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DiNapoli and Investor Group Reach Shareholder Agreement With FirstEnergy

Company will Report on Effort to Reduce Greenhouse Gas Emissions

FirstEnergy, an Ohio-based energy producer, has agreed to produce a comprehensive report on the company's plan to reduce greenhouse gas emissions, New York State Comptroller Thomas P. DiNapoli announced today. As a result, a [shareholder resolution](#) co-filed by DiNapoli, Connecticut Treasurer Denise L. Nappier on behalf of the Connecticut Retirement Plans and Trust Funds, and investment group As You Sow has been withdrawn.

"FirstEnergy is taking important steps today for shareholder value and the environment by looking holistically at how climate change is affecting the company over the long term," DiNapoli said. "We look forward to working with FirstEnergy as it implements its plan and will continue to engage with our portfolio companies to reach similar agreements. Companies are enhancing long-term shareholder value when they prepare for future regulations that reduce greenhouse gas emissions."

The shareholder resolution called on the company to prepare a report on policies the company could soon adopt to reduce its greenhouse emissions. FirstEnergy was also asked to consider innovative technologies and strategies for energy generation, including modeling the practices and policies of other utilities in the United States and worldwide.

In its agreement letter dated Jan. 9, FirstEnergy wrote that it:

"...intends to incorporate information, as applicable, on additional policies that the Company could adopt and additional actions the Company could take to reduce its greenhouse gas emission in connection with President Obama's goal of an 80 percent reduction in greenhouse gas emissions into our Sustainability Report, which we expect will be made available on our website by October 1, 2014."

The company pledged to:

- Examine its actions to reduce CO2 emissions and compare them to President Obama's goals;
- Review the age and life of its existing fossil fleet and future replacement generation drivers; and
- Research how standards of performance for greenhouse gas emissions from new stationary sources and the regulation of carbon pollution from existing power plans under the Clean Air Act affect the company.



“As the principal fiduciary of Connecticut’s pension plans and a shareholder, I have a responsibility to make sure that companies in which we invest examine the potential liability of climate risk. The agreement by FirstEnergy to prepare a report signals their understanding of the seriousness of our resolve and of the importance of determining the impact of climate change on its bottom line. We will continue to monitor First Energy to ensure it is taking appropriate steps toward long-term sustainability,” said Nappier, principal fiduciary of the Connecticut Retirement Plans and Trust Funds.

"The withdrawal of this proposal demonstrates that companies are starting to realize that investors are serious about climate change and want to see progress towards major greenhouse gas reductions. We have observed that companies that aggressively pursue climate solutions are some of the most profitable and admired in the sector. It is important to us that FirstEnergy is well positioned to thrive in a low carbon economy, and we look forward to the report,” said Amelia Timbers, Energy Program Manager at As You Sow.

Since 2010, DiNapoli has reached agreements with 12 companies, including Dunkin’ Brands, Arch Coal and DTE Energy on ways to reduce corporate climate impacts.

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As You Sow is a nonprofit organization that promotes environmental and social corporate responsibility through shareholder advocacy, coalition building, and innovative legal strategies. For more information visit www.asyousow.org.