2, 2023**.

For additional information about the case, including the settlement fairness hearing, your potential refund, how to contact Class Counsel, and how to request to be excluded from the Settlement Class, visit: <https://phx-green-v-paloalto.web.app/>