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NEI Comments on the Enhanced Disclosures by Certain Investment Advisers and Investment Companies about Environmental, Social, and Governance Investment Practices Rule

August 16, 2022

Vanessa A. Countryman
Secretary
Security and Exchange Commission
100 F Street NE
Washington, D.C. 20549-1090

Submitted Via rule-comments@sec.gov

Subject: Nuclear Energy Institute's Comments in Response to the SEC's Enhanced Disclosures by Certain Investment Advisers and Investment Companies about Environmental, Social, and Governance Investment Practices Rule (File Number S7-17-22)

Dear Ms. Vanessa Countryman:

The Nuclear Energy Institute (NEI) appreciates the opportunity to comment on the SEC's proposed rule regarding environmental, social, and governance (ESG) disclosures for certain investment advisors and companies. This rulemaking will impact not only the investment advisers and investment companies covered by the rule but will also create follow-on impacts for the investments held by those entities. NEI's membership consists of companies spanning the entire value chain for nuclear energy; ranging from the front end of the fuel cycle to technology development to plant operations, all the way to end of plant life services. For decades our members have provided carbon-free, reliable energy in the U.S. and around the world. In fact, nuclear energy provides half of the carbon-free electricity in the United States while supporting 475,000 jobs and adding \$60 billion in GDP to the U.S. economy. The U.S. nuclear fleet avoids over 500 million metric tons of CO₂, 265 thousand short tons of SO₂, and 238 thousand short tons of NO_x emissions every year. These avoided emissions alone are valued at a social cost of nearly \$27 billion annually. While the numbers certainly support nuclear energy as an ESG asset, the industry continues to face headwinds from historical biases that persists into modern ESG investment decisions. At this critical time in our fight against climate change, it's crucial that investors have access to accurate information to advise their investment decisions. NEI supports the SEC's goal of improving the quality of

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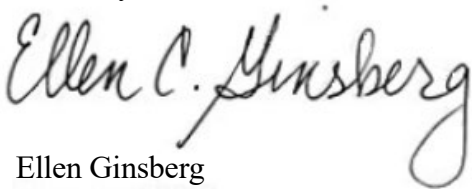
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disclosures available to investors regarding ESG criteria and encourages the Commission to adopt a final rule that eliminates harmful biases. The nation needs nuclear energy to achieve the rapid decarbonization required to achieve the Administration's climate goals and improving disclosures for funds dealing in ESG and sustainable investments is a key step to unlocking the enormous potential of nuclear energy.

The Intergovernmental Panel on Climate Change (IPCC) found earlier this year that global investments in nuclear energy will need to exceed \$100 billion per year for over a decade to achieve our global climate goals. A study published by Vibrant Clean Energy (VCE) in June found that the U.S. alone will need to more than triple its nuclear capacity to achieve its goal of a net-zero economy by 2050. Just this July, the EU voted to include nuclear in their taxonomy for sustainable activities. All these calls for nuclear energy investments to combat climate change underscore the global acceptance of nuclear energy as an ESG investment. ESG funds that continue to exclude nuclear energy are not aligning their climate-conscious investors with advice from climate researchers and scientists. This mismatch harms investors who want to make a difference and it harms global efforts to decarbonize. NEI encourages the SEC to consider how ESG criteria misaligned with efforts to combat climate change create significant confusion for investors.

NEI is supportive of efforts to improve ESG transparency. Current disclosure practices can be inconsistent and lack transparency, making it challenging to determine which ESG strategy a fund or adviser follows. It is imperative that ESG investors are able to put their capital where it is needed the most and improving the disclosures of ESG criteria and methodology is a good first step to facilitating that capital formation. As the SEC moves to a final rule, NEI encourages the Commission to consider the critical role nuclear energy will play in decarbonizing our economy and the need for ESG investors to access funds that follow emissions-reporting, climate-based, and other established ESG frameworks. I appreciate the Commission's attention to this important issue, and I look forward to working with you.

Sincerely,

A handwritten signature in black ink that reads "Ellen C. Ginsberg". The signature is written in a cursive style with a large, looping "G" at the end.

Ellen Ginsberg