

ENERGYMATTERS



ON THE HORIZON: THE PATH TO 100%

Fresh Energy was proud to stand alongside Governor Tim Walz in early 2019 as he announced the One Minnesota Path to Clean Energy. Among the first major policy initiatives of the Walz Administration, the package was built around a historic proposal to achieve 100% clean electricity statewide in Minnesota by 2050.

Minnesota's divided Legislature has failed to agree on the Governor's proposal for two years—but the clean energy revolution has continued unabated. Wind, solar, and ongrid storage are now consistently the least-cost resource and more economic than both new gas and existing coal generation. The economic case is clear and it is time for Minnesota to take bold action to commit to carbon-free electricity. As we enter 2021, Fresh Energy is dedicated to making it happen.

Earlier this year, a study from the University of California-Berkeley reported a game-changing finding: 90% clean electricity no later than 2035 is not only feasible, but can be accomplished nationally while actually decreasing wholesale electricity costs. That's a huge deal...and it is imperative that policymakers center that new reality as we work toward our even larger goal of equitable carbon neutrality by mid-century.

As we build the electricity system of the future, the question now is less about what the end goal should be—a carbon-free electric grid—and more about how quickly we can get there. The UC-Berkeley study points to a critically important nuance: On the road to 100% electricity, the technically hardest portion to achieve will be the final 10% of the system—but when we achieve the final 10% is actually less critical than how quickly we can lock in the first 90%.

The scientific consensus is that global emissions must be roughly cut in half by 2030 in order to avoid the most catastrophic effects of climate change. That means the electric sector must decarbonize faster and be the bedrock on which economy-wide decarbonization is ultimately achieved.

Accelerating Minnesota's clean electricity transformation is at the heart of Fresh Energy's vision as we prepare for the 2021 session of the Minnesota Legislature. But we are not stopping there—we are working to advance a suite of policies to transform Minnesota's economy in ways that are ambitious, equitable, and achievable:

- ▶ Rapidly transitioning to cleaner transportation options by finalizing the Clean Cars Minnesota rulemaking process and developing policy that incentivizes cleaner fuel options.
- ▶ Driving the building sector to produce cleaner, more efficient buildings through a combination of improved statewide energy codes and ambitious policy goals.
- ► Further unlocking energy efficiency by modernizing Minnesota's Conservation Improvement Program.
- ▶ Ensuring that all Minnesotans benefit from the clean energy transition by focusing on workforce development, affordable housing, and local, family-supporting jobs in the clean energy sector.

Tune in to "Decarbonize: The Clean Energy Podcast" on your favorite podcasting app or at fresh-energy.org this month for a discussion about these and Fresh Energy's other policy and legislative goals for 2021.



Hello from Michael and Janiece! You saw us co-host Fresh Energy's Virtual Benefit Breakfast in October, so we decided to collaborate on this column as well.

There are a lot of words being used to describe 2020: unprecedented, challenging, difficult. There are more colorful words being used too, but what energizes Fresh Energy is focusing on what comes next.

For the first time ever, the climate crisis was a top issue for voters. We are thankful that Fresh Energy has put in the time and is prepared to meet this moment head-on with our bold new mission and vision—you can read more about them on the next page.

We, and the whole Fresh Energy team, are buoyed by the nearly 500 people who joined us for the Virtual Benefit Breakfast, all of you clean energy champions reading this newsletter, and the ever-increasing vocal support for clean energy in Minnesota.

Together we can power change that addresses the climate crisis at the pace and scale of the problem, while we build a more just economy that's carbon neutral.

Coming into 2021, Fresh Energy has more ambitious goals than ever before to move Minnesota toward a totally carbon-neutral economy. Thank you for being part of our work.



LEARN MORE ABOUT THESE AND OTHER STORIES AT FRESH-ENERGY.ORG

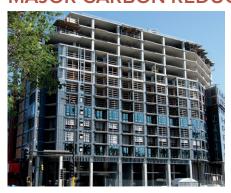
UTILITIES AIM TO ASSIST IN ECONOMIC RECOVERY



This summer, Xcel Energy grabbed headlines when it released a \$3 billion proposal aimed at helping to jump-start and sustain Minnesota's economic recovery process from COVID-19. A similar recovery-style proposal was submitted by all Minnesota investorowned utilities at the request of the Public Utilities Commission. Because

portions of the proposals include clean energy, Fresh Energy has filed comments with the Commission. We testified in support of stimulus projects that prioritize equity and near-term high quality, family-sustaining jobs and also recommended that electrification of buildings be strongly considered as an economic growth opportunity. More economic recovery dockets are coming, and we will be there to advocate for maximum results.

BUILDING ELECTRIFICATION = MAJOR CARBON REDUCTIONS



To address climate change at scale, we need carbon neutrality economy-wide—including broader electrification as well as natural gas and propane reductions in our buildings. However, Minnesota has yet to adopt a comprehensive electrification policy that could help drive this critical change. Fresh Energy, via the Midwest Building Decarbonization Coalition,

is establishing a new policy platform to push for stronger electrification goals and to demonstrate what the shift to electricity can do in terms of an equitable economic recovery. Fresh Energy is working to get Minnesota on track for capitalizing on the significant carbon reduction, economic development, and public health opportunities presented by electrification.

DEEPER ENERGY EFFICIENCY FOR ALL



Thanks to strong policy, Minnesota is a national leader on energy efficiency. However, we know that even though investor-owned utilities have substantial budgets for such programs, the money is not spent equitably on under-resourced customers and rental properties. To that end, we are pleased to report that the Public Utilities

Commission supported a concept brought forth by Fresh Energy and partners to encourage utilities to make these programs more meaningful. In the coming months, Fresh Energy will work with the Department of Commerce and stakeholders to finalize the concept by 2022.

CHANGE AND GROWTH

Over the thirty years since Fresh Energy's founding, our policy work has done much to spur the transition to clean energy in Minnesota and beyond. With climate change fueling more extreme weather—and economic and racial disparities deepening—Fresh Energy recognizes that we must do much more.

In 2020 Fresh Energy updated the Strategic Framework that guides the organization. Based on careful analysis, we refreshed and redefined the mission, vision, and imperatives at the heart of our work.

"The quick summary is this: We must move faster toward change that is more ambitious and more equitable," said Fresh Energy Board Vice Chair Nick Garbis, a leading member of the Fresh Energy strategic planning team.

Scientists agree that if we have any hope of addressing global climate change, we must be carbon neutral across the economy by mid-century or before. That means getting all the carbon pollution out of our electricity system as well as in other sectors such as transportation, agriculture, industry, and buildings.

The transition to a carbon-neutral economy is a transformative moment, and Fresh Energy's new Strategic Framework underscores the need to seize this change as an opportunity to address disparities.

"We are committed to a just energy transition that creates jobs, builds prosperity, ensures affordability, and improves public health," said Fresh Energy's Lead Director of Energy Access & Equity Ben Passer. "Going forward, Fresh Energy's policy initiatives will be even more intentionally designed to improve people's lives and confront racial and economic inequities."

As always, partnerships are at the heart of Fresh Energy's work.

"Minnesotans are hungry for opportunities to address climate," said Deputy Executive Director Sarah Clark. "Fresh Energy is doubling down on building the public resolve and shared commitment we need to power climate solutions at scale."

A full copy of Fresh Energy's updated strategic framework is available at **fresh-energy.org/framework**.





AN ENDURING IMPACT

As a Fresh Energy supporter for over a decade, Stacy Miller is dedicated personally and professionally to championing a clean energy future. This commitment led Stacy to a decision that will leave an enduring impact on Fresh Energy's work.

"I want to continue to support Fresh Energy's work beyond my lifetime, and making a planned gift in my will is a really easy way to give back to an organization that has done so much for climate and clean energy."

For Stacy, who is a Sustainability
Program Coordinator for the City
of Minneapolis and on the Board
of Directors at Dakota Electric
Association, it all comes back to
creating an equitable and sustainable
clean energy future. She strongly
believes that to achieve this,
we will always need people and
organizations to lead the work.

"Fresh Energy staff are some of the most effective and brightest minds in this profession. I would encourage anyone who is interested in supporting causes after they're gone to have these important family discussions—it's easier than you might think and offers peace of mind."

We are grateful to Stacy and her family for supporting Fresh Energy now and in the future. To join Stacy in leaving a clean, sustainable legacy for years to come with a planned gift, please contact Meggie LaValley at lavalley@fresh-energy.org.



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CLEAN ENERGY GOALS | MAKE YOUR 2021 RESOLUTION

New Year, New Goals

MAKE A CLEAN ENERGY RESOLUTION

Ring in the new year with clean energy resolutions. Here are a few ideas to get you started:

/ Electrify!

Cut your dependence on fossil fuel and electrify your life one appliance, vehicle, and tool at a time. Resolve to learn about the climate and health impacts of the fossil fuel-powered items you use every day to ensure you're informed when it comes time to replace these items. Learn more at

fresh-energy.org/GoElectric.

2. Take Action

Fresh Energy is here to help you make your voice heard with policy leaders and elected officials in a new way. In early 2021, we are launching a new tool that will help you and all Minnesotans mobilize to reach those making climate and clean energy decisions in our state. Stay tuned!

3 Make a Giving Plan

Fresh Energy is your clean energy, clean recovery, and clean jobs champion—but we need your support. Please make a gift to Fresh Energy today by visiting fresh-energy.org/HereForYou.

