



September 3, 2020

Dear Ms. Bloom, Ms. Levine, Ms. Van Dolsen, Mr. Kish and Mr. Parrett:

Thank you for your recent communications and continued interest in the work of TIAA and Nuveen. As previously shared, environmental issues are critical factors in our investment processes and corporate engagement practices.

Our initial investment in Cricket Valley (CVE) was made in response to an RFP issued by the State of New York, which was seeking investors to help underwrite the creation of new power-generation capacity in the Hudson Valley, a region where energy supplies are constrained and infrastructure has aged. At the time of our investment in 2014, natural gas was seen as a “bridge” investment toward cleaner energy sources. Such bridge investments are aligned with TIAA’s values and responsible investing activities, particularly when these bridge investments are replacing coal and when renewable energy sources are not readily available or practical in a certain region. When the CVE project was started, it was initially well-received because it cleaned up a brownfield environmental site, was considered more modern and efficient than competing power generation, and it created both jobs and an expanded tax base in the region.

We are committed to managing investments in line with the transition to a low-carbon economy; since investing in CVE, we have been evolving how to integrate climate transition risk assessment into our investment process. Consideration of the transition risk related to fossil fuels and gas-fired power plants is included in this analysis and is managed in a prudent and systematic manner like any other investment risk and as part of our broader climate change risk management strategy.

As previously reported by [media outlets](#), TIAA explored selling our stake in CVE last year, but unfortunately, we did not receive offers that would allow us to exit this investment in a manner consistent with our fiduciary responsibility to our clients. We are continuing to evaluate options for our investment in CVE, including a possible exit, but any action we take must be done with consideration for the long-term financial interests of our clients. As outlined in our [Policy Statement on Responsible Investing](#), we do not believe that a blanket divestment of our stake in CVE would be an optimal strategy for producing long-term value for our participants.

Thank you again for reaching out and sharing your views. Addressing climate change and environmental issues is a critical priority for TIAA, and we are committed to evolving our portfolio and rebalancing our assets toward cleaner energy investments that are seen as attractive financial opportunities in line with today’s changing market dynamics. Your concerns have been shared with our investment team, and will be shared with our board when we meet with them later this month. We always appreciate feedback from investors and other interested parties, and are constantly evaluating how we can better serve our participants’ long-term financial interests in a responsible way.

Sincerely,

*Megan Fielding*

Megan Fielding  
Senior Director, Responsible Investing