

Investors Register Support for Groundbreaking Motion on Un-Burnable Carbon at Coal Firm

Resolution proposed by **As You Sow** for CONSOL's annual meeting today

by Daniel Brooksbank | May 8th, 2013

Some of the leading US institutional investors, including the Florida State Board of Administration (SBA), which runs the \$122.8bn (€93.5bn) Florida Retirement System, have backed an innovative shareholder proposal on “stranded” fossil fuel assets at US coal company CONSOL Energy.

The SBA and other investors such as the American Federation of State, County and Municipal Employees (AFSCME) and Christian Brothers Investment Services have already registered a vote in favour of the proposal, which was tabled by shareholder advocacy group **As You Sow**, according to advance voting data.

The resolution requests CONSOL to report on its “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. It's due to be voted on by shareholders at the Pittsburgh-based corporation's annual meeting today (May 8).

The investor group suggested that CONSOL perform an analysis describing “a range of scenarios in which a portion of its reserves or infrastructure are at risk of becoming stranded assets due to carbon regulation”.

CONSOL, which is advising shareholders to reject the motion, says it has already implemented the proposal and that it already publishes a corporate responsibility report and “extensive” disclosures on its plans to address climate change risks. But **As You Sow** issued a shareholder rebuttal this last month, saying CONSOL's “generic” statements provide “no quantification of likely impacts, no analysis of to what extent such regulations could affect the company's value, what factors should be considered in understanding such risks, and what actions, if any, the company is planning to take to reduce risk”.

The proposal will be presented by **As You Sow's** President and Chief Counsel Danielle Fugere, who has been in dialogue with the company since the resolution was filed. Although the negotiation did not result in a commitment by the company to act on this issue, Fugere was invited to continue the discussions in person before the AGM, **As You Sow** said.

CONSOL is also facing a shareholder proposal on political contributions to be presented by New York State Comptroller Thomas DiNapoli.