



MGE Uses Trump Administration Changes To Avoid Clean Energy Solutions

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Madison - Yesterday, the Securities and Exchange Commission (SEC) issued a ruling that Madison Gas and Electric (MGE) can prevent a shareholder vote on a [renewable energy resolution](#) at its annual meeting in May. The resolution, proposed by local shareholders, would have directed the company to produce a roadmap to transition to 100% renewable energy by 2050. That timeline is the same one called for by the cities of Madison, Middleton, Fitchburg, and Monona as well as [Governor Evers](#).

To exclude the resolution, MGE took advantage of recent Trump administration changes in legal interpretations related to shareholder proposals. [Analysts believe](#) the changes were part of a [lobbying effort](#) on the part of corporations seeking to limit the power of socially conscious investors, such as those concerned about climate change.

"MGE promotes itself as the 'community's energy company.' Yet, they went to great lengths and expense to prevent a vote on a proposal from local shareholders on the renewable energy our community clearly wants," said Don Ferber, one of the MGE Shareholders who submitted the resolution. "Once again, unlike our local governments who are taking action, MGE has refused to show that they are taking climate change seriously."

"In [2018, IPCC released a sobering report](#) which explains the need for the world to decarbonize by the year 2050," said Beth Esser, co-founder of MGE Shareholders for Clean Energy. "If MGE truly wanted to be our community energy company, they wouldn't prevent a report on the transition to 100-percent renewable energy. Not only do scientists tell us this is necessary, but [studies](#) show this is the best path forward to mitigate risk and serve the financial and environmental health of our community."

Local shareholder and attorney Tony Gibart explained the legal maneuver MGE used to avoid the shareholder vote. "At a company's request, the SEC will issue a ruling on whether or not a particular shareholder proposal may be excluded from a vote. Previously and during the Obama administration, proposals regarding significant social issues, like climate change, were generally allowed."

Gibart continued, "However, as President Trump's appointees have taken over, the SEC has issued new guidance giving greater deference to corporations which, in some instances, makes it nearly impossible for shareholders to propose meaningful climate change resolutions. To our knowledge, MGE has never previously used the SEC process to defeat a resolution. But, MGE saw the shifting landscape at the SEC and likely thought they could use it to their benefit. Unfortunately, to the detriment of those interested in seriously addressing climate change in our community, MGE was successful."

Ferber concluded, "It's incredibly disappointing that MGE would use the policies of an administration antagonistic to climate change to waylay legitimate shareholder concerns, once again prioritizing image over substance. For our communities who are taking rapid action to address climate change, the SEC's ruling in MGE's favor only creates another roadblock to progress."

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MGE Shareholders for Clean Energy formed in 2014 due to concerns over MGE's heavy reliance on fossil fuels and increased customer fixed fees. We believe MGE should be a national leader in clean energy, which is good for the environment and our investment. For more information, see mgeshareholders.com or find us on Facebook: [MGE Shareholders for Clean Energy](#).