

By 2035, Essential Utilities will reduce its Scope 1 and 2 emissions by 60% from its 2019 baseline.

Essential also announces an aspiration to achieve net zero emissions.



Gas distribution, water, and wastewater utility operations will contribute to our targets.

This science-based commitment is **consistent with the rate of reduction necessary over the next 15 years to keep on track with the Paris Agreement**, which aims to limit a global temperature rise to well below 2 degrees celsius.

How did Essential determine its target?

This target represents combined Scope 1 and 2 emissions reductions attributable to planned or ongoing initiatives that utilize existing technology. Thus, the reductions we project have a high degree of certainty. They are not based on speculative or yet unproven technologies. We are actively researching and monitoring promising developments and initiatives for future implementation, but these are not included in our projected emissions reduction for 2035. We understand technological innovation will need to occur to reach net zero but are excited by the rapid pace of innovation in the industry.

“Across our footprint, we are witnessing the impacts of climate change and recognize our urgent responsibility to quickly and significantly reduce emissions. I am encouraged that our 2035 target achieves substantial reductions from proven efforts we have already initiated. As we proceed further, we will leave no stone unturned in our efforts to transform our operations and processes where necessary through bold and creative innovation. We are excited to write the next chapter in Essential’s long-standing devotion to environmental stewardship and look forward to sharing updates on our progress.”

Chris Franklin
Chairman and CEO



Charting a Course for Aggressive Emissions Reduction

	2019 Baseline Scope 1+2 Emissions <i>(metric tons of CO2e)</i>	2035 Targeted Scope 1+2 Emissions <i>(metric tons of CO2e)</i>	Percentage Reduction
Essential	583,408	233,363	60.0%
Gas Distribution	452,227	183,282	59.5%
Water and Wastewater	131,181	50,081	61.8%

Gas Distribution

- Long term infrastructure improvement plan to replace 3,000 miles of leak-prone pipe over 20 years
- Gathering system repair program
- Accelerated leak detection and repair
- Fugitive gas reinjection during construction
- Transitioning to compressed natural gas fleet vehicles

Water and Wastewater

- 2022 commitment to source 100% renewable electricity from IL, NJ, OH, and PA operations
- Increasing share of renewable energy in other states in our footprint
- Share of renewable energy will grow from 5% to 60% over next two years
- Reducing energy intensity at our plants

Essential's Commitment in Perspective¹

By 2035, Essential will reduce annual emissions by 350,045 MT CO₂e compared to its 2019 baseline. This figure is roughly equivalent to each of the following activities taking place over one year:



76,000

Emissions from 76,000 cars on the road



457,000

CO₂ sequestered by over 457,000 acres of U.S. forest, which is enough land area to cover more than the entire expanse of Sequoia National Park



59,000

Emissions from 59,000 homes' electricity usage

What are Scope 1 and 2 Emissions?

Scope 1 Emissions- Direct GHG emissions occur from sources that are owned or controlled by our company, for example, emissions from combustion in owned or controlled boilers, furnaces, and vehicles. Most notably, these include methane emissions from our gas pipelines.

Scope 2 Emissions- GHG emissions from the generation of purchased electricity consumed by Essential. Purchased electricity is defined as electricity that is purchased or otherwise brought into the organizational boundary of our company. Scope 2 emissions physically occur at the facility where electricity is generated.

Essential Utilities

762 Lancaster Ave., Bryn Mawr, PA 19010

ESG@essential.co

[essential.co](https://www.essential.co)

¹Source: [U.S. Environmental Protection Agency Equivalencies Calculator](https://www.epa.gov/equivalencies-calculator)