WHEREAS: Coal, the most carbon intensive fossil fuel, is a key driver of climate change. To limit global warming to 2 degrees Celsius – as required for a livable climate and agreed upon under the 2015 Paris Accord – the U.N. estimates that over 80% of all coal reserves must remain unburned. This will require a dramatic reduction in coal use, which is likely to result in coal infrastructure being "stranded". The growing risk that fossil fuel infrastructure will be stranded, or devalued and written off at a loss, is termed "carbon asset risk."

Coal infrastructure can be stranded in many ways:

- Growth in climate change driven low carbon technology development and global deployment, which is effectively competing with coal in many electricity markets.
- Customers moving to clean energy. As of November 2016, 83 major companies, including Apple, GM, and Walmart, made commitments to achieve 100% renewable energy use, creating pressure on utilities to meet that demand or lose large customers.
- Increasing costs and liability resulting from the negative effects of coal use on water and air quality. Coal waste, for example, is laced with heavy metals that can leach and spill from disposal sites, contaminating water supplies.

Across the U.S., these and other factors are causing utility losses on unprofitable coal plants. In 2016, FirstEnergy posted a $1.1 billion loss, and AEP a $2.3 billion write down, on uneconomic coal plants. Previously, Southern Company had a $2 billion loss and $4 billion cost overrun on its Kemper coal gasification plant, while Dominion's Brayton Point Plant sold at a loss despite investments exceeding $1 billion.

NRG's coal fleet is creating similar risk for the Company. In 2016, NRG reported a $6.4 billion dollar loss related to its coal plants. NRG is also considering bankruptcy for its coal-heavy subsidiary GenOn Energy, which is $2.6 billion in debt. In March 2016, Moody's described GenOn Energy as having an "untenable capital structure . . . calling into question the sustainability of its business model."

Despite the poor financial outlook for coal-based electricity due to climate change, as of 2013 NRG was 4th highest producer of coal-generated electricity in the U.S., and had the 4th highest level of carbon emissions. (Benchmarking Utility Air Emissions, Ceres 2015)

RESOLVED: As You Sow, on behalf of NRG shareholders, requests that NRG prepare a public report, within 12 months of the Annual Meeting, describing how it will address the risk of stranded assets and coal demand reductions associated with global climate change, including analysis of long and short term financial risks to the company under the International Energy Agency's 450 scenario. The report should be produced at reasonable cost and omit proprietary information.