



WHEREAS:

CONSOL is a publicly owned producer of coal and natural gas. CONSOL is the nation's largest producer of coal from underground mines, with 4.5 billion tons of proven and recoverable coal reserves, the most among U.S. coal companies.

In recognition of the need to combat climate change and minimize global temperature rise, most developed nations signed the Copenhagen Accord finding that "deep cuts in greenhouse gas emissions are required" and that "the increase in global temperature should be below 2 degrees Celsius."

In this year's World Energy Outlook, the International Energy Agency states, "No more than one-third of proven reserves of fossil fuels can be consumed prior to 2050 if the world is to achieve the 2 degree Celsius goal" and, "Almost two-thirds of these carbon reserves are related to coal..." A recent HSBC report analyzing certain large mining companies found that, if constraints on carbon emissions were imposed after 2020, they could reduce coal asset valuations by as much as 44 percent.

It is of concern to investors that a portion of CONSOL's coal and gas reserves and/or related infrastructure may become unusable, unmarketable, or otherwise not economically viable as a result of greenhouse gas restrictions.

Company disclosure and analysis of this challenge is very limited. Its February 2012 Form 10-K states that "If comprehensive laws focusing on greenhouse gas emission reductions were to be enacted . . . [it] could have a material adverse effect on our cash flows and financial condition." The Company also states that technology to address limits for coal, "Commercial scale [carbon capture and sequestration,] is not likely to be available in the near future, and if available, it may make coal fired electric generation units uneconomical. . . ."

Given the increasing likelihood of material impact, shareholders need additional disclosure of the company's action plans, and risk scenarios, associated with likely greenhouse gas regulation.

THEREFORE BE IT RESOLVED:

Shareholders request CONSOL to prepare a report on the company's goals and plans to address global concerns regarding fossil fuels and their contribution to climate change, including analysis of long and short term financial and operational risks to the company and society. The report should omit proprietary information, be prepared at reasonable cost, and be made available to shareholders by September 30, 2013.

SUPPORTING STATEMENT:

In analyzing long and short term risks, proponent suggests that CONSOL perform an analysis of various scenarios the company deems likely or reasonably possible, such as restrictions on carbon emissions allocated by geographic regions or fuel types. Such analysis should describe a range of scenarios in which a portion of its reserves or infrastructure are at risk of becoming stranded assets due to carbon regulation, and the impact of those scenarios on any plans to continue to explore or further develop new coal or gas reserves.