



MID-GRID 2035 Phase 2
Meeting 2

Steve Chriss, Director, Energy Services

Minnesota

- 80 Retail Units
- 1 Distribution Center
- 21,032 Associates
- 89,844 Supplier Jobs Supported

Nebraska

- 47 Retail Units
- 1 Distribution Center
- 11,795 Associates
- 17,118 Supplier Jobs Supported

Kansas

- 83 Retail Units
- 1 Distribution Center
- 19,538 Associates
- 41,150 Supplier Jobs Supported

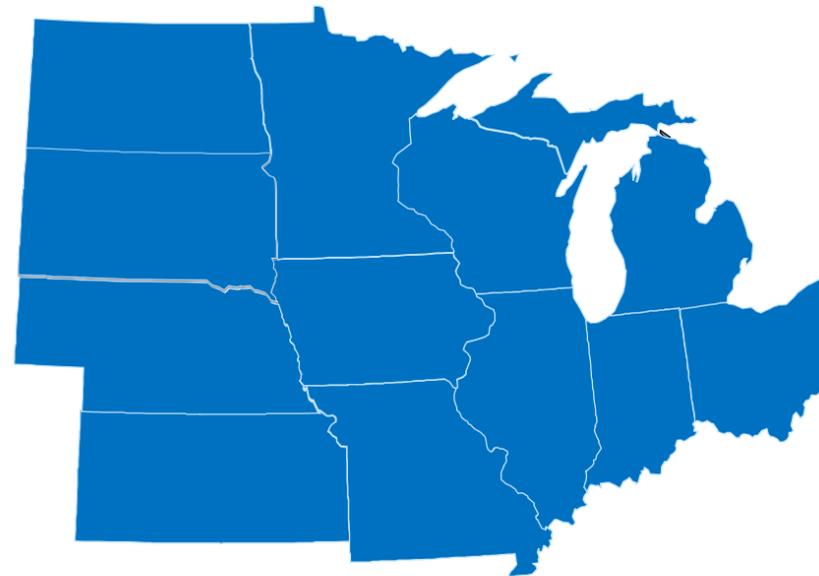
Missouri

- 156 Retail Units
- 4 Distribution Centers
- 40,502 Associates
- 71,043 Supplier Jobs Supported

Ohio

- 172 Retail Units
- 5 Distribution Centers
- 48,948 Associates
- 126,670 Supplier Jobs Supported

1,169 Retail Units
35 Distribution Centers
320,797 Associates
943,949 Supplier Jobs Supported
\$87.7 Billion Spent with Suppliers



North Dakota

- 17 Retail Units
- 4,288 Associates
- 5,060 Supplier Jobs Supported

South Dakota

- 17 Retail Units
- 4,761 Associates
- 9,933 Supplier Jobs Supported

Wisconsin

- 99 Retail Units
- 3 Distribution Centers
- 29,776 Associates
- 74,388 Supplier Jobs Supported

Illinois

- 185 Retail Units
- 7 Distribution Centers
- 53,113 Associates
- 385,464 Supplier Jobs Supported

Indiana

- 127 Retail Units
- 10 Distribution Centers
- 40,470 Associates
- 40,273 Supplier Jobs Supported

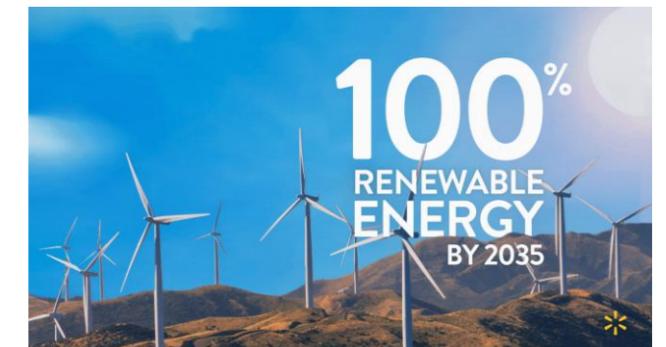
Michigan

- 117 Retail Units
- 2 Distribution Centers
- 30,371 Associates
- 50,574 Supplier Jobs Supported

Iowa

- 69 Retail Units
- 1 Distribution Center
- 16,203 Associates
- 32,432 Supplier Jobs Supported

- In 2005, we set an aspirational goal to be powered 100% by renewable energy
- In 2016, we announced new sustainability goals for 2025 – 50% renewable by and reduce emissions in our operations by 18%
- In September 2020, we set a goal to become a regenerative company – one that works to restore, renew, and replenish in addition to preserving our planet
 - Zero emissions across our global operations by 2040 without the use of offsets
 - Electrifying and zeroing out emissions from all of our vehicles
 - Transitioning to low-impact refrigerants for cooling and electrifying our heating for stores, clubs, and distribution centers
 - 100% renewable energy by 2035
 - Help protect, manage, or restore 50 million acres of land
 - Help protect, manage, or restore 1 million square miles of ocean



ProjectGigaton™

Six Pillars of the Program



Energy

Renewable Energy
Energy Efficiency
Fleet Efficiency



Agriculture

Fertilizer Optimization
Animal Agriculture



Waste

Food and Solid Waste
Reduction



Packaging

Using Recycled
Content
Recycling



Deforestation

Avoid Deforestation



Product Use

More energy efficient
products

Learn more and commit at
walmartsustainabilityhub.com

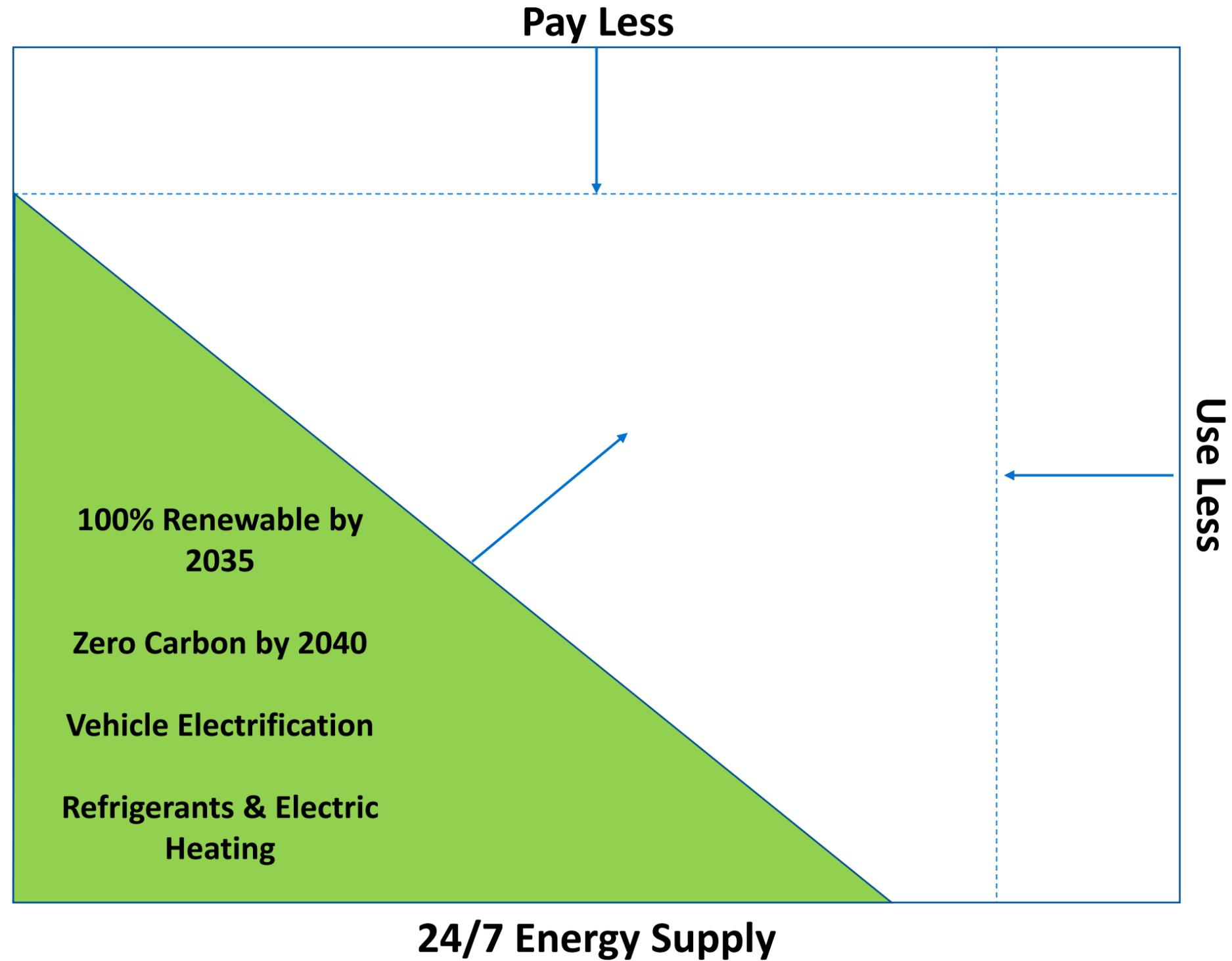


An aerial photograph of a wind turbine tower and its three blades, set against a backdrop of rolling green hills and a blue sky with scattered clouds. The image is overlaid with a semi-transparent blue filter.

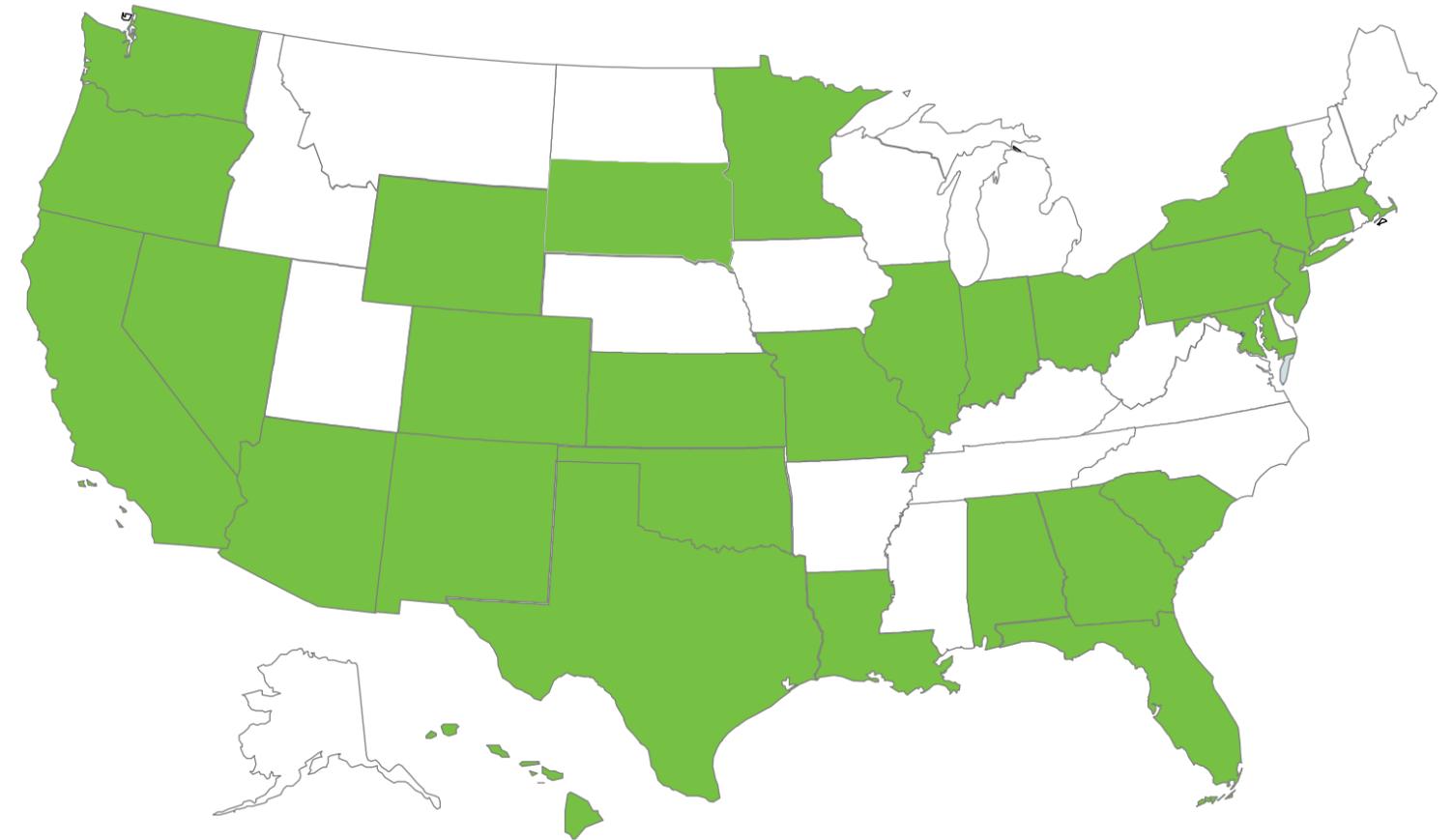
Welcome to the

GIGATON PPA

*Walmart's Renewable Energy Accelerator
Powered by Schneider Electric's NEO Network™*



- Over 380 installed on-site solar projects
- Large on-site wind
- 19 energy storage projects
- Off-site energy contracts:
 - Competitive market to serve load (TX, PJM)
 - Utility partnerships or programs
 - In flight: WA, CA, AZ, WY, CO, SD, KS, MN, MO, AL, GA, FL, NM
 - In the pipeline: GA, NC, SC, MO, FL
 - Virtual PPA (SD, OK, IL, IN)



Three Channels to Secure Renewable Resource Supply

Off-Site

- **Load Serving:** Structured for renewable energy to replace other energy, both physically and on bill
- **Virtual PPA:** Structured to bring new renewable resources to the grid
- Can utilize Texas Retail Energy, our in-house electric supplier, in deregulated retail markets where generation service can be provided by a company other than the wires utility

On-Site

- Contribution to renewable energy goals by replacing grid energy with energy from on-site resource
- Reduce operating costs for site
- Net metering compensation is not a driver

Utility Partner

- Work with utilities to develop workable and economic structures within confines of regulatory compact
- Some potential models:
 - Green tariff/sleeved resource
 - Shared resource (community or large scale)
 - On-site partnerships

General parameters for renewable procurement from utilities:

1. We do not enter into premium structures or programs that only result in additional cost to our facilities
2. Renewable resources that deliver industry-leading cost, including renewable and project-specific attributes such as RECs
3. Participating customer takes on incremental risk of being served by the renewable resource instead of, or in addition to, the otherwise applicable resource portfolio
4. Participating customer receives any potential benefits brought about by taking on that risk
5. Do not enter programs with terms in excess of 15 years

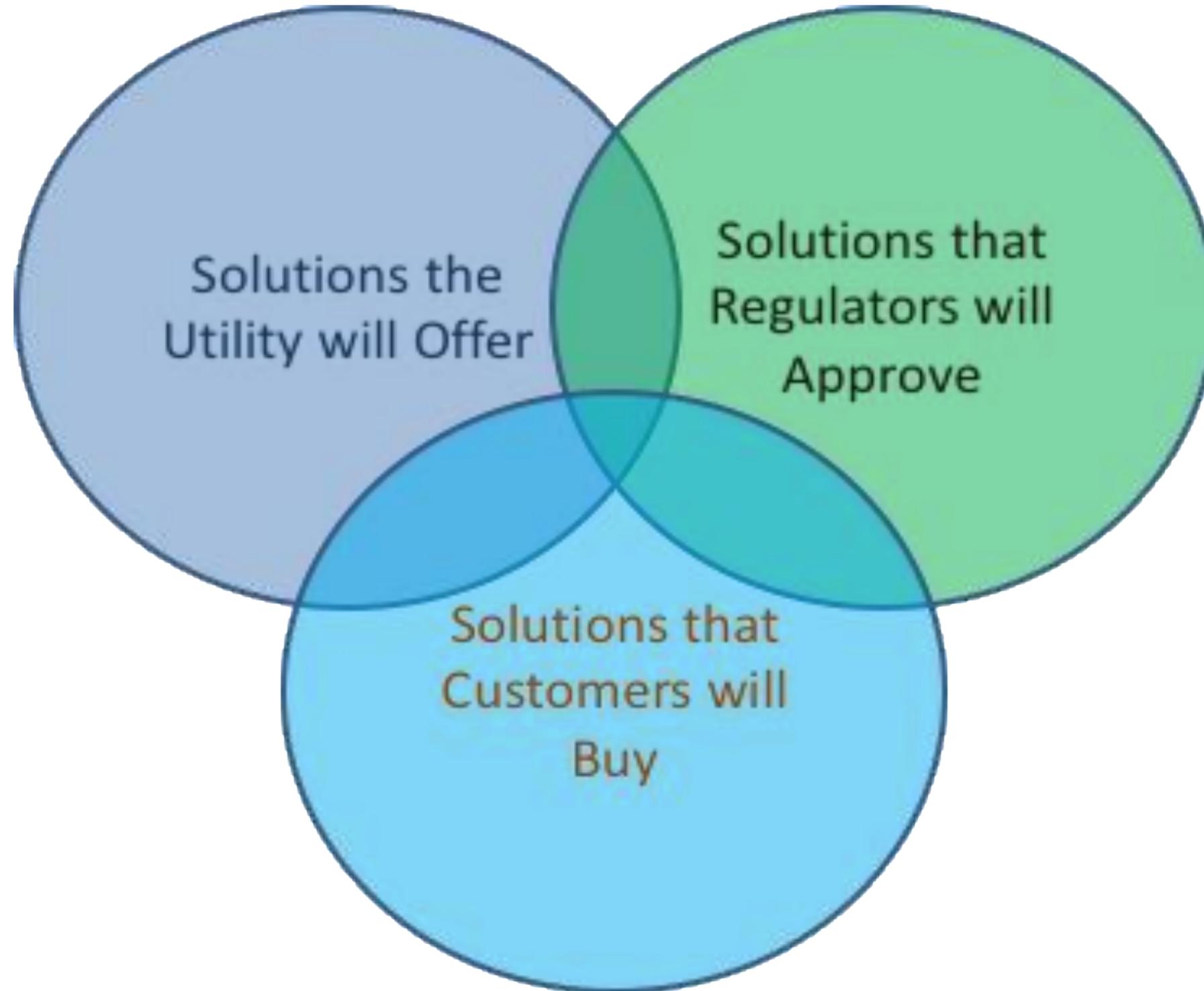
Key 1: Communication and Openness are Critical

Have the conversation with your utility – let them know what products and services you are looking for

Key 2: Understand the Utility's Opportunities and Barriers

There is no single best structure that can be used for any utility – understanding and working within each utility's unique system and regulatory and ratemaking structures will lead to success

Key 3: Engage and commit resources to the process



Getting to a Program

- Renewable energy and associated environmental attributes
- **Capture the full economic value of the transaction and opportunity to realize bill savings**
- Flexibility to meet risk and financial preferences

NEEDS
↓

- Maintain existing business load and attract new load
- Diversify generation portfolio, reduce fuel risk
- **Benefit or at least have no negative impact for all customers**

CUSTOMER →

PROGRAM

← UTILITY

- Cost versus otherwise applicable rates
- Contract/program length
- Termination provisions
- Footprint within the utility territory
- Scale of available resources
- Ability to participate in the approvals process
- **Speed to market**

↑
CONSTRAINTS

- **Impact on nonparticipating customers**
- Approvals process
- Disconnect between wholesale and retail
- Program administration
- Size of utility
- Customer footprint within the utility territory
- Scale of available resources

Participation and Engagement

Engagement

Walmart Participation in Development and/or Approvals Processes

