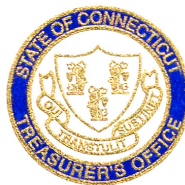


# State of Connecticut

DENISE L. NAPPIER  
TREASURER



Hartford

February 3, 2010

Alan Murray  
Executive Editor  
The Wall Street Journal  
1211 Avenue of the Americas  
New York, NY 10036

Dear Mr. Murray,

Your editorial on the Security and Exchange Commission's new climate change disclosure guidance, ("Insecurity and Change Commission," Wall Street Journal, January 29, 2010), ignores the fact that, in response to repeated investor requests for additional information, businesses have been eager to understand the SEC's view concerning disclosure of the financial risks associated with climate change. You have identified numerous potential climate change risks in your own newspaper, (*i.e.* U.S. and international regulation, changing costs for goods and services, availability of natural resources, among others.) Certainly, even the Editorial Board of the Wall Street Journal (WSJ) would encourage investors to understand the risk-adjusted value of their investments.

As principal fiduciary for the Connecticut Retirement Plans and Trust Funds, I signed a formal petition to the SEC in 2007 requesting guidance on climate change disclosure for a simple reason: I have a fiduciary responsibility to protect the value and security of our investments. It is not only appropriate and proper to consider risks associated with climate change, but also prudent to factor such risks into investment decisions. Reporting of climate change risk is a vital and necessary component in understanding such risk. Moreover, I believe it is in a company's own long-term interest to deal with the potential ramifications of long-term risks. By issuing an interpretive release on climate change the SEC is taking an important step in providing essential guidance for business reporting and protecting the interests of investors.


One would think that the Wall Street Journal would have had enough of the wreckage that inadequate risk management can inflict on an economy and shareholders. Rather than taking what comes across as snarky pot shots at Chairman Mary Schapiro, the WSJ should commend the Securities and Exchange Commission's measured efforts to bring some clarity to this complex issue.

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As a nation, if we fail to address both the risks and opportunities posed by climate change, the economic consequences could be severe. U.S. companies could become less competitive and lose market share; foreign competitors could take control of fast-growing markets for clean energy technologies; employment and growth could easily suffer.

I prefer to believe that, as a nation, we will choose a different path. I remain optimistic that broader business preparation for the economic ramifications of climate change will grow as the common interest of the investing public and corporate decision makers continues to gain clarity.

Sincerely,



Denise L. Nappier  
State Treasurer