

Google Shareholder Proposal (#8) Statement
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The National Center for Public Policy Research
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My name is Justin Danhof. I am general counsel of the National Center for Public Policy Research and I rise to move our proposal (number eight) that seeks greater transparency concerning Google's alternative energy projects.

It is no secret that the federal government and many state and local governments offer substantial tax breaks and lavish grants and loans for many renewable energy projects, and Google has taken advantage of these taxpayer subsidies. Our proposal asks management to tell its shareholders one simple thing: if renewable energy projects such as solar power and geothermal were forced to compete in a free market, would Google investors be at risk? If politicians in Washington, Sacramento and elsewhere changed their minds about spending many hundreds of billions of dollars on the "green" energy projects of private businesses like ours, what would the impact be on our shareholders?

The company has claimed that it supports rigorous debate regarding energy policy, but as long as the company accepts grants and loans based on the belief that global warming is significantly caused by humans and is a severe problem, the company has a conflict of interest. If the company promotes the global warming theory, it promotes policies that enhance the company's coffers. If the company promotes any skepticism whatsoever regarding the global warming theory, it risks undermining support for grants and loans for green energy projects management has already begun.

The company's desire to continue grants and loans for green energy appears to be undermining our management's admirable reputation as straight-shooters. In choosing, we believe unwisely, to withdraw the company from the free-market American Legislative Exchange Council (ALEC), Chairman Eric Schmidt said ALEC was "literally lying" about climate change. But ALEC has no position on the degree to which climate change is occurring and if it is occurring, what the cause might be. ALEC simply promotes policies that reduce government interference with energy markets. Since ALEC has no position, its position cannot be a lie.

But Schmidt's over-the-top statement – which, by the way, could unnecessarily make the company vulnerable to a lawsuit by ALEC – implies Google is highly emotional about the climate change issue, which in turn raises the possibility that the company is very reliant on energy policies providing lavish subsidies for renewable energy projects.

If this is so, don't shareholders deserve to know the extent of the company's exposure?

American taxpayers heavily subsidize renewable energy projects. These subsidies are not permanent. We have legitimate concerns that potential changes in government policies on alternative energy may harm Google's investors.

If you want to know the risks that Google is taking with your investment, please vote for proposal number eight. Thank you.

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