



Molly Westmand
City of Mankato
10 Civic Center Plaza
Mankato, Minnesota 56002-3368

Subject: Preliminary Plat Application
CenterPoint Energy Minnesota Gas
Mankato Hydrogen Energy Plant Project

Dear Ms. Westman:

CenterPoint Energy Minnesota Gas (CenterPoint) is proposing to install a green hydrogen production and storage facility at their existing site located at 2400 North Riverfront Drive in Mankato, Minnesota 56001. The proposed facility is referred to as the Mankato Hydrogen Energy Plant Project (Project).

The proposed Project will include a 1 megawatt (MW) hydrogen plant that uses renewable energy to split water into hydrogen and oxygen, as well as a 1 MW on-site solar panel array. The hydrogen will be blended at low concentrations into the existing natural gas distribution system. A solar panel array will be installed within the restored prairie located west of the current facility, and the hydrogen production and storage facility will be installed within an existing gravel area located east of the existing on-site propane tanks.

Submitted for your review via the City of Mankato permitting ePortal is a Preliminary Plat Application. Final Plat and Conditional Use Permit (CUP) Applications will be submitted for the Project at a later day upon City of Mankato Preliminary Plat approval. A summary of the Project details outlined in the Preliminary Plat Application materials are provided below along with place holders for future Final Plat and CUP documents.

Proposed Use and Justification

In July 2024, CenterPoint received approval from the Minnesota Public Utilities Commission to implement a diverse set of innovative pilot projects that aim to reduce greenhouse gas emissions and advance decarbonization efforts for our Minnesota customers. The projects are part of a five-year innovation plan submitted under a landmark state energy law: the Natural Gas Innovation Act (NGIA). Passed with bipartisan support, NGIA creates a new regulatory framework for natural gas utilities to invest in renewable energy resources and innovative technologies.

As part of this NGIA strategy, CenterPoint is exploring the potential of green hydrogen to reduce carbon emissions across their natural gas distribution system. This Project is one of the pilot projects CenterPoint is using to explore green hydrogen's potential. More information about CenterPoint's NGIA pilot programs can be found at the following link: <https://www.centerpointenergy.com/en-us/residential/services/cleaner-energy-and-innovation/natural-gas-innovation-act?sa=mn>.

Project Phasing and Construction Schedule

Construction will occur in two phases to minimize environmental impacts and maintain compliance with applicable regulations. Phase 1, scheduled to commence in the 2nd quarter of 2026, will include site preparation, installation of erosion and sediment controls, initial grading, and installation of the Solar Array. Phase 2, anticipated to commence in the 4th quarter of 2026, will include hydrogen production and storage facility construction, final grading, and site stabilization. Best Management Practices (BMPs) will be implemented throughout all phases to prevent sediment discharge and protect water quality. The schedule is subject to change pending weather conditions, permitting timelines, and equipment delivery lead times, and all work will be coordinated with local agencies to ensure compliance.

Aviation and Visual Analysis

A glint and glare study will be prepared for the Project, which will confirm that no glint or glare is predicted at any observed points or nearby roads. A copy of the report will be included with the CUP application.

Building Design

The proposed Building Design will be consistent with the existing buildings materials found on site. A photo of a similar building is included in the attached figures.

Decommissioning and Site Restoration

CenterPoint is in the process of developing a decommission and site restoration plan, the final plan will be included with the CUP application.

Grading and Erosion and Sediment Control Plan

As outlined in the application materials, the Project is located on privately owned land held by CenterPoint, encompassing approximately 16.0 acres across four parcels. Of this area, approximately 3.2 acres will be disturbed during construction. BMPs will be implemented to prevent sediment release from the construction site. Refer to the attached Site Erosion Control Plan for the planned BMP locations. Where necessary, final grading will restore the site to pre-construction contours.

Pursuant to the requirements outlined by the City of Mankato Ordinance, Chapter 8 – *Erosion and Sediment Control*, CenterPoint will apply for a land-disturbing activity permit. In addition, CenterPoint will submit an application to the Minnesota Pollution Control Agency for coverage under the National Pollutant Discharge Elimination System (NPDES)/State Disposal System (SDS) Program – Construction Stormwater General Permit (MNR100001).

Fencing

A perimeter fence is proposed around the solar panel installation. Fence design will be in accordance with City of Mankato screening requirements. Plan details will be provided with the CUP application.

Historical Resource Review

A review of the National Park Service's National Register of Historic Places database confirmed that no historic structures, cultural resources, or design features are present within the proposed project. The closest listed historic property (Stewart, William E., House) is situated approximately 1.65 miles southwest of the proposed project. As a result, no impacts are anticipated by the Project on any historic properties. Refer to the attached National Historic Place review memo.

Lighting (Photometric) Plan

A preliminary lighting plan and details are included in the attached figures.

Landscaping/Screening Plan

CenterPoint is developing a Landscaping and Screening Plan in coordination with the City. The final plan will be included with the CUP application.

Maintenance Plan

CenterPoint is in the process of developing a maintenance plan, the final plan will be included with the CUP application.

Noise Assessment

A noise assessment will be completed for the Project to ensure conformance with Minnesota Rule 7030. A copy of this assessment will be included with the CUP application.

Traffic Circulation Patterns and Access Routes

The project will use the existing site access routes and will have minimal impact on existing traffic circulation patterns. No long-term changes to roadway configuration or traffic flow are anticipated. Any construction-related disruptions will be minor and temporary, with normal traffic circulation maintained throughout.

Utility Plan

The proposed building will require water and sanitary services. Water service will connect through a planned 6-inch lateral to the existing 8-inch watermain, and sewer service will connect through a planned 6-inch lateral to the existing 8-inch line. When in operation, the hydrogen plant will consume approximately 2 gallons of water per minute and discharge approximately 1 gallon of wastewater per minute.

Wetland Delineation

CenterPoint completed a wetland delineation survey and received a Notice of Decision from the City of Mankato Technical Evaluation Panel (TEP) on December 10, 2025, confirming a no-loss determination under Minnesota Rule 8420.0415, Subpart A ("an activity that will not impact a wetland"). A copy of the issued Notice of Decision is attached.

Zoning

No zoning changes are required. The site is currently zoned M-2 Heavy Industrial and will remain under this designation following the installation of the Project.

If you have any questions or require additional information, please contact me at (612) 280-1295, or Wayne Sicora at Environmental Resources Management (ERM), CenterPoint's consultant for this Project, at (612) 597-4574.

Sincerely,



Andrew Rockwell, Plant Manager
CenterPoint Energy Minnesota Gas

Cc: Micheal Fogarty, CenterPoint
Colton Peshek, CenterPoint
Dennis Daas, CenterPoint
Wayne Sicora PE, ERM

Enclosures: V1.01 Existing Conditions, Certified Survey
V4.01 Preliminary Plat
C1.01 Site Plan
C2.01 Grading and Erosion and Sediment Control (ESC) Plan
C3.01 Utility Plan – Existing
C3.02 Utility Plan Inset - Proposed
Wetland Delineation and NOD
SHPO Review
Figures – Existing Condition Photos, Building, and Photometric Plan