

2025-2026

annual report

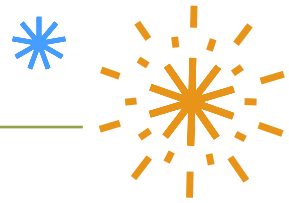
Fresh  Energy



Driven by Decarbonization

Advancing resilient, optimistic energy policy.

Letter from Leadership



HELLO, FRESH ENERGY SUPPORTERS,

The 2025-26 fiscal year marked our first full year implementing “Vision 2030: Fresh Energy’s Strategic Framework,” and what a year it was. Reflecting back, I am grateful for the thorough analysis and many strategic discussions that contributed to building Vision 2030. They helped put Fresh Energy in a position to decisively take on the difficult and shifting landscape we find ourselves in today.

From its conception, Vision 2030 challenges us to be bold. However, being bold means different things to different organizations. For Fresh Energy, it means expanding our strategic policy work into new sectors, broadening and deepening our existing programmatic work, and, perhaps most difficult, getting comfortable with being uncomfortable.

Some of Fresh Energy’s decarbonization work puts us in the “messy middle,” but just because the issues we work on are hard or polarizing does not mean that we can afford to shy away from them. In fact, it is even more critical that we bring to bear Fresh Energy’s 35 years of leadership to tackle them head on. We are compelled to examine the hard climate and energy problems facing us today and be brave enough to bring forward data-driven, equitable, pragmatic solutions — that is how Fresh Energy defines boldness.

I’m proud of how our team has taken that charge and set to work. Through Herculean effort over the past year, we have designed and stood up entirely new program areas — such as Heavy Industry and Agriculture — and also vastly expanded our existing programmatic work to capitalize on emerging opportunities, rooted in our extraordinary staff expertise.

At Fresh Energy, we have cultivated a culture of cross-collaboration between our sector-based teams, and now, more than ever, we are reaping the benefits of that model. The issues we are facing increasingly require us to take a holistic view of the energy system and consider the many cross-sector interdependencies that exist economy-wide. From utility planning to data centers to electric vehicle-ready buildings and beyond, we know that these issues do not exist in a vacuum. Fresh Energy is uniquely positioned to engage with the interconnected world we live in today and advance durable, nuanced policy solutions — thanks to our cross-collaborative nature.

You can count on Fresh Energy to keep leading with bold policies that move the needle on climate solutions, no matter the political environment. In 2026, we are delving even deeper into key areas of our economy-wide decarbonization work and further honing our organizational structure to deliver on Vision 2030.

Please sign up for our email newsletter (fresh-energy.org/subscribe) to stay up to speed on the latest news from Fresh Energy, and I hope to see you at our 11th annual Benefit Breakfast on October 8! This year, we’re thrilled to be joined by Jesse Jenkins, a nationally recognized researcher and energy systems modeler, analyst, and writer, who has played a crucial role in informing U.S. climate policy and is an outspoken voice on the clean energy transition. Our community continues to grow, and we’re so glad you’re part of it!

Margaret Cherne-Hendrick, Ph.D.
Chief Executive Officer, Fresh Energy



Margaret Cherne-Hendrick (right) joined Power Circle donor Brenda Butler (left) for a gathering to highlight Fresh Energy.

P.S. You won’t want to miss the Fair of the Future all-electric showcase happening before and after the Benefit Breakfast on October 8! Learn more and register today at fresh-energy.org/benefitbreakfast26.

Board of Directors and Staff

BOARD OF DIRECTORS

Ellen Palmer, Chair	Robert Blake	Ella Mitchell
Christina Yagjian, Vice Chair	Merritt Clapp-Smith	Trent Mostaert*
Kate Wolford, Secretary	Ted Contag	Chris O'Brien
Matt Schuerger, Treasurer	Bryan Herrmann	Jina Penn-Tracy*
Erika Bailey-Johnson*	Jacqueline Johnson*	Tom Strobel*
Laura Bishop	Jim Ladner	
	Channon Lemon†	

*Indicates board members who departed or met their term limits in 2025 or 2026.

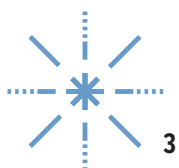
†Indicates board members who joined after the start of the 2026-27 fiscal year.

STAFF AND COLLABORATORS

Margaret Cherne-Hendrick Chief Executive Officer	Tatiana Gabriichuk* Edmund S. Muskie Fellow	Jukka Kukkonen Clean Transportation Consultant	Shirley Obih* Associate, Electricity
Anjali Bains Managing Director, Transportation	Sarah Gleason† Director, Major Gifts	Isak Kvam Director, Communications	Julia Olmstead Chief Development Officer
John Berns Contract Lobbyist	Allen Gleckner* Chief Policy Officer	Meggie LaValley Lead Director, Individual Giving	Jo Olson Chief Communications Officer
Ethan Culver Senior Associate, Coalitions and Campaigns	Nick Haeg Senior Associate, Electric Vehicles	Linda Lubi* Charles R. Krussell Fellow	Leigh Onkka Director, Development Operations and Grants
Anna Edmunds* Humphrey School Fellow	J. Drake Hamilton Managing Director, Science Policy	Faith Mainor* Director, Major Gifts	Claudia Partridge† Senior Associate, Transmission Policy
Caitlin Eichten Director, Building Energy Transition	Shubha M. Harris Chief Equity Policy Officer	Katie Maxwell† Associate, Electricity	Mike Schowalter Managing Director, Transmission Policy
Justin Fay Chief Program Officer	Kate Hudak Senior Associate, Human Resources	Christine McCormick Senior Associate, Digital Communications and Engagement	Jillian Theuer Senior Associate, Development
Abby Finis Local Government Consultant	Mahkai Hunt* Capitol Pathways Intern	Molly McMullen* 2026 Session Associate	John Vaughn Managing Director, Community and Economic Development
Eric Fowler Director, Building Performance	Brandon Isakson Managing Director, Industry	Steve Merino Director, Executive Operations	Janiece Watts* Director, Culture and Partnerships
Sam Friesen Managing Director, Buildings	Brynn Kirsling Director, Legislative and Grassroots Advocacy	Erika Micke Senior Associate, Office Administration	
	Mat Larson Krisetya* Chief Operations Officer	Will Mulhern Director, Electricity	

*Indicates staff who departed Fresh Energy in 2025 or 2026.

†Indicates staff who joined Fresh Energy after the start of the 2026-27 fiscal year.



Financial Statement

2025-2026 Fiscal Year

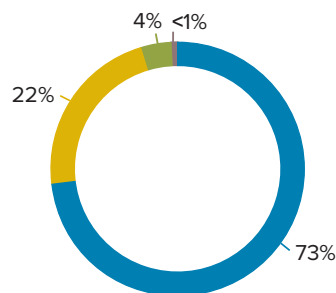
STATEMENT OF ACTIVITIES

Without donor restrictions only.

SUPPORT AND REVENUE

Grant Revenue Released from Restrictions	\$	4,180,613
Contributions Without Donor Restrictions	\$	1,262,300
Investment Revenue	\$	230,964
Other Revenue	\$	32,065

TOTAL SUPPORT AND REVENUE \$ **5,705,942**

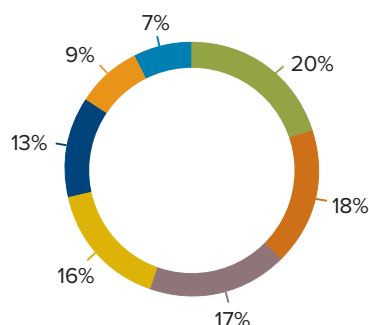


EXPENSES

Policy Solutions and Implementation	\$	1,144,312
Buildings	\$	1,013,664
Operations	\$	995,036
Fundraising	\$	921,729
Electricity	\$	729,247
Transportation	\$	484,503
Heavy Industry and Agriculture	\$	413,881

TOTAL EXPENSES \$ **5,702,372**

Increase (Decrease) in Net Assets \$ 3,570



STATEMENT OF FINANCIAL POSITION

ASSETS

Cash and Cash Equivalents	\$	1,302,166
Investments	\$	3,795,854
Pledges < 1 year	\$	843,364
Pledges > 1 year	\$	917,069
Prepaid Expenses	\$	117,544
Property and Equipment, net	\$	173,098
Right-of-Use Asset	\$	75,333

TOTAL ASSETS \$ **7,224,428**

LIABILITIES AND NET ASSETS

Total Liabilities	\$	420,701
Total Net Assets with Donor Restrictions	\$	4,038,899
Total Net Assets without Donor Restrictions (Operating Reserve & Acceleration Fund)	\$	2,764,828

TOTAL LIABILITY and NET ASSETS \$ **\$7,224,428**

Period covered: February 1, 2025 – January 31, 2026.

An audited financial statement is available upon request.



Our donors make it possible!

View the full list of donors and supporters on our website at
fresh-energy.org/2025-26donors

“Policy is essential to effect change. It’s something that I can’t do myself. So I appreciate Fresh Energy’s excellent staff who educate legislators and advocate for them to introduce and support policies for climate action.”

Susie Osaki Holm, MPH, Power Circle donor



“I wish there was a Fresh Energy in every state.”

*Rebecca Stanfield,
Senior Regional Director, Midwest,
U.S. Energy Foundation*

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



\$2,000,000

committed by Minnesota Power, following Fresh Energy advocacy, to pilot expanded electric vehicle charging access for residents of multifamily housing within the utility's service territory.



200 megawatts

of new battery storage will be added to Xcel Energy's distribution grid as a result of the innovative Capacity*Connect program supported by Fresh Energy.



246 jobs annually

will be directly supported by the new 180-mile Northland Reliability Project transmission line advocated for by Fresh Energy. The project is also expected to generate nearly \$29 million in local and county tax revenue.



\$2/gallon

tax credit expanded by the Minnesota Legislature, with leadership from Fresh Energy, to expand the use of sustainable aviation fuel that delivers more than a 50% reduction in carbon intensity compared with conventional jet fuel.



30 testimonies

from Fresh Energy's policy leaders at the Minnesota Legislature in support of electrifying transportation, consumer solar, protecting our energy codes, advancing geothermal solutions, and beyond.



17,000 households

in 63 under-resourced communities across Minnesota are now receiving an automatic bill credit each month from Xcel Energy, helping reduce their energy burden.



65 industry professionals

from the buildings sector across Minnesota joined Fresh Energy's newly formed Minnesota Efficient Builders Coalition.



1.7 million

solar panels will produce 710 megawatts of electricity at the Sherco Solar Project in Becker, Minnesota, when the current phase of the project is complete this year.



993,000 Minnesotans

received key information from Fresh Energy about geothermal and thermal energy network solutions.



50% reduction

in Minnesota's electricity emissions since 2005, thanks in part to 20 years of advocacy from Fresh Energy. Minnesota is now halfway to full decarbonization.

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.

Fresh Energy Progress

ELECTRICITY

Fresh Energy is driving down emissions from electricity by expanding wind, solar, and storage; building the grid of the future; and advocating for affordable, reliable, and modern rate designs that ensure no one is left behind.

Minnesota and the Midwest have made remarkable strides in transitioning our electricity system from fossil fuels to clean energy. Thanks in part to Fresh Energy’s work, Minnesota reached a major milestone in 2025: Electricity sector emissions were down 50% from 2005, putting the state halfway to full decarbonization.

While this achievement is worth celebrating, significant challenges remain. The question is no longer whether Minnesota can build a clean electricity system — it is how to do so in a way that is affordable, reliable, and equitable for all communities. Finding solutions to that challenge is at the heart of Fresh Energy’s electricity work.

One of Fresh Energy’s most significant accomplishments last year was helping shape Xcel Energy’s latest Integrated Resource Plan. Through expert analysis, advocacy, and intervention, Fresh Energy helped secure a dramatic expansion of renewable energy generation and battery storage while reducing the utility’s proposed buildout of new natural gas infrastructure. Xcel ultimately revised its initial proposal for six new natural gas plants down to one new facility. This outcome will significantly reduce future greenhouse gas emissions and accelerate progress toward Minnesota’s 100% clean electricity law.

Last year also brought a boom in proposed data center construction projects. In response, Fresh Energy successfully advocated for a first-in-the-nation data center policy package that includes protections for consumers, grid reliability, and the environment. The legislation establishes a foundation to maximize

public benefits as data centers expand across the state. While this is an important first step, Fresh Energy is already working to build on this success and ensure that future data center development benefits Minnesota communities.

Building the grid of the future requires more than state-level policy action — it also demands strategic engagement at the regional level. That is why Fresh Energy actively participates in stakeholder processes at the Midcontinent Independent System Operator (MISO), helping ensure that regional grid planning and electricity markets are designed to fairly and effectively integrate clean energy resources.

This systems-level approach has proven so effective that Fresh Energy has expanded our engagement to the Southwest Power Pool (SPP), broadening our influence across the region and advancing a cleaner, more reliable electricity system throughout the Midwest. Fresh Energy’s continued engagement in MISO and new involvement at SPP will help shape the regional electricity framework, which has a large impact on what is possible here in Minnesota.

TRANSPORTATION

Fresh Energy is keeping equity central as we work to reduce emissions from transportation by advancing policies that prioritize accessibility, affordability, and reliability.

Despite transportation emissions declining 6% between 2005 and 2022, transportation remains the largest source of greenhouse gas emissions in both Minnesota and the U.S. Through the work of our Transportation team, Fresh Energy is advancing effective, innovative, and data-driven policies that accelerate the adoption of zero-emission vehicles and build the robust charging network needed to support them.

In 2025, Fresh Energy played a key role in Xcel Energy’s Transportation Electrification Plan (TEP) proceeding before the Minnesota Public Utilities Commission. Through two rounds of comments, we successfully pushed the utility to strengthen its proposed investments and several of our recommendations were ultimately adopted. Among them was a proposal that prevents Xcel from nearly doubling off-peak electric vehicle charging rates — a change that would have significantly increased costs for electric vehicle (EV) owners who primarily charge overnight.

Fresh Energy is also advancing state and local policies that make EVs more accessible. This includes expanding access to EV charging in multifamily

housing, where residents face barriers to affordable charging at home. In partnership with the Coalition for Clean Transportation, Fresh Energy is also pursuing legislative and administrative solutions to accelerate the deployment of electric school buses across the state.

While EVs are helping reduce emissions from cars and trucks, some parts of the transportation sector — such as aviation — remain hard to decarbonize.

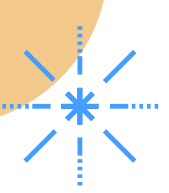
To address this, Fresh Energy has emerged as a leading voice on sustainable aviation fuel (SAF) policy in our state. Following the release of the “Minnesota Sustainable Aviation Fuel Guiding Principles” with partners in 2024, we have continued building momentum for a clean SAF marketplace in the state. After two years of advocacy, Fresh Energy successfully secured the inclusion of green hydrogen in Minnesota’s SAF production tax credit during the 2026 legislative session. Working with a broad bipartisan coalition, we also advanced improvements to the state’s SAF policies, helping position Minnesota as a leader in the development of lower-carbon aviation fuels.

“Fresh Energy is very effective at advocating for big, necessary, systems-level changes. The more support they have, the more effective they will be. Bringing the benefits of clean energy to everyone in the state is incredibly important.”

RJ and Teresa Devick
Power Circle donors



Fresh Energy Progress



BUILDINGS

Fresh Energy is cutting emissions from Minnesota buildings by making it easy to electrify, ensuring energy burden inequities are addressed, improving health and safety, and spurring market transformation with the creation of new, family-supporting jobs.

Buildings are a leading source of greenhouse gas emissions, both globally and in Minnesota. Fresh Energy is committed to reducing those emissions by advancing smarter energy codes and better building performance.

A cornerstone of this work has been Minnesota's latest residential and commercial energy code updates. Since the process began four years ago, Fresh Energy has been deeply engaged in shaping stronger standards for new construction. In 2025, Fresh Energy, serving on the state's residential and commercial Technical Advisory Groups, submitted robust recommendations to the Minnesota Department of Labor and Industry. These recommendations would significantly improve how Minnesota buildings are built, lowering both emissions and long-term operating costs. Stronger building codes also help ensure that efficient, healthy homes become the standard for new construction.

But Fresh Energy's work extends beyond new construction. Decarbonizing Minnesota's natural gas system is among the most complex and consequential challenges facing the state's energy transition. Fresh Energy provides regulators with rigorous research, technical expertise, and forward-looking policy analysis to help chart a path for the future of gas in our state.

In 2025, we helped secure meaningful progress. Working alongside nonprofit partners and coalition allies, Fresh Energy successfully advocated for stronger decarbonization measures in Xcel Energy's first Natural Gas Innovation Act portfolio. As a result, the Minnesota Public Utilities Commission ordered additional energy efficiency and electrification investments, advancing zero-carbon technologies and helping reduce emissions from the buildings sector.

Throughout this work, it has become increasingly clear that more Minnesotans need opportunities to participate in decisions that shape the future of our energy system. That is why Fresh Energy is proud of our coalition-building work through partnership with Clean Heat Minnesota, where we aim to help community organizations navigate and engage in regulatory proceedings before the Commission.

For the same reason, Fresh Energy launched the Minnesota Efficient Builders Coalition, bringing together key builders, designers, and other industry professionals committed to creating affordable, sustainable, and climate-forward buildings. By expanding participation and building diverse partnerships across multiple sectors, Fresh Energy is helping ensure that the transition to cleaner buildings delivers benefits for communities across Minnesota.



HEAVY INDUSTRY AND AGRICULTURE

Fresh Energy is reducing emissions from heavy industry and agriculture by shaping climate-focused policies that build up rural economies, establish new partnerships, and grow resiliency through innovation.

Industry and agriculture have long been central to Minnesota's economy, but they are also significant sources of greenhouse gas emissions. Fresh Energy is working to ensure these sectors remain competitive, create market opportunities, and reduce climate impact.

By advancing energy efficiency, industrial electrification, and cleaner fuel alternatives, Minnesota can reduce emissions while strengthening its position in a rapidly changing global economy. Fresh Energy is helping accelerate this transition by advancing policies and partnerships that support emerging opportunities in areas such as green fertilizer, green hydrogen, and clean iron and steel.

To help guide this work, Fresh Energy has conducted research by collaborating with partners on a series of studies identifying policy pathways for decarbonizing Minnesota's manufacturing sector. Our staff also participated in the state's Buy Clean Environmental Standards Procurement Task Force, helping advance recommendations that would increase demand for lower-carbon materials such as steel and concrete. In addition, Fresh Energy has advocated for policies and regulatory pathways that support the development of a clean iron and steel industry in Minnesota.

Fresh Energy also supported the expansion of Otter Tail Power's innovative Thermal Market Energy Pricing Rider into Minnesota, opening the door for thermal battery deployment. Through innovative, forward-looking policies, Fresh Energy is helping position Minnesota at the forefront of industrial decarbonization while supporting economic growth and long-term competitiveness.

POLICY SOLUTIONS, IMPLEMENTATION, AND COMMUNICATIONS

Fresh Energy is shaping and driving clean energy policy outcomes and initiatives across the public sphere by building meaningful relationships, collaborations, and opportunities for action.

Fresh Energy's Policy Solutions and Communications teams work at the intersection of policy, advocacy, and communications to defend progress, advance new solutions, educate the public, and equip decision-makers to build a clean energy future.

No matter the makeup of the Minnesota Legislature, Fresh Energy is committed to analyzing, developing, and advancing clean energy and climate policy, as well as defending it. Fresh Energy continues to testify, mobilize our Action Network, and meet directly with lawmakers to demonstrate broad support for Minnesota's landmark 100% clean electricity law. Thanks in part to these efforts, Minnesota remains on track to achieve 100% carbon-free electricity by 2040.

During the latest legislative session, our staff testified nine times, submitted 21 written testimonies, and worked alongside more than 3,000 Action Network

members who sent messages to elected leaders on key energy issues.

Beyond the Capitol, Fresh Energy worked to connect people and organizations with the Minnesota Climate Innovation Finance Authority and bring clean energy conversations to Bemidji and Crookston, highlighting opportunities for rural economic and workforce development and clean energy investment.

Fresh Energy continued advocating for equitable climate policy through the Minnesota Pollution Control Agency's cumulative impacts rulemaking process, helping ensure community voices remain central to decisions about pollution and environmental health. Staff from across the organization also contributed their expertise to the update of Minnesota's Climate Action Framework, which will help guide the state's response to climate change for years to come.





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JOIN OUR COMMUNITY:

 fresh-energy.org



Psst! We're moving to a new office in September, but staying in beautiful downtown Saint Paul! Our new address will be 81 East Seventh Street, Suite 200, Saint Paul, MN 55101.

FEATURED EVENT | BENEFIT BREAKFAST

Leading the Charge

The path to net-zero in uncertain times

Join us!

Register for Fresh Energy's 11th annual Benefit Breakfast at the Saint Paul RiverCentre on Thursday, October 8, 2026.

7:30 a.m. - Registration and Fair of the Future all-electric showcase opens

8 - 9:30 a.m. - Breakfast program

9:30 - 11 a.m. - Fair of the Future all-electric showcase continues

Title Sponsor

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WEALTH PARTNERS



Scan or visit

fresh-energy.org/benefitbreakfast26 to learn about the event, the Fair of the Future and to save your spot!

Keynote

Jesse Jenkins

Researcher, analyst, and outspoken thought leader on the energy transition



Special Guest

Tonya Allen

President,
McKnight Foundation



Fresh Energy

Saint Paul RiverCentre

October 8, 2026, at 8 a.m.