



WHEREAS: The use of coal produces well-established harms to public health including water contamination, poor air quality, and climate change:

- *Water contamination.* Coal burning results in coal waste -also called coal ash- which is laced with heavy metals such as arsenic, and which can contaminate water and raise cancer risk with long term exposure. Duke Energy had two high profile coal ash spills since 2014, at the Dan River and H.F. Lee coal plants, incurring brand damage, environmental and water impacts, and millions of dollars in clean-up costs.
- *Harm to low income communities of color.* Though the EPA and states regulate the management and disposal of coal ash, in 2016, the U.S. Civil Rights Commission criticized current regulations for disproportionately impacting low income communities of color.
- *Declining air quality.* Burning coal results in sulfur dioxide, nitrous oxide, mercury, and particulate matter. These pollutants can cause serious health problems such as respiratory illnesses, including asthma and lung diseases; heart attacks; reduced life expectancy; and increased infant mortality.
- *Climate change.* Coal burning releases carbon dioxide, which is the primary greenhouse gas driving climate change. Climate change results in many health harms and challenges from extreme temperatures, to declining air and water quality, to the spread of warm weather pests and diseases to new areas. In addition to the health impacts, climate change intensified extreme storms and flooding threaten the reliability and safety of coal ash infrastructure and increase the risk of water contamination. For example, Duke's coal ash spill at H.F. Lee coal plant occurred following flooding from Hurricane Matthew.

Despite all this, Duke remains committed to coal. As of 2013, Duke Energy burned the second highest level of coal of U.S. electric power producers, and had the highest carbon pollution emissions of any U.S. power producer. (Ceres, Benchmarking Utility Air Emissions, 2015)

RESOLVED: Shareholders request that Duke Energy publish a report assessing the public health impacts of its coal use on rates of illness, mortality, and infant death, due to coal related air and water pollution in communities adjacent to Duke's coal operations, and provide a financial analysis of the cost to the Company of coal-related public health harms, including potential liability and reputational damage. The report should be published by 2018, at reasonable expense, and omit proprietary information.

SUPPORTING STATEMENT:

Investors request the report consider and describe:

- The public health impacts of climate change and how Duke Energy's coal burning exacerbates them;
- How the Company's coal operations, including its coal ash disposal, impacts the public health of low income communities of color, as per the report of the U.S. Civil Rights Commission.