



The Web Site of The Sacramento Bee

This story is taken from [Sacbee](#) / [Business](#).

Climate change funding jumps

Coalition led by state's pension funds pledges \$10 billion for clean technology.

By Gilbert Chan - gchan@sacbee.com

Published 12:00 am PST Friday, February 15, 2008

Nearly 50 major U.S. and international investors are upping the ante to create a greener planet, pledging Thursday to invest \$10 billion in clean technology over the next two years.

The investment commitment, led by activist pension funds from California to New York, represents a significant boost from two years ago when 26 funds made a \$1 billion pledge.

The greater participation represents a major shift by Wall Street investors who increasingly believe they can't ignore the economics of climate change.

"We must seize the opportunity to make sound investment decisions and protect our environment," California Controller John Chiang said during a news conference at a United Nations Investor Summit on Climate Risk in New York.

"California has been at the forefront. We can do much more," said Chiang, a trustee of the California Public Employees' Retirement System and California State Teachers' Retirement System, the nation's two largest public pension funds with combined assets of more than \$410 billion.

The initiative by leading U.S. and European institutional investors also calls for stepping up the pressure on federal regulators to require companies to disclose how they are dealing with the financial risks of global warming.

In recent years, some of the world's largest companies have launched campaigns to invest in clean technology. Last year, banking giants Citigroup Inc. and Bank of America Corp. committed a combined \$70 billion to invest in green projects over the next decade.

"The ideals are being absorbed into the very fiber of our financial markets," said Denise Nappier, Connecticut state treasurer. "We have the clout to move the baton ... forward and make the kind of changes that we haven't seen."

In embracing a climate change action plan, the coalition members will:

- Target a 20 percent reduction in energy use over the next three years from their main real estate holdings, including office buildings and industrial parks.
- Push the Securities and Exchange Commission to enact rules requiring public companies to disclose climate risks and opportunities.
- Lobby Congress for a mandatory plan to cut greenhouse gas emissions to 60 percent to 90 percent below 1990 levels over the next four decades.
- Urge Wall Street analysts, rating agencies and investment banks to analyze long-term carbon emission

costs of corporations, especially energy companies with coal-fired power plants.

Over the years, CalPERS and CalSTRS have been among the leading institutional investors in green investments, pledging about \$1 billion for clean technology ventures.

"Sustainability equals profitability," said state Treasurer Bill Lockyer, also a trustee for the two California pension funds. "It is our intention that the world (will be) green, clean and sustainable."

Go to: [Sacbee](#) / [Back to story](#)

This article is protected by copyright and should not be printed or distributed for anything except personal use.
The Sacramento Bee, 2100 Q St., P.O. Box 15779, Sacramento, CA 95852
Phone: (916) 321-1000

Copyright © [The Sacramento Bee](#)