

EESI

*Seeking innovative
environmental
and energy solutions*



*Environmental and Energy
Study Institute*

*122 C Street, NW
Suite 630*

Washington, DC 20001-2109

www.eesi.org

202-628-1400; 202-628-1825 (fax)

2002 ANNUAL REPORT

WHAT PEOPLE ARE SAYING ABOUT EESI

“I applaud the many Congressional briefings held by EESI on key science policy issues that are a valuable source of information for Congressional offices.”

-- Joseph Michels, Former Science Policy Advisor to Senator Richard Lugar



“I just have to say how wonderful it is to have you all around. You perform an invaluable service.”

-- Virginia Lacy, Investor Responsibility Research Service

“I just want to put in writing my very strong feelings about the outstanding work you and your staff at EESI do for our country. Your briefings on Capitol Hill are very well attended, in excess of 150 people generally, and even on the day after the August Recess had begun. It is a testimony to the objective, fact-oriented, credible approach that you take to these seminars. It is a tremendous service to policy development.”

-- L. R. Lawrence, Jr., President, Bob Lawrence & Associates

“Thanks to EESI for being such a great source for continued information on key environmental issues.”

-- Alex Segarra, Congressional Research Service



Biobased Products

“The luncheon meeting with you and your associates was both extremely interesting and informative. The opportunity to hear from such eminent people in the climate change and renewable energy fields was a highlight of my visit to the United States.”

-- Candy Broad, Minister for Energy and Resources, Victoria, Australia

2002 was the year of the Farm Bill. The energy title of the Farm Bill represents a significant gain for renewable energy and EESI's work was instrumental to this success.



The Farm Bill is important for a variety of reasons. It brought together many of the critical players in energy and environment while helping to build new constituencies – most specifically with the agricultural sector. The Farm Bill represents an example of an innovative win-win policy – bringing economic development to areas that desperately need it, reducing climate change, and benefiting renewable energy – which in turn diversifies the energy sector and reduces air and water pollution and greenhouse gases.

The Farm bill is an embodiment of how EESI seeks to do its work. Coalition-building is critical. We recognized the need for agriculture to be a part of the solution and identified an opportunity to do that through the Farm Bill. The agricultural sector is suffering sad economic straits. This led to a vision for a win-win strategy – one where agriculture will benefit, as will the environment, while increasing the base of support for a new energy future. Taking this vision to key policy leaders like Senators Lugar and Harkin resulted in EESI preparing a white paper on the revitalization of agriculture with renewable energy technologies. This white paper played a significant role in integrating energy into the Farm Bill. This success demonstrates how, through innovative policy development, it is possible to meet multiple objectives and successfully reach multiple new constituencies.

EESI continues to work toward similar successes in transportation, climate change, and smart growth. This saw significant expansion of the Clean Bus Network and the development of tools, like case studies and fact sheets. These steps are key to building the broad based coalition of stakeholders needed for effective and innovative transportation policy – looking toward the upcoming reauthorization of the Transportation Equity Act of the 21st Century.

EESI continued to build the link between smart growth and renewable energy/energy efficiency. Collecting best practices, working with state and local communities, talking with numerous experts and reviewing a wealth of research, resulted in the development of a white paper for the Funders' Network for Smart Growth and Livable Communities, on the connections between smart growth, energy and global climate change.

In Energy and Climate, EESI led the inaugural “Clean Fourteen” renewable energy leadership awards. While the national energy bill died, it provided the opportunity to build consensus around key policy provisions including renewable energy production tax incentives, a Renewable Portfolio Standard, a Renewable Fuels Standard, efficiency tax incentives for buildings and vehicles, appliance and equipment efficiency standards, net metering and more.

Congressional briefings remain a central component of EESI's program. EESI held a total of 24 of these policymaker educational events. As always, EESI seeks to integrate its programs, so it designed briefings to deal with multiple, interrelated topics such as transportation and climate change. In addition, EESI continued its leadership role in dozens of coalitions, made numerous presentations and produced three e-newsletters and scores of publications.

So while there is a long way to go to change our domestic energy policy to one based on renewable energy and energy efficiency, 2002 made a significant contribution toward the environmentally sustainable future that we all envision.

Carol Werner

Our nation imports 56 percent of the oil it uses and spends billions of dollars on Homeland Security. Yet despite recent rhetoric on the importance of reducing our dependency on foreign oil – as a matter of national security – there has not been a sustained focus and high policy and budget priority placed on reducing the vulnerability of our fuels and energy infrastructure. EESI supports the adoption of energy policies which promote renewable energy and energy efficiency technologies and lead to enhanced national security, reduced climate change impact, greater protection of the environment, and a stronger economy.

This year, EESI focused its energy and efforts on the national energy bill, which ultimately died in the closing minutes of the 107th Congress. Despite this disappointment, it was a productive year for EESI, solidifying its leadership position on a variety of issues.

EESI, working with the Renewable Energy Alliance, led the inaugural “Clean Fourteen” renewable energy leadership awards program, to honor those Congressmen and Senators who have made significant contributions to include clean energy provisions in the national energy bill. Sen. Tom Harkin (D-IA) was also honored with the Renewable Energy Pioneer Award, for his leadership in passing the first-ever renewable energy and energy efficiency provisions within Congressional farm policy legislation. The “Clean Fourteen” include:

House:

Sherwood Boehlert (R-NY)	Jay Inslee (D-WA)	Mark Udall (D-CO)
Zach Wamp (R-TN)	Duncan Hunter (R-CA)	

Senate:

Wayne Allard (R-CO)	Max Baucus (D-MT)	Jeff Bingaman (D-NM)
Byron Dorgan (D-ND)	Charles Grassley (R-IA)	James Jeffords (I-VT)
Ben Nelson (D-NE)	Harry Reid (D-NV)	Gordon Smith (R-OR)

Policy Development and Advocacy

EESI continues to develop broader, deeper support in Congress for action on climate change and sustainable energy programs. In 2002, EESI educated policymakers to build consensus about key policy provisions in the bill, including: renewable energy production tax incentives; efficiency tax incentives for buildings and vehicles; Renewable Portfolio Standard (RPS); Renewable Fuels Standard (RFS); interconnection; net-metering; combined heat and power incentives; and appliance/equipment efficiency standards. Some key issues were:

- ***Energy Smart Schools*** – EESI worked with Senator Hilary Clinton’s (D-NY) staff to include a section on “Healthy, High-Performance Schools,” in the No Child Left Behind Act of 2002. EESI also worked with the Sustainable Buildings Industry Council (SBIC) and Representative Mark Udall (D-CO) to increase support for high performance schools that use an integrated “whole building” approach to design.
- ***Corporate Average Fuel Economy (CAFÉ)*** – EESI held a standing room only, *Congressional staff-only*, briefing on the dynamics surround CAFÉ legislation at the request of the Senate Commerce Committee staff. Implementing CAFÉ standards would increase the miles per gallon requirements for cars and light trucks. Despite the increasing rhetoric about concerns for national security and oil imports, there does not seem to be broad support in Congress for tightening these standards.
- ***FY 2003 Appropriations*** – EESI worked with the House and Senate Energy Efficiency and Renewable Energy Caucuses to send a letter to President Bush calling

for a strong federal clean energy budget. The growing federal deficit and competing needs such as defense and homeland security proved not to bode well for clean energy appropriations. In fact, the 107th Congress ended without any increase in clean energy appropriations.

- **Renewable Portfolio Standard (RPS)** – Support for the RPS is growing, and moving in the right direction. The question is no longer framed as whether or not RPS should be supported, but instead the debate centers on how to construct it.
- **Climate Change** – Climate change policy is gaining momentum at the state and local levels. In fact, 40 states have enacted laws to reduce greenhouse gas emissions, and 135 cities participate in the International Council for Local Environmental Initiatives’ U.S. Cities Climate Protection (CCP) initiative, a performance-oriented campaign that encourages the development of a strategic agenda to reduce global warming.

Policymaker Education

EESI offered a strong series of **16** briefings for Congressional staff and other stakeholders in 2002. On average, 100-200 people attended each public briefing. EESI also offered several smaller Congressional staff-only briefings for more targeted information sharing. These briefings highlight critical areas of policy for sustainable energy technologies and climate change. Many were done in collaboration with the Sustainable Energy Coalition and the Pew Charitable Trusts’ Clean Energy Initiative. EESI also created and distributed a resource sheet for Congressional staff that directs them to the wealth of information available on the EESI website, at www.eesi.org.

Coalition Building and Outreach

EESI continued building alliances by collaborating with a wide variety of organizations, such as the Sustainable Energy Coalition, the Sustainable Buildings Industry Council, the House Climate Change Caucus, and the House and Senate Energy Efficiency and Renewable Energy Caucus, to organize briefings, events, and meetings. In addition, EESI reached out to staff at the Office of Management and Budget, the Council on Environmental Quality, and the U.S. Department of Energy.

EESI also published several articles on renewable energy topics. Beth Bleil and Carol Werner wrote “Here Comes the Sun: Renewable Sources of Energy – The Time Has Come” for the League of Women Voters’ national *Voter Magazine*. Carol partnered with Karl Gawell, Executive Director of the Geothermal Energy Association, to produce an opinion piece on the unfinished energy bill. EESI facilitated distribution of an NWF report on Climate Change and Regional Impacts on Wildlife to members of the Congressional Caucuses. In addition, EESI has reached out to international officials from Holland and Japan regarding climate change and energy policy.

New Directions

For 2003, there are plans to meet with new Members of Congress and introduce EESI as an informational resource on clean energy and climate change issues. Outreach will continue to the entire Congress through briefings and publications resources. The main focus will be on ensuring that Congress enacts a strong clean energy federal budget for FY 2003 and 2004.

EESI networks have expanded and progress has been seen on many of the issues in this program area. However, EESI must continue its efforts to ensure success. Sustainable energy and climate change policies are crucial to ensuring public health, economic development, energy security, and environmental protection.

Agriculture-based renewable energy has the potential to boost farmers’ income, create jobs in rural communities, diversify the nation’s energy portfolio, and protect the environment. Nearly any product that can be made from petrochemicals can also be made from carbohydrates. This year, EESI continued to promote the importance of transitioning from a petroleum-dependent economy to a biobased economy.

EESI successfully educated policymakers on the importance of integrating renewable energy incentives into the 2002 Farm Bill. In 2001, at the request of the staff on the Senate Agriculture Committee, EESI wrote a policy report outlining recommendations for integrating ag-based renewable energy development incentives into the Farm Bill and other relevant legislation (such as energy legislation). As a result of this policy report and additional policymaker education, many of EESI’s suggestions became part of a new energy title in the Farm Bill. The President signed the 2002 Farm Bill (H.R. 2646) on May 13. The new energy title of the Farm Bill allocates \$201 million in mandatory funds over five years to several programs aimed at promoting ag-based renewable energy development.

2002 Farm Bill	
Key Initiatives of Energy Title	
• Federal Procurement of Biobased Products	\$6 million
• Biodiesel Fuel Education Program	\$5 million
• Renewable Energy System & Energy Efficiency Improvements	\$115 million
• Biomass Research and Development Act of 2000	\$75 million
• Commodity Credit Corporation Bioenergy Program	\$204 million

Several authorized programs are subject to appropriations, such as a grant program to help establish facilities for the conversion of biomass into electricity, fuels, chemicals, and other marketable products; research into the potential for storing atmospheric carbon in soils and plants; and a cost-share grant program to help farmers identify and assess their renewable energy resources and energy efficiency improvement potential.

With the passage of the 2002 Farm Bill, EESI’s efforts shifted to ensuring that the energy title’s mandatory funding is protected and that the authorized programs receive the promised support.

Policy Development and Advocacy

Building on its September 2001 policy report, “Revitalizing the Rural Economy Through Renewable Energy Development,” EESI staff regularly met with Senate Agriculture Committee staff to discuss policy proposals.

EESI also worked to educate lawmakers and build support within Congress for enacting a Renewable Fuels Standards (RFS) that would require an increasing percentage of the nation’s motor fuels to be derived from renewable sources such as ethanol and biodiesel. Legislation offered by Senators Tom Daschle (D-SD) and Jeff Bingaman (D-NM) would require the use of 5 billion gallons of renewable fuel by 2012. This modest proposal would be an important first step toward lessening US dependence on petroleum.

Although the 107th Congress did not reach an agreement on a comprehensive energy bill, it was encouraging that the RFS enjoyed bipartisan support.

Policymaker Education

This year EESI sponsored three briefings on the topic of biobased energy. EESI continues to work with state and local agriculture and economic development agencies to promote opportunities for agriculture-based renewable energy development.

EESI also resumed publication of its electronic newsletter *ECO* (Ethanol, Climate Protection, Oil Reduction), which currently has a circulation of 550 including the environmental and public health communities, industry, academia, all levels of government and to people throughout the world including **Australia, Brazil, Canada, China, Columbia, Egypt, Italy, the Netherlands, Spain, Uganda, and the United States**. It has received overwhelmingly positive feedback from readers. *ECO* was created to provide timely information on the latest federal and state policy initiatives, scientific research, and market developments concerning ethanol and other biofuels – especially the expanded opportunities provided by cellulosic ethanol – with a special focus on climate protection.

Coalition Building and Outreach

In 2002, EESI collaborated with Bluewater Network and Climate Solutions to form the Renewable Energy Action Project (REAP) coalition, which has more than 40 environmental, economic development and agricultural groups. REAP's mission is to promote renewable biofuels and agriculture-based renewable energy. REAP conducted a series of outreach campaigns in 2002, including a letter to support the Farm Bill energy title, and several items on the California debate to postpone the state's MTBE ban. The coalition now has its own website, at www.reapcoalition.org.

EESI is working with Kim Kristof, President of the GEMTEK Corporation, and the New Uses Council to form a biobased manufacturers association. Additionally, EESI staff was invited to speak at several professional conferences this year on the topics of sustainable biomass energy development.

New Directions

In 2003, EESI will continue to educate key stakeholders about the new energy provisions in the 2002 Farm Bill and provide input on implementing the new programs. EESI will work with businesses to promote the use of renewable fuels and biobased products, in collaboration with the New Uses Council and the newly formed Biobased Manufacturers Association, and continue to work with state and local agriculture and economic development agencies to promote opportunities for ag-based renewable energy development. There are also plans to expand the membership of the Renewable Energy Action Project.

**AGRICULTURE, RENEWABLE ENERGY AND
RURAL DEVELOPMENT PROGRAM**

Diesel vehicles spew particulate matter and ozone precursors such as greenhouse gases, benzene, arsenic, dioxins, formaldehyde, and other toxins into the air. In fact, more than 142 million Americans currently live in areas where monitored air is considered unhealthy due to high levels of one of the six principal pollutants. Washington, DC, for example, is in serious non-attainment for ground level ozone, and is seeking ways to reduce the level of ozone precursors like nitrogen oxide (NOx). Recent studies published in the Journal of American Medicine have confirmed the link between polluted air and the increased risk of heart and lung diseases.

National, state and local air quality agencies are increasing their efforts to reduce emissions from heavy-duty diesel vehicles. Transit buses are the perfect laboratory to deploy advanced technologies and clean fuels because they are mostly government-owned, centrally fueled and large enough to accommodate new technologies and engines. Since 1996, the percentage of buses using alternative fuels has more than doubled, from 4 percent to 9.8 percent of the nationwide bus fleet. Of these, about 75 percent use compressed natural gas (CNG) and the other 25 percent use a variety of alternatives, including gasoline, ethanol, hybrid electric, and biodiesel fuels.

As part of the Clean Bus Program, EESI built a Clean Bus Network, comprised of representatives from government and regional transit authorities, public interest and environmental organizations, and industries that develop and manufacture advanced vehicle technologies. The Network was designed to coordinate and disseminate information about using clean alternative fuels and advanced technologies in transit buses and to conduct national and local activities showcasing current clean bus projects underway by state, local and regional transit authorities. Ultimately, the goal of this project is to expand the deployment of clean buses in transit fleets and to garner support for the “clean bus” program and for related initiatives in conjunction with the reauthorization of Transportation Equity Act of the 21st Century (TEA-21) in 2003.

Policy Development and Advocacy

Through the Clean Bus Network, EESI has reached out to policymakers to discuss the viability of clean bus programs and importance of expanding support for such programs. In particular, the aim is to strengthen support for using alternative fuels and advanced technologies in transit buses. The Clean Bus Network has reached out to the Air Quality Team at the Federal Highway Administration and is developing recommendations for the new transportation bill. In addition, EESI has been able to integrate its work in this area with that of other EESI programs.

Policymaker Education

EESI fills a key niche in the transportation policy community by serving as a clearinghouse for information. During 2002, EESI developed a variety of tools to reach members of the Clean Bus Network as well as other stakeholders, including:

- A clean bus web page on the EESI site;
- A fact sheet on clean buses;
- Three case studies of three clean bus programs;
- A briefing, “Clean Vehicles for the 21st Century;”

- Information about 30 local clean bus programs, including fuel type, program scale, start date, and contact information; and
- A monthly electronic newsletter, *Clean Bus Update*, to members of the Clean Bus Network.

EESI produced and circulated **nine** electronic *Clean Bus Update* newsletters in 2002 to the Clean Bus Network, the media and relevant policymakers. The *Clean Bus Update* serves a **critical interactive role** by distributing the latest information on legislative activity, new technology options/costs, and clean bus success stories and lessons learned to local and state government officials, other nonprofit organizations, industry, federal agency officials, and others. Through the newsletter, EESI has received helpful suggestions for development of clean bus policy options and learned about new clean bus initiatives, and discovered, for example, that bus drivers in Missouri are receiving training to respond to asthma attacks. The *Update* has received very positive feedback and has served to encourage an interactive sharing of information that is then post on the web site. It has been a great success and provides an important outlet for local agencies/organizations to distribute and obtain pertinent information.

Coalition Building and Outreach

EESI spearheaded the formation of the Clean Bus Network. Participants include the American Public Transportation Association, National Association of Local Government Environmental Professionals, National Association of Counties, Northeast States for Coordinated Air Use Management, Natural Resources Defense Council, Union of Concerned Scientists, Surface Transportation Policy Project, and others. EESI staff members also began meeting with state and local governments – like Fairfax County, Virginia, which has one of the largest school bus fleets in the country – to discuss options for transitioning to cleaner technology and are helping the county investigate clean fuel options for transportation and school heating. In addition, EESI participated in the 2002 Congressional Fuel Cell Exposition.

New Directions

In 2003, EESI will continue to educate federal and local policymakers on the many benefits of clean buses and the importance of supporting clean technologies and public transportation in the reauthorization of TEA-21. There are plans to launch a new Clean Bus Recognition Program, to recognize clean bus program champions throughout government and industry. Additionally, EESI will continue to hold informative briefings on clean bus/clean fuel issues and their public health and economic benefits.



In 2002, EESI laid the foundation for a new project that addresses the connection between smart growth and renewable energy/energy efficiency. The goal is to promote the role of smart land-use policies and programs as a way to address current energy problems.

Energy and smart growth are intuitively linked, yet there is little research or documentation available on this connection. This interconnection is only beginning to be incorporated into land-use or energy planning, policies and program decisions. The good news is that the States of California, Oregon, New Jersey, and Maryland have begun to work with municipalities on integrated energy and land-use planning, and also on adopting smart growth/green building tax incentives to encourage building construction that maximizes energy efficiency. However, there are still many communities that fail to include energy criteria in smart growth planning, even though better planning can lead to a cleaner, healthier environment; enhanced public health; and a more resilient, less vulnerable energy network.

In order to promote energy-efficient community designs and increase the use of local renewable energy technologies, EESI has identified several objectives for this new program:

- Better integration of energy policy and land-use policy on the federal, state and local levels;
- Improved linkage of the smart growth/urban design and energy efficient/”green” buildings fields;
- Identification of viable models and best practices for replication in other locations; and
- Improved research and tools to evaluate the energy value of different community and building designs.

Policy Development and Advocacy

In 2002, EESI began collecting best practices, researching available tools, working with states and local communities on integrated planning projects, and getting the message out to policymakers, planners and the general public about the importance of using smart growth to reduce energy usage and pursue real energy conservation. EESI met with the EPA Smart Growth office to discuss ways in which they could more effectively promote energy efficiency and renewable energy in their smart growth work. EESI has also worked closely with the Natural Resources Defense Council and Green Building Council regarding their proposed certification program for “green” development.

Policymaker Education

To strengthen support for the importance of integrating energy and smart growth issues, EESI has delved into research. Conversations were held with numerous experts in the smart growth and energy fields and a wealth of research and information was reviewed, which led to the writing of a paper for the Funders’ Network for Smart Growth and Livable Communities. This paper examines the connections between smart growth, energy and global climate change.

EESI also collaborated with Smart Growth America on the release of their report, *Measuring Sprawl and Its Impact*. This report summarizes three years of research by professors at Rutgers University and Cornell University and it provides groundbreaking data that quantifies the relationship between spread out development and quality of life. To publicize this important report, EESI wrote a letter describing the report’s findings and

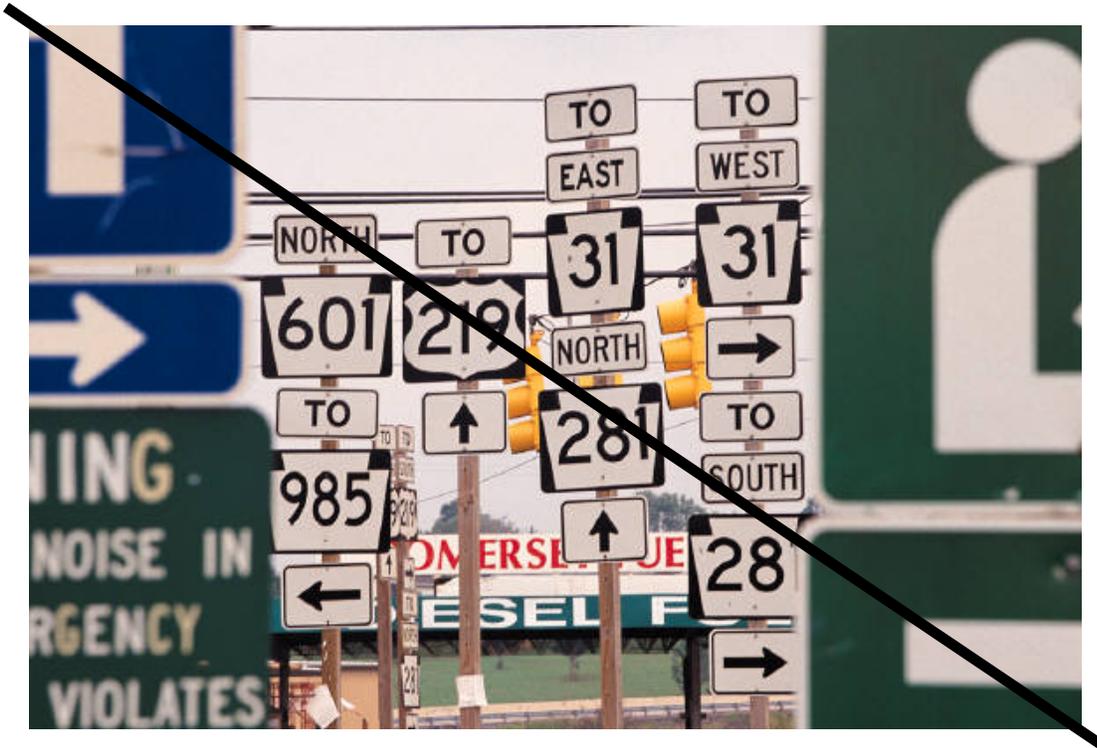
recommendations and distributed the letter to several thousand individuals, including Congressional offices, agency officials, nonprofit organizations and the media.

Coalition Building and Outreach

One key accomplishment in 2002 has been the establishment of an advisory board of national experts and representatives from the public and private sectors to work on smart growth and energy issues. In April, EESI held the first meeting of this working group, which included the American Institute of Architects, the Green Building Council, Place Matters.org, the U.S. EPA Office of Transportation and Air Quality, New Urban News, Congressman Kucinich's office, Eco-City Cleveland, the Southeast Law Center, Center for Neighborhood Technology, the Climate Institute, the American Planning Association, and the Natural Resources Defense Council. Stakeholders were also met with to determine opportunities for collaboration in the future.

New Directions

EESI is excited about the direction that this new project is headed. In 2003, there are plans to hold a one-day smart growth and energy forum to determine how to best move this issue forward. A series of briefings on health, community design and transportation is also planned.



In 2002, EESI continued to expand its efforts in reaching out to a variety of stakeholders to provide timely, useful information about environmental and sustainable energy policy. EESI grew the distribution of its successful electronic newsletter *ECO: Ethanol, Climate Protection, Oil Reduction* to over 550 subscribers. Another electronic newsletter, *Clean Bus Update*, was added, which served as a key communication tool to clean bus stakeholders during the reauthorization of the Transportation Equity Act of the 21st Century (TEA-21). Much of EESI's policy education work continued through its highly successful Congressional briefings – a total of 24 for the year, reaching thousands.

Leadership Roles

EESI utilizes networks and coalitions effectively to leverage resources and develop consensus on policy approaches. EESI's staff members continued their leadership roles in the following coalitions/networks in order to develop effective environmental and energy policies.

- American Solar Energy Society, Policy Committee
- BioCycle* Magazine, Editorial Board
- Biodiesel Alliance, Member
- Business Council for Sustainable Energy, Environmental Advisory Committee
- Center for Small Business and the Environment, Board Member
- Chesapeake Climate Action Network, Board Member
- Clean Bus Network, Co-Founder and Member
- Clean Energy Expo, Co-Organizer
- Federal Buy Bio Initiative – Private Sector Partners, Advisory Group
- Harvesting Clean Energy for Rural Development, Co-Organizer
- New Uses Council, Board Member
- Renewable Energy Action Project, Member
- Renewable Fuels Coalition, Member
- Smart Growth America, Steering Committee
- Solar Forum, Co-Organizer and Lead Coordinator for VIP Tours
- Surface Transportation Policy Project, Steering Committee
- Sustainable Energy Coalition, Steering Committee
- Tennessee Valley Authority, Public Power Institute, Peer Review Group
- U.S. Climate Action Network, Steering Committee
- U.S. Department of Agriculture/U.S. Department of Energy, National Workshop on Biomass Education and Outreach
- U.S. Department of Energy, Bioenergy Executive Forum Member
- U.S. Department of Energy, State Energy Advisory Board Member
- U.S. Department of Energy, Office of Fuels Development, Strategic Planning Workshop
- Water Infrastructure Network, Member
- World Council of Churches, Working Group on Climate Change

Publications

In addition to publishing the electronic newsletters **ECO (Ethanol, Climate Protection, Oil Reduction)** and the **Clean Bus Update**, EESI has produced numerous magazine articles, Congressional briefing summaries, fact sheets and policy reports.

Presentations

EESI staff made presentations at numerous conferences and before many different entities across the country, including:

- American Society of Civil Engineers/American Society for Engineering Education, Engineers Forum on Sustainability
- BioCycle* Magazine Conference
- Bioenergy Conference - 2002
- Congressional Hispanic Caucus Institute
- Council of State Governments
- Midwest Resource Conservation and Development Councils Conference
- National Oceanic and Atmospheric Administration, Constituent Roundtable
- Oregon Legislative Work Group for Biofuels
- Polisocyanurate Insulation Manufacturers Association
- Tenth Biennial Bio-Energy Conference
- U. S. Department of Agriculture, Natural Resources Conservation Service
- U.S. Department of Agriculture, Midwest Region Leadership Development Program
- U.S. Department of Agriculture, Biobased Products Coordination Council Meeting
- Wisconsin Biomass Workshop

EESI was invited to address USDA’s internal Biobased Products Coordination Council, which is made up of representatives from several USDA agencies. In addition, EESI staff members have met with several officials in the USDA and the Department of Energy to discuss implementation of the energy title. In fact, EESI was invited by the Department of Energy to serve on its Buy Bio Private Sector Partners Committee, to increase federal procurement of biobased products.



Congressional Policy and Technology Briefings

EESI held **24** of its highly respected **Capitol Hill technology and policy briefings** (and other educational events) in 2002. Briefings raise the visibility of issues and “voices” that would not otherwise be heard during the legislative process. They bring together the policymakers and stakeholders who can make things happen at the local, state and federal level. Featuring speakers from Congress, the federal government, and key stakeholders in the private and nonprofit sectors, EESI briefings provide reliable information and insight on timely topics. This results in very positive feedback from Congressional offices as well as other participants, including numerous media. Attendance ranged from 75 to 260 for open Congressional briefings. EESI’s signature briefings offer wonderful networking synergies for all participants – an enormous value by itself.

In addition, EESI expands the policy debate on energy and environmental issues by sending user-friendly summaries of most of its briefings to all Congressional offices and to an expansive database of nearly 4,000 federal, state, and local government officials, public interest organizations, industry representatives, embassy staff, and the media.

Corporate Average Fuel Economy (CAFE): On the Road to a Sustainable Future? – January 28, 2002

- Dr. David L. Greene, member of the Committee on the Effectiveness and Impact of Corporate Average Fuel Economy Standards, National Academy of Sciences; Corporate Research Fellow, Oak Ridge National Laboratory.
- Greg Dana, Vice President, Environmental Affairs, Alliance of Automobile Manufacturers.
- John German, Manager of Environment and Energy Analyses, Product Regulatory Office, American Honda Motor Company; Power-Train Engineer, Chrysler Motor Company.
- David Friedman, Senior Analyst, Union of Concerned Scientists.
- Carl Nash, former Director, Office of Strategic Planning and Evaluation, National Highway Traffic Safety Administration; President and Technical Director, Xperts, LLC (an automotive crash forensics organization); Adjunct Professor of Engineering, The George Washington University, National Crash Analysis Center.

Renewable Energy and the Farm Bill – January 29, 2002

- Carol Werner, Executive Director, Environmental and Energy Study Institute
- Dan Reicher, Visiting Fellow, World Resources Institute, former Assistant Secretary for Energy Efficiency and Renewable Energy, Department of Energy
- Dr. Pat Gruber, Vice President and Chief Technology Officer, Cargill Dow, LLC
- Krysta Harden, American Soybean Association

Upcoming Senate Energy Debate: The Role of Clean Energy Technology Incentives – February 1, 2002

- J.J. Brown, Office of Senator Orrin Hatch (R-UT)
- Patricio Silva, Natural Resource Defense Council
- Steve Nadel, Executive Director, American Council for an Energy-Efficient Economy
- Scott Sklar, President, The Stella Group, Ltd.
- Greg Jaczko, Science Policy Advisor, Office of Senator Harry Reid (D-NV)
- Sean Moulton, Economic Incentives Analyst, Friends of the Earth

The Federal Budget: Where Do Renewable Energy and Energy Efficiency Stand? – February 7, 2002

- Senator Wayne Allard (R-CO)
- Representative Mark Udall (D-CO)
- Ladeene Freimuth, Legislative Assistant, Senator Byron Dorgan (D-ND)
- Christopher Flavin, President, World Watch Institute
- Joel N. Gordes, Independent Energy Consultant, Environmental Energy Solutions; and Captain, U.S. Air Force (ret.)
- Glenn Hamer, Executive Director, Solar Energy Industries Association
- Steve Nadel, Executive Director, American Council for an Energy-Efficient Economy

"Bushmeat" and the Origin of HIV/AIDS: A Case Study of Biodiversity, Population Pressures and Human Health – February 19, 2002

- Eric Chivian, M.D., Director for Health and the Global Environment, Harvard Medical School
- Stuart Pimm, Ph.D., Professor of Conservation Biology, Columbia University
- Robert Engelman, Vice President for Research, Population Action International
- Jane Goodall, Ph.D., C.B.E., Founder and Trustee, The Jane Goodall Institute for Wildlife Research, Education, and Conservation
- Beatrice H. Hahn, M.D., Professor of Medicine, University of Alabama at Birmingham

Energy Efficiency in the Industrial Sector: Increasing Productivity, Creating Jobs and Protecting Natural Resources – February 21, 2002

- Denise Swink, Deputy Assistant Secretary, Office of Industrial Technology, U.S. Department of Energy
- Carl Irwin, West Virginia University, National Research Center for Coal and Efficiency
- Jeff Sasko, President, Entrepreneurs for Energy Efficiency; and CEO, Tamarac Wood finishing Company (Gaston, SC)

The Senate Energy Bill – February 22, 2002

- Bryan Hannegan and Shirley Neff, Senate Energy and Natural Resources Committee
- Amy Fraenkel and David Strickland, Senate Commerce, Science and Transportation Committee

Powering the South: A Clean and Affordable Energy Plan – March 5, 2002

- George Sterzinger, Executive Director, Renewable Energy Policy Project
- Rita Kilpatrick, Executive Director, Georgians for Clean Energy
- Stephen Smith, Executive Director, Southern Alliance for Clean Energy
- Tom Kerr, Energy Supply and Industry Branch Chief, Office of Air and Radiation, U.S. Environmental Protection Agency
- Curtis Moore, Editor, Health & Clean Air Newsletter
- Milton Farris, Chairman of the Board, Future Energy Resources Company (FERCO)

9th Annual Water Symposium: How Secure are Water Facilities from Terrorist Actions? – March 22, 2002

What is the Response to the Common Threat on Water Supplies and Wastewater Facilities?

Michael Sullivan, President, Federal Water Quality Association (moderator)

- Janet Pawlukiesiz, Director, Water Protection Task Force, US Environmental Protection Agency
- Jennifer Moore, Director General, Ecosystems and Environmental Resources Directorate, Environment Canada, *"Hands Across the Border: Canada's Response to Water-Related Terrorist Threats"*

How Can Trade Associations Help in the War on Terrorism?

Williams S. Judkins, President, American Water Resources Association/National Chapter (moderator)

- Diane VanDe Hei, Executive Director, Association of Metropolitan Water Agencies, *"Terrorism: A New Response for Water Related Trade Associations"*
- Daniel Ryan, Director, Environmental Health and Safety, US Filter Operating Services, (Dayton, OH), *"What Can Be Done to Protect Water- Supply and Wastewater Treatment Facilities from Terrorism?"*

A Hands-on Team Approach: What's the Nitty Gritty of Protecting America's Water-Related Resources?

Jack Kooyoomjian, Ph.D., Science Advisory Board, United States Environmental Protection Agency (moderator)

- James Makris, US Environmental Protection Agency, Vice-Chair, National Response Team , *"How do we Respond to an Unseen Enemy to Our Water Supplies and Wastewater Facilities?"*
- Jack Kenyon, Lieutenant Commander, Office of Response, U.S. Coast Guard, *"How Does the Coast Guard Protect Waterway and Seaward Approaches to America's Water Facilities from Terrorist Actions?"*

Biobased Products: Back to the Future? – Earth Day, April 22, 2002

- Ronald Buckhalt, U.S. Department of Agriculture
- Peter Nelson, President, AgroTech Communications
- Kim Kristoff, President, GEMTEK Products
- Boris A. Miksic, President, Cortec Corporation

Clean Vehicles for the 21st Century – May 13, 2002

- Ken House, Democratic Staff Director, House Transportation and Infrastructure Committee
- Dana Lowell, Assistant Chief Maintenance Officer, MTA New York City Transit
- Catherine Rips, Director of Resource Development, SunLine Transit Agency
- John Van de Vaarst, USDA Beltsville Area Agricultural Research Service
- Fred Cartwright, Program Director, Allison Electric Drives, Allison Transmission Division of General Motors
- Art Guzzetti, Policy Director, American Public Transportation Association
- Warren Leon, Executive Director, Northeast Sustainable Energy Association

Congressional Fuel Cell Exposition – May 20, 2002

Small Business Energy Efficiency – June 5, 2002

- Byron Kennard, Executive Director, Center for Small Business and the Environment (CSBE)
- Scott Hauge, Founder, Small Business Advocates of San Francisco
- Scott Sklar, President, The Stella Group
- F. Henry (Hank) Habicht II, Global Environment & Technology Foundation (GETF)

Renewable Energy Provisions in the House and Senate Energy Bills – June 10, 2002

- Sean Cunningham, House Energy and Commerce Committee
- Shirley Neff, Senate Energy and Natural Resources Committee
- Karl Gawell, Executive Director, Geothermal Energy Association
- Glenn Hamer, Executive Director, Solar Energy Industries Association
- Alan Noguee, Clean Energy Program Director, Union of Concerned Scientists

Building Corporate Markets for Green Power – June 12, 2002

- Rep. Mark Udall (D-CO), Co-chair of the House Renewable Energy and Energy Efficiency Caucus
- Rep. Zach Wamp (R-TN), Co-chair of the House Renewable Energy and Energy Efficiency Caucus
- Jonathan Lash, President, World Resources Institute
- Lee Califf, Manager, Government Affairs, Alcoa Inc.
- Edwin Mongan, Manager, Environmental Stewardship, DuPont
- Jeff Kolstad, Chief Scientist, Cargill Dow LLC
- Merwin Brown, Market Sector Manager, Electricity and Natural Gas Markets, National Renewable Energy Laboratory

Energy Efficiency Provisions in the House and Senate Energy Bills – June 17, 2002

- Deborah Estes, Democratic Counsel, Senate Energy and Natural Resources Committee
- Gabe Rozsa, Staff Director, Energy Subcommittee, House Science Committee
- Steven Nadel, Executive Director, American Council for an Energy-Efficient Economy
- David Nemptow, President, Alliance to Save Energy

Reframing the Energy Debate: Lessons Learned from the National Energy Policy Initiative – June 26, 2002

- Rep. Mark Udall (D-CO), Co-chair of the House Renewable Energy and Energy Efficiency Caucus
- Rep. Zach Wamp (R-TN), Co-chair of the House Renewable Energy and Energy Efficiency Caucus
- Amory Lovins, CEO (Research), Rocky Mountain Institute
- Jack Riggs, Executive Director, Program on Energy, the Environment and the Economy, The Aspen Institute; and former Principal Deputy Assistant Secretary for Policy, U.S. Department of Energy
- Bruce Smart, Retired Chairman and CEO, Continental Group; and former Undersecretary of Commerce for International Trade

6th Annual Clean Energy EXPO – July 9, 2002

Battling Fuel Waste in the Military: How Energy Efficiency and Resilient Energy Supplies Can Enhance National Security and Military Preparedness – July 11, 2002

- Rep. Mark Udall (D-CO), Co-chair of the House Renewable Energy and Energy Efficiency Caucus
- Rep. Roscoe Bartlett (R-MD), Chair, Energy Subcommittee, House Science Committee
- Amory Lovins, CEO, Rocky Mountain Institute (RMI); and
- Vice Admiral Dennis V. McGinn, Deputy Chief of Naval Operations, Warfare Requirements and Programs, U.S. Navy.
- Vice Admiral Richard H. Truly, Director, National Renewable Energy Laboratory

Global Climate Change: An Overview of the Science and NOAA's Priorities – July 23, 2002

- Vice Admiral Conrad C. Lautenbacher, Jr., (U.S. Navy, retired.) Undersecretary of Commerce for Oceans and Atmosphere and NOAA Administrator
- Dr. James R. Mahoney, Assistant Secretary of Commerce for Oceans and Atmosphere and Director of the U.S. Climate Change Science Program Office
- Dr. Daniel L. Albritton, Director, NOAA Aeronomy Laboratory, Boulder, CO
- Bryan Hannegan, Staff Scientist (Min.), Senate Energy and Natural Resources Committee
- Margaret Spring, Democratic Senior Counsel, Senate Committee on Commerce, Science, and Transportation

Public Health Impacts of Climate Change – July 25, 2002

- Robert K. Musil, PhD, MPH, Executive Director and CEO, Physicians for Social Responsibility
- Devra Lee Davis, PhD, John Heinz III School of Public Policy and Management, Carnegie Mellon University, author of "When Smoke Ran Like Water"
- William K. Reisen, Director, Arbovirus Field Station, Center for Vector Borne Disease Research, School of Veterinary Medicine, University of California Davis

Environmental Qualities of Biofuels – July 31, 2002

- Michael Wang, Ph.D., Transportation Environmental Scientist, Argonne National Laboratory
- Bruce Dale, Ph.D., Professor, Department of Chemical Engineering, Michigan State University
- John Sheehan, Senior Engineer, National Renewable Energy Laboratory

International Strategies on Climate Change – November 19, 2002

- Professor Michael Grubb, UK Carbon Trust, IPCC, and Imperial College in London



**ENVIRONMENTAL AND ENERGY STUDY INSTITUTE
STATEMENTS OF ACTIVITIES***

For the Year Ended December 31, 2002

Support and Revenue	Unrestricted	Temporarily Restricted	Total
General support grants	\$99,882		
	\$99,882		
Project grants	317,018	321,573	638,591
Earth share	26,610		26,610
Investment loss	(310,289)		(310,289)
Net assets released from restrictions	227,718	(227,718)	
TOTAL REVENUE	360,939	93,855	454,794
EXPENSES			
Programs			
Sustainable Communities	37,394		37,394
Transportation	79,492		79,492
Energy and Climate	377,757		377,757
Lobbying	1,633		1,633
Total Programs	496,276		496,276
General and admin.	68,596		68,596
Development	56,074		56,074
TOTAL EXPENSES	620,946		620,946
CHANGE IN NET ASSETS	(260,007)	93,855	(166,152)
NET ASSETS, BEGINNING OF YEAR	2,005,600	247,718	2,253,318
NET ASSETS, END OF YEAR	\$1,745,593	\$341,573	\$2,087,166

* Excerpt from report of independent auditors Drolet + Associates, PLLC, for year ending 2002. (Complete audited financial statement available upon written request to the Environmental and Energy Study Institute.)

**ENVIRONMENTAL AND ENERGY STUDY INSTITUTE
STATEMENTS OF FINANCIAL POSITION***

December 31	2002	2001
ASSETS		
CURRENT ASSETS		
Cash	\$202,175	\$247,719
Interests receivable	12,148	5,722
Accounts receivable		1,043
Unconditional promises to give	125,000	83,000
Grants receivable	40,600	80,633
<u>Prepaid expenses</u>	<u>3,641</u>	<u>4,948</u>
TOTAL CURRENT ASSETS	383,564	423,065
INVESTMENTS, AT MARKET	1,737,228	1,867,560
PROPERTY AND EQUIPMENT, net of accumulated depreciation and amortization	16,986	14,484
<u>DEPOSIT</u>	<u>15,453</u>	<u>15,453</u>
TOTAL ASSETS	\$2,153,231	\$2,320,562
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	\$7,907	\$10,500
Accrued vacation	49,965	53,590
Current portion of obligation under capital lease	4,932	
<u>Security deposit payable</u>	<u>3,261</u>	<u>3,154</u>
TOTAL CURRENT LIABILITIES	66,065	67,244
NET ASSETS		
Unrestricted net assets	1,745,593	2,005,600
<u>Temporarily restricted net assets</u>	<u>341,573</u>	<u>247,718</u>
TOTAL NET ASSETS	2,087,166	2,253,318
TOTAL LIABILITIES AND NET ASSETS	\$2,153,231	\$2,320,562

FINANCIALS

* Excerpt from report of independent auditors Drolet + Associates, PLLC, for year ending 2002.
(Complete audited financial statement available upon written request to the Environmental and Energy Study Institute.)

EESI is grateful for the following people and organizations who contributed more than \$1,000 and to others who contributed to EESI directly or through workplace giving .

FOUNDATIONS AND OTHER SUPPORTERS - 2002

- | | |
|--|--------------------------------------|
| Earth Share | The New York Community Trust |
| Energy Foundation | Ottinger Foundation |
| The Fred Gellert Family Foundation | The Pew Charitable Trusts |
| The George Gund Foundation | Surdna Foundation, Inc. |
| The Joyce Foundation | Sustainable Energy Coalition |
| The John Merck Fund | Turner Foundation, Inc. |
| National Institute for Env'l Health Sciences | U.S. Department of Energy |
| National Renewable Energy Laboratory | U.S. Environmental Protection Agency |

EESI thanks the hundreds of people who support our work each year through payroll deductions in workplace giving campaigns. EESI is a member of Earth Share, a federation of many of the nation's environmental and conservation charities for workplace giving. To find out how you can support EESI through Earth Share, please call Ruth Lampi at 202-662-1887.



a member of Earth Share

EESI'S ASSOCIATES PROGRAM

During 2002, EESI's added two new Associates. The Associates Program provides an opportunity for individuals, trade associations, corporations, national labs, unions, and other organizations to support EESI's many initiatives aimed at promoting environmental sustainability. These tax-deductible gifts provide vital support for EESI's programs.

Many EESI Associates attended our briefings and other educational events as well as our two "invitation-only" Associates forums, held in conjunction with EESI Board meetings. Associate forum speakers included: Roger Szemraj, Chief of Staff for Rep. Marcy Kaptur (D-OH), Lester Brown, EESI Board member and President, Earth Policy Institute, Reid Detchon, Coordinator, Energy Future Campaign, and Jaydee Hanson, National Council of Churches.

ASSOCIATES - 2002

- | | |
|----------------------------------|--|
| Austin Energy | Ruth Patrick |
| Bob Lawrence & Associates | Polyisocyanurate Insulation Manufacturers Association (PIMA) |
| Frances Buchholzer | Solar Energy Industries Association |
| ChevronTexaco, Inc. | Nelson Talbott |
| Energy Conversion Devices, Inc. | Tennessee Valley Authority |
| Geothermal Energy Association ** | United Nations Foundation ** |
| Minnesota Power | Water Environment Federation |
| National Biodiesel Board | Wisconsin Power |
| Richard Ottinger | ** Indicates <u>new</u> EESI Associate. |

If you are interested in becoming an EESI Associate, please contact Ruth Lampi, Development Director, at 202-662-1887 or rlampi@eesi.org.

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Rosina M. Bierbaum, Dean, School of Natural Resources and Environment, University of Michigan; served as Acting Director, Office of Science and Technology Policy (OSTP); Directed OSTP's Environment Division

Jared Blum, President, Polyisocyanurate Insulation Manufacturers Association (PIMA)*

Lester Brown, President, Earth Policy Institute and former President, WorldWatch Institute

Frances S. Buchholzer, former Director, Ohio Department of Natural Resources

Quincalee Brown, former Executive Director, Water Environment Federation

Mortimer M. Caplin, Founder and Partner, Caplin and Drysdale; former Commissioner, Internal Revenue Service

Gerald Decker, Chair, Decker Energy International Development, Inc.; Chair, Competitive Power Forum

Roger Duncan, Vice President, Government Affairs, Austin Energy Services

John E. Echohawk, Executive Director, Native American Rights Fund

Bob Edgar, General Secretary of the National Council of the Churches of Christ in the USA; ordained elder in the United Methodist Church; former Member of Congress (D-PA)

Gilbert Gude, Writer and Lecturer; former Member of Congress (R-MD); former Director, Congressional Research Service, Library of Congress

Richard L. Ottinger, Board Chair; Dean Emeritus, Pace University School of Law; former Member of Congress (D-NY) *

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John F. Seiberling, former Member of Congress (D-OH); retired Director, Center for Peace Studies, University of Akron

John J. Sheehan, Board Vice Chair; retired Legislative Director, United Steelworkers of America *

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Donna W. Wise, Consultant; former Vice President, Communications, World Resources Institute; former President, the Center for the Great Lakes

* Executive Committee Members

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