

## **DISCLOSURE OF COSTS OF DELAY OF CLEANUP OF TOXIC SITES**

### **WHEREAS:**

General Electric disposed of at least 1.3 million pounds of PCBs (polychlorinated biphenyls) into the Hudson River. GE plants in Fort Edward and Hudson Falls, NY are heavily contaminated with PCBs. The Environmental Protection Agency designated 200 miles of the Hudson River as a Superfund site in 1984. The plant sites are New York State Superfund sites. In February 1976, a state Department of Conservation Hearing Officer, in a case against GE, described GE's actions as "corporate abuse" and found that the record "overwhelmingly" demonstrated that GE violated NY State law by discharging large quantities of PCBs into the Hudson River.

The federal government regulates PCBs as a known animal carcinogen and probable human carcinogen. Additional independent evidence indicates that PCBs may affect the immune and reproductive systems, cause endocrine disruption and have neurological effects.

PCB concentrations in Upper Hudson fish, sediment and water continue to exceed federal and state guidelines, creating unacceptable health and environmental risks.

GE has historically engaged in extensive public relations efforts, suggesting that "there is no credible evidence that PCBs in the Hudson River pose a risk to people or wildlife."

GE pursues its lawsuit challenging the constitutionality of key provisions of Superfund, placing implementation of EPA's decision and the remediation of other Superfund sites in jeopardy. Through a North Carolina Congressman, GE successfully attached report language to the USEPA funding bill, calling upon the agency to work with the National Academy of Science to conduct yet another study of PCB-contaminated sites.

EPA's cleanup of the Hudson River was to begin in 2005. The EPA has announced two-one year delays, with the cleanup now put off until Spring 2007. GE has only agreed to implement 10% percent of EPA's remedy, as public health and the environmental threats persist. GE may opt out of completing the other 90% of this cleanup. GE's design of the remedy shows a number of inconsistencies with the EPA plan to clean up the River. GE plant sites continue to leak PCBs into the Hudson River and surrounding communities. GE still has not compensated the people of New York for damages to natural resources caused by its PCBs.

**RESOLVED:** Shareholders request the Board of Directors to report by August 1, 2006, at reasonable cost and excluding confidential information, its annual expenditures by category and specific site (where applicable) for each year from 1990-2005, on attorney's fees, expert fees, lobbying, and public relations/media expenses, relating in any way to the health and environmental consequences of PCB exposures, GE's remediation of sites contaminated by PCBs, and/or hazardous substance laws and regulations, as well as expenditures on actual remediation of PCB contaminated sites.

### **STATEMENT OF SUPPORT**

This resolution has been sponsored by dozens of religious, public and private pension funds and received 27.47% of the vote last year. It is long overdue that our company discloses to shareholders the actual costs of its long term resistance to the remediation of this and other toxic sites. Shareholders have the right to this transparency.