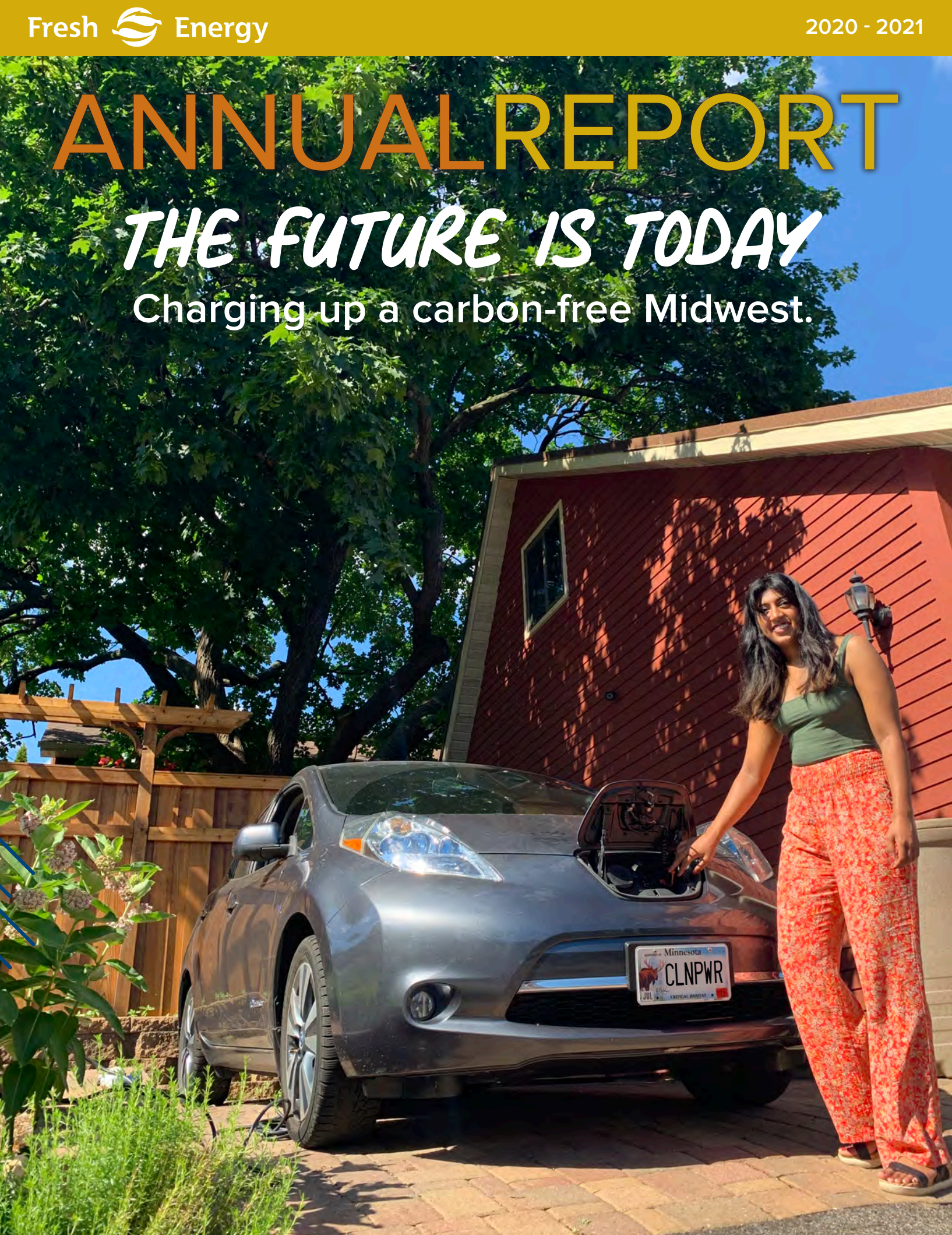


ANNUAL REPORT

THE FUTURE IS TODAY

Charging up a carbon-free Midwest.



Hello Fresh Energy community!

It has been a year unlike any other. Amid an unprecedented public health crisis that laid bare the racial and economic disparities in our society, calls for social justice echoing from every corner, and violently extreme weather events playing out across the country and right here at home, I'm proud to report to you that Fresh Energy has continued to usher Minnesota onward, making progress toward climate goals in a meaningful and equitable way.

To be clear, the climate crisis demands transformational action and there's much more that must be done; however, I'm honored to be part of our growing Fresh Energy team and the significant progress they're making to clean up and modernize our energy sector, reduce emissions from transportation, decarbonize our buildings, ensure a just transition that benefits all Minnesotans, and so much more.

While we fought (and won) many clean energy and climate battles at the federal and state levels, I'm most pleased about one particular win that was 13 years in the making: Clean Cars Minnesota.

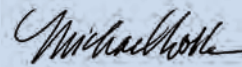
We knew in 2008 what we're adamant about now: clean car standards would not only protect Minnesotans' health and improve air quality—particularly for communities of color and under-resourced communities—but also increase Minnesotans' options for electric vehicles, protect our pocketbooks at the gas pump and slash maintenance costs, help grow the state's economy, and position Minnesota as a place for EV innovation.

You likely saw that Clean Cars Minnesota hit some speed bumps along the way in 2020 when major opposition forces, including Big Oil, joined the fray—all while some Minnesota legislators worked to spread misinformation. Our team faced this challenge head on and we've made it to the other side.

Today, after surmounting everything the opposition could throw at it—and with the help of thousands of Minnesotans—I'm proud to say that Governor Tim Walz has made Minnesota a clean cars state!

But we can't slow down now. Better emissions standards for Minnesota are just one piece of the puzzle. I look forward to keeping you up to date as we continue to move Minnesota, and the United States, toward a healthier, more just future.

With gratitude,



Michael Noble



BOARD OF DIRECTORS

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*Indicates board members who departed or met their term limits in 2020.

STAFF

Michael Noble Executive Director	Meggie LaValley Individual Giving Director
Sarah Clark Deputy Executive Director	David Maldonado Operations Assistant
Anjali Bains Senior Clean Transportation Manager, Energy Transition	Mari Ojeda Policy Associate, Energy Access and Equity
Margaret Cherne-Hendrick Lead Director, Energy Transition	Jo Olson Senior Communications and Engagement Manager
Joe Dammel Director, Gas Decarbonization, Energy Transition	Leigh Onkka Senior Development Associate
Rob Davis Director, Center for Pollinators in Energy	Ben Passer Lead Director, Energy Access and Equity
Justin Fay Lead Director, Public Affairs	Ken Paulman Senior Director, Energy News Network
Eric Fowler Coalition Communications and Policy Associate	Hannah Payne Policy Associate, Energy Markets
Allen Gleckner Lead Director, Clean Electricity	Ben Rabe Building Performance Director
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Kathryn Krawczyk Associate Editor—Newsletter/ Multiplatform, Energy News Network	John Berns Lobbyist
Mat Larson Krisetya Senior Director, Operations	Aomie Washington Capitol Pathways Intern

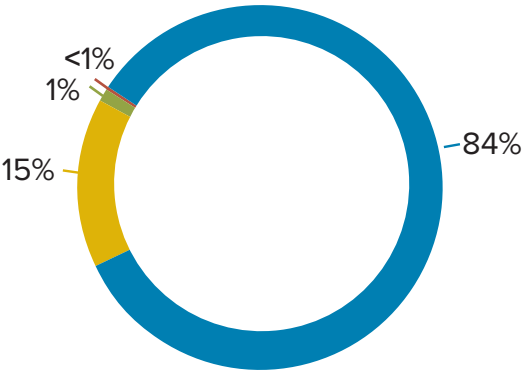
FINANCIAL STATEMENT 2020 – 2021 FISCAL YEAR

STATEMENT OF ACTIVITIES

Unrestricted funds only.

SUPPORT AND REVENUE

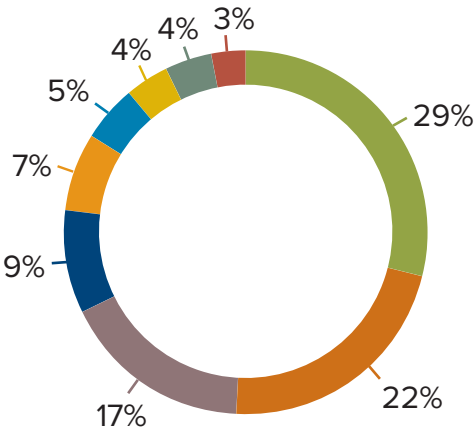
Grant Revenue Released from Restrictions	\$ 4,214,648
Unrestricted Contributions	\$ 737,786
Interest and Dividend Income	\$ 64,673
Other Revenue	\$ 4,620
TOTAL SUPPORT AND REVENUE	\$5,021,727



EXPENSES

Beneficial Electrification	\$1,392,508
Energy News Network	\$1,040,598
Clean Efficient Power	\$ 825,713
Administration	\$ 429,898
Government Affairs	\$ 344,887
Energy Access and Equity	\$ 237,399
Media and Innovation Lab	
(Center for Pollinators in Energy)	\$ 209,802
Fundraising	\$ 208,548
Built Environment	\$ 131,295

TOTAL EXPENSES	\$4,820,648
Increase (Decrease) in Net Assets	\$ 201,079



STATEMENT OF FINANCIAL POSITION

ASSETS

Cash and Cash Equivalents	\$ 3,415,141
Investments	\$ 562,354
Pledges < 1 year	\$ 2,637,715
Pledges > 1 year	\$ 18,750
Prepaid Expenses	\$ 53,511
Equipment	\$ 213,692
TOTAL ASSETS	\$ 6,901,163

LIABILITIES AND NET ASSETS

Total Liabilities	\$ 617,758
Total Net Assets with Donor Restrictions	\$ 4,764,138
Total Net Assets without Donor Restrictions (Operating Reserve & Strategic Framework Fund)	\$ 1,519,267
TOTAL LIABILITIES and NET ASSETS	\$6,901,163

Period covered: February 1, 2020 – January 31, 2021.
An audited financial statement is available upon request.

OUR DONORS
MAKE IT POSSIBLE

Please access the full list of donors and supporters on our website:
fresh-energy.org/2020-21donors

- THANK YOU -



As a result of your investment in Fresh Energy, we were able to ensure...



\$55,000,000

from the Renewable Development Account for clean energy projects around the state, including the Prairie Island Indian Community's net-zero energy project.



28 Expert Testimonies

were provided by Fresh Energy policy staff and specialists in support of electric transportation, better buildings, and clean energy at the Minnesota Legislature and Public Utilities Commission.



250-300%

increase in investor-owned utilities' minimum spending for energy efficiency programs serving under-resourced households thanks to the ECO Act.



1M Tons Less Carbon

will be emitted annually by 2030 and 2.5 million metric tons annually by 2050 thanks to clean car standards.



55%

of electricity generation in Minnesota was from renewables and carbon-free sources in 2020. Renewable generation also surpassed coal for the first time.



588 megawatts

of new wind and solar were added by Minnesota utilities in 2020, enough to supply 125,000 homes and apartments.



6 of 6

remaining electricity-generating coal plants in Minnesota have set retirement dates, with closures beginning in 2024.

Fresh Energy's mission is to shape and drive bold policy solutions to achieve equitable carbon-neutral economies. Together we are working toward a vision of a just, prosperous, and resilient future powered by a shared commitment to a carbon-neutral economy.



CLEAN EFFICIENT POWER

Generating electricity without carbon pollution is a crucial step toward a carbon-neutral future.

Through leadership as energy policy experts and active engagement at the Minnesota Public Utilities Commission, state Legislature, and other decision-making venues, Fresh Energy is working to advance modern energy efficiency, end fossil fuel emissions, and dramatically increase renewable electricity generation. As a result of our efforts, coal plants are closing or running less often, utilities are making historic investments in more efficient systems, and wind, solar, and battery storage are an increasing part of Minnesota's energy system. We are planning for the grid of the future.

Thanks to three years of Fresh Energy analysis and advocacy, Xcel Energy has removed a new fossil gas plant in Becker, Minnesota, from its Integrated Resource Plan, which will save Xcel customers hundreds of millions of dollars and prevent tons of new greenhouse gas emissions. We also made excellent progress in improving the electric grid, and securing reduced coal operations in multiple key plants.



ENERGY ACCESS AND EQUITY

As the energy sector strives to aggressively decarbonize to mitigate the impacts of climate change, it has an obligation to ensure a just and equitable transition for marginalized communities.

Fresh Energy is committed to ensuring that the transition to clean energy benefits all and equity is a key consideration in our work across programs. In multiple state and national forums, we also shape renewable energy program design, energy efficiency and weatherization investments, and other initiatives to ensure that under-resourced individuals and communities are served, along with all utility consumers. This year, we successfully advocated for the ECO Act, a major bill that updates and modernizes Minnesota's flagship energy efficiency law known as the Conservation Improvement Program (CIP). The ECO Act, among other things, significantly increases utility efficiency programs for under-resourced communities.



CENTER FOR POLLINATORS IN ENERGY

Fresh Energy develops and leads special projects in Minnesota and other states to expand the number of constituencies supporting clean energy—the Center for Pollinators in Energy is a central aspect of this work.

Fresh Energy's Center for Pollinators in Energy is a national leader in advancing the agricultural and ecological compatibility of large-scale PV solar, including the use of deep-rooted grasses and flowering plants that create acres of pollinator habitat, improve water quality, and sequester carbon. This year a record number of regional and global energy companies highlighted the compatibility and ecological benefits of hosting honey bee hives or encouraging wild pollinators at their solar farms.

Interested in learning more? We have so much to share with you! Browse our updated resource page at fresh-energy.org/publications.

BENEFICIAL ELECTRIFICATION

To achieve the dramatic emission reductions needed, we must transition carbon-intensive parts of our economy—such as transportation and home heating—off of fossil fuel and onto renewable electricity.

Fresh Energy is actively working to electrify transportation by encouraging bold action by electric utilities, shaping investments in charging infrastructure and electric buses, and playing a leadership role in multiple collaboratives that address the health and justice issues around air quality and transportation. And this year, after 13 years of advocacy from Fresh Energy and partners, Minnesota will become a clean cars state, a move that will reduce our greenhouse gas emissions and net an estimated \$1,600 lifetime savings on each new passenger vehicle by 2025.

We are also shaping policy solutions, leading market transformation and education, and advocating for proof-of-concept models that demonstrate strategies for achieving equitable benefits while moving toward carbon-neutral buildings. The passage of the ECO Act and the Natural Gas Innovation Act provide a clear path for utilities to implement electrification measures in new and existing buildings. And, a year after launching the Midwest Building Decarbonization Coalition, we have successfully engaged 200+ individuals and 100+ organizations across eight states in the Midwest to build capacity to advance equitable building decarbonization.



BUILT ENVIRONMENT

Decisions on how Minnesota develops new buildings will shape our carbon emissions and economy for generations to come.

If we build super-efficient structures, they can be heated and cooled with small amounts of renewable electricity. If we do not build new structures efficiently, it will add significantly to long-term operations and maintenance costs, not to mention carbon emissions—burdens that will fall more heavily on under-resourced households. Fresh Energy is working to ensure that Minnesota's building energy code is strong and effectively adopted and enforced. Our experts are also being called upon to serve in international residential code development processes.



ENERGY NEWS NETWORK

Fresh Energy's Energy News Network is a national news service providing daily links to top energy news stories and original reporting on the transition to clean energy.

Editorially independent from Fresh Energy's policy work, the Energy News Network (ENN) is staffed by professional editors and a team of more than a dozen journalists who cover state-based stories in a regional context. The more than 30 original news articles produced by Energy News Network reporters each month shine a light on subjects that would otherwise go unreported, and our journalism is regularly republished or quoted in trade publications, traditional media outlets, and in other arenas. In 2021, ENN launched and welcomed its inaugural fellow, Rukiya Colvin (pictured right), into the Detroit Energy and Environment Reporting Fellowship, a program with the goal of recruiting, uplifting, and mentoring Black, Indigenous, and other journalists of color.





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FEATURE EVENT | VIRTUAL BENEFIT BREAKFAST

FUTURE FOCUS: The New Climate Economy

SIGN UP NOW

for Fresh Energy's Virtual Benefit Breakfast

October 14, 2021 | 8-9 a.m.

FEATURED SPEAKER:

Donnel Baird, CEO of BlocPower

Register to join Fresh Energy and award-winning climate tech entrepreneur Donnel Baird for a fascinating discussion of how ambitious public policy can spur private markets toward a just, carbon-neutral future.

Donnel Baird, CEO of Brooklyn-based BlocPower, is proving that businesses can tackle carbon pollution while making a profit and creating family-supporting jobs.

All proceeds from this inspiring event will support Fresh Energy's work to speed the transition to an equitable carbon-neutral economy in Minnesota, the Midwest, and beyond.

RSVP: fresh-energy.org/benefitbreakfast
\$125 suggested minimum donation

ANNUAL REPORT 2020 - 2021