



WHEREAS: Methane, the primary chemical component of natural gas, is a significant contributor to climate change, and has a global warming impact 87 times more potent than carbon dioxide in the first 20 years of release. Methane leaks increase the speed of climate change and escalate climate change risks.

Methane leaks exist throughout the natural gas supply chain due to a variety of factors including aged infrastructure. As a company's infrastructure expands, the potential for methane leaks escalate. Recent natural gas investments by Southern company -- including the acquisition of natural gas company AGL Resources in 2015 and the purchase of a 50% stake in Kinder Morgan's Southern Natural Gas pipeline system in 2016 -- have made natural gas services a core business of Southern Company. Southern Company is now the largest natural gas consumer in the Southeast, and its natural gas storage facilities were estimated to hold the 4th highest volume of natural gas in the U.S. This infrastructure expansion comes with significant risk of climate risk due to methane leaks.

The 2015 failure of a gas injection well at Southern California Gas Company's Aliso Canyon Storage Field revealed major vulnerabilities in the maintenance and safety of natural gas infrastructure, particularly natural gas storage facilities. The incident was the largest methane leak in U.S. history with a climate impact equivalent to 1 million cars driven for a year. Relocation of affected residents, clean up, and well containment costs have soared to over \$700 million to date, with criminal and civil legal action pending. Southern Company's storage operations may face similar risks,

Failure to proactively address methane leaks in its distribution and storage infrastructure raises the risk of explosions, and exacerbates climate change impacts such as those already harming the Southeast and Southern Company's customers, assets, and service territory. Severe coastal flooding is harming Florida and Louisiana; droughts intensify forest fires, like those in Tennessee; and costly storms are occurring with greater intensity and frequency. The public too is increasingly concerned about companies that fail to take climate emission reduction actions.

Despite the increasing climate and regulatory risk to Southern Company associated with its natural gas infrastructure, Southern Company discloses almost no information regarding the scope of its methane emissions or the steps it is taking to reduce emissions and manage such risks. Investors require rigorous information to make informed investment decisions; specific, quantitative disclosures provide assurance that companies have appropriate oversight and accountability practices in place to track—and therefore to mitigate—impacts of their operations.

BE IT RESOLVED: Shareholders request that Southern Company issue a report describing how it will reduce climate risk by controlling its methane emissions, including disclosing its current enterprise-wide methane emissions and the practices used by the Company to measure, monitor, and mitigate methane emissions. The report should be produced at reasonable cost, omitting proprietary information.