

Timothy J. Sloan
Chief Executive Officer and President
Wells Fargo & Company
420 Montgomery Street
San Francisco, CA 94104
U.S.A.
boardcommunications@wellsfargo.com

Dear Mr. Sloan:

I respectfully ask that Wells Fargo strongly consider ending its financial involvement with TransCanada, the company that is building the Keystone XL pipeline. I oppose the Keystone XL (KXL) pipeline because the project will likely have grave repercussions for the world's climate.

As you likely know, once finished the KXL pipeline will carry 830,000 barrels a day of tar sands bitumen (tar sands) from Alberta, Canada, across the United States—crossing hundreds of waterways and Nebraska's Ogallala aquifer—to the Gulf Coast where most of it, if not all, will likely be exported. While the local impacts of the working pipeline, such as the inevitable spills, are not trivial, we are most concerned with the project's impact on global warming. My concerns don't arise so much due to the KXL pipeline's "lifetime" carbon dioxide emissions—but rather due to the "social license" it gives to the exploitation of tar sands for energy. That is, once the world's nations begin using tar sands on a massive scale to produce power, they will be inclined to continue using this high-carbon source of energy.

In 2012, Dr. James Hansen, a well-respected climate scientist who retired from NASA a few years ago, concluded that if the KXL pipeline was built and started operating, it was "essentially game over for the climate." He reasoned that if we were to fully exploit the Alberta tar sands (one of the largest pools of carbon on earth) while continuing to burn conventional fossil fuels, the explosion in CO2 emissions would push the climate into instability, causing horrendous economic and ecological impacts. I also point out that the earth's atmosphere last year alarmingly crossed the threshold of 400 parts per million of CO2 for the first time in human history. And finally, current climate research has repeatedly shown that CO2 emissions must be dramatically reduced over the next decade if we want to maintain a livable climate. Thus, I believe that it is clear that the KXL pipeline should not be built.

I certainly appreciate Wells Fargo's commitments (past and future) towards fostering environmental sustainability as laid-out in its "climate change statement." It is no small feat that the bank has provided more than \$67 billion in environmental finance since 2005, as well as continually assessed risks in its loan portfolios, including tracking the effect of a carbon price on its power and utilities industry clients. Adding into the mix the fact that Wells Fargo adopted the Carbon Principles for assessing the risks in funding new electric power projects in the U.S., its efforts must be applauded.

However, Wells Fargo's financial support of TransCanada, the builder of the Keystone XL pipeline, threatens to negate the lender's many environmental achievements. And with recent polling consistently showing strong majorities of Americans supporting actions to address global warming, I am convinced that many of your current and potential customers would be upset upon learning of your financial involvement with the owner of the KXL pipeline.

In close, in view of the urgency of the global warming issue, I ask that Wells Fargo undertake a rigorous review of its lending relationship with TransCanada, and end its involvement with the energy company. In taking such a principled stand against TransCanada—and by connection the Keystone XL pipeline—Wells Fargo would certainly be heralded as an environmental leader in the banking world and beyond.

Thank you.

Sincerely,

Cc: environmental.affairs@wellsfargo.com