

# Mirant

## Climate Change

**WHEREAS:** In 2007, the Intergovernmental Panel on Climate Change found that “warming of the climate system is unequivocal” and that man-made greenhouse gas emissions are now believed, with greater than 90% certainty, to be the cause.

In 2006, combustion of coal caused approximately 35% of all greenhouse gas emissions generated by fossil fuels in the U.S.

In October 2007, representatives of 150 scientific and engineering academies located around the world, including the U.S. National Academy of Sciences, issued a report urging governments to lower greenhouse gas emissions by doubling energy research budgets to accelerate deployment of cleaner and more efficient technologies.

In October 2006, a report authored by former chief economist of The World Bank, Sir Nicolas Stern, estimated that climate change will cost between 5% and 20% of global domestic product if emissions are not reduced, and that greenhouse gases can be reduced at a cost of approximately 1% of global economic growth.

In May 2007, Standard and Poors indicated that energy efficiency is likely to emerge as a major part of the solution to climate change, and warned that the global power system “can’t do without coal, but it also can’t continue to burn coal in its current form.”

In October 2008, McKinsey & Company reported that, “Efforts to reduce climate change can profoundly affect the valuation of many companies, but executives so far seem largely unaware.”

Nineteen U.S. states have established statewide emissions reduction goals and a majority of U.S. states have entered into regional initiatives to reduce emissions, including all five states in which Mirant owns power plants.

As of September 2008, the U.S. Senate was considering at least nine proposals for a national cap-and-trade system to regulate and reduce greenhouse gas emissions.

In recent years, AEP, Progress Energy, DTE Energy, Alliant Energy, and Southern Company have issued comprehensive reports to shareholders concerning implications of climate change for their businesses.

Mirant Corporation owns several thousand megawatts of coal, oil, and natural gas power generation, which emit tens of millions of tons of carbon dioxide per year.

**RESOLVED:** Shareholders request a report [reviewed by a board committee of independent directors] on how the company is responding to rising regulatory, competitive, and public pressure to significantly reduce carbon dioxide and other emissions from the company's and operations. The report should be provided by November 1, 2009 at a reasonable cost and omit proprietary information.

### SUPPORTING STATEMENT

We believe that management best serves shareholders by carefully assessing and disclosing to them all pertinent information on the societal impacts of the company’s operations, including its greenhouse gas emissions. We believe taking early action to reduce emissions and prepare for anticipated standards could provide competitive advantages, while inaction and opposition to climate change mitigation efforts could leave companies unprepared to deal with the realities of a carbon constrained economy.