



FOR IMMEDIATE RELEASE

March 12, 2024

Contact: Jerry Simmons

Phone: 405-669-6646

Email: info@depausa.org

**DOMESTIC ENERGY PRODUCERS' ALLIANCE SUES
SECURITIES EXCHANGE COMMISSION ON CLIMATE RULE**

New Orleans; March 11, 2024: Today, the Domestic Energy Producers' Alliance (DEPA) and Texas Alliance of Energy Producers filed suit to block the Securities and Exchange Commission's new rule requiring publicly traded companies to make onerous disclosures about greenhouse gas emissions and other climate-related issues.

"The SEC's mandate is to ensure that companies disclose important information so that investors can evaluate the health of companies. That's not a license to publicly shame companies for business practices they don't like," said Luke Wake, an attorney at Pacific Legal Foundation. "Congress did not authorize the SEC to demand that companies report environmental or any other controversial issues completely unrelated to finance."

Jerry Simmons President/CEO of DEPA said "We are thrilled to have the Pacific Legal Foundation representing us in this fight to push back at these government agencies and the dramatic regulatory overreach from their Congressionally mandated purpose. Congress authorized the SEC to protect investors from fraud, facilitate capital formation, and require only material disclosures related to investing. Simmons said "The new rule (almost 900 pages long) does nothing to help investors get a greater return or make any difference in the climate. This is simply to force a political and ideological position onto US companies."

The Texas Alliance of Energy Producers and the Domestic Energy Producers Alliance are trade associations that represent many businesses in the energy industry. While public companies are directly

<<MORE>>



subject to the SEC’s new disclosure requirements, these groups oppose this new regime because it also affects small and independent businesses that work with publicly traded companies. For example, the rule requires public companies to consider climate change risks—including “reputational risks” of associating with business partners who are viewed as contributing to climate change. Accordingly, the rule not only imposes burdensome disclosure requirements on public companies, but it likely will prompt those companies to exert greater control over their partners’ business activities, or to disassociate with companies that are not doing enough to scale back greenhouse gas emissions.

Represented at no charge by Pacific Legal Foundation, these groups are fighting back with a federal lawsuit to reel in the SEC’s unlawful rulemaking and to restore the separation of powers in government.

###
