



**WHEREAS:**

The 2014 Synthesis Report of the Intergovernmental Panel on Climate Change (IPCC) warns that continued greenhouse gas (GHG) emissions and subsequent global warming will have “severe, pervasive and irreversible impacts for people and ecosystems.” The Risky Business report forecasts significant economic costs to agriculture, labor productivity, and property.

To mitigate the worst impacts of climate change and limit warming to below 2°C, as agreed in the Copenhagen Accord, the IPCC estimates that a fifty percent reduction in GHG emissions globally is needed by 2050, relative to 1990 levels.

Our country’s fleet of fossil fueled power plants is the single largest source of carbon pollution in the U.S., accounting for over one-third of total carbon emissions, according to the Environmental Protection Agency (EPA.) Plans for increased regulation of GHG emissions are already underway, posing regulatory risk to the company. President Obama committed to reduce emissions by 26-28 percent by 2025. The EPA’s Clean Power Plan would strengthen emissions standards for power plants, seeking an overall 30 percent reduction of CO2 emissions by 2030. With the fourth highest power generation from burning coal in the country and the third highest level of carbon emissions of U.S. power producers, compliance with this rule will likely require substantial adjustments to Southern facilities, entailing emissions reductions, increased use of renewable energy and deployment of energy efficiency. Meanwhile, Southern has publicly stated that it does not support this regulation.

Southern Company has made significant investments in renewable energy, efficiencies, and a more diversified energy mix. Setting clear proactive goals to manage greenhouse gas emissions at Southern Company and its operating companies would enable the Company to manage climate risk and align with a growing global commitment to contain emissions. Sixty percent of Fortune 100 companies have set GHG reduction goals or renewable energy targets. Southern lags behind peers including American Electric Power, CMS Energy, Exelon and Duke Energy which have set absolute and/or intensity carbon reduction goals. NRG Energy announced its aim to reduce its carbon emissions 50 percent by 2030 and 90 percent by 2050.

**THEREFORE BE IT RESOLVED:**

Shareholders request that Southern Company adopt absolute, quantitative time-bound goals for reducing total greenhouse gas (GHG) emissions from operations and report to shareholders by November 1, 2015 on its plans to achieve these goals (omitting proprietary information and prepared at reasonable cost.)

**SUPPORTING STATEMENT:**

A disciplined business strategy to cut emissions includes setting goals, striving to meet them and reporting on progress. Leading practices for electric utilities to manage carbon across the enterprise include pursuing all cost-effective energy efficiency opportunities, deploying large-scale and distributed renewable energy, utilizing smart grid technologies for consumer and system benefit, and serving as a systems integrator providing services to meet varying customer needs; and conducting robust and transparent resource planning. Two commonly used options for setting GHG targets are GHG “intensity” or “absolute” targets. Absolute GHG reduction goals compare total GHG emissions in the goal year to those in a base year.