Climate change, energy efficiency and renewable energy have become some of the most widely discussed issues in the media and on the floors of Congress. EESI is working to “change the political climate for climate change” by educating policymakers about climate change science/impacts, energy efficiency and renewable energy technologies, building coalitions of vital stakeholders, and advocating innovative energy efficiency and renewable energy policies as cornerstones of national and state energy policy.

Several reports and announcements brought climate and energy into the forefront this year. For example, reports revealed that 2005 was the warmest year on record, the 2005 CO₂ concentration was 37 percent higher than the pre-industrial value, and the 2005 hurricane season was the worst in recorded history. The nation’s top climate scientists warned that we are at a “tipping point” and without serious action the earth’s climate system will be irreversibly changed. These and other events provided EESI the opportunity and urgency to bring a sharper focus to climate change issues and build the base for effective climate policy.

POLICY

Numerous offices sought EESI’s help, requesting information and our recommendations on renewable energy and energy efficiency (RE/EE) and climate policy options. For example, when the President released his Proposed FY07 Budget in February, which cut many critical energy programs, EESI produced an analysis (used by Congressional offices and the media) of the RE/EE funding proposed for the Department of Energy (DOE). We held a briefing on the RE/EE budget and worked closely with several Congressional offices on the impact of such cuts.

We were particularly distressed by the Administration’s efforts to zero out core geothermal and hydropower programs. We hosted a briefing on geothermal energy in March as well as a September briefing on the Western Governors’ Association report, Clean Energy, a Strong Economy and a Healthy Environment, which specifically mentioned geothermal as a critical resource. At the request of DOE’s Office of Geothermal Technology, in August we provided a technical review of a 300+ page MIT report on the development potential of US geothermal by 2050. We were very concerned when the Administration excluded geothermal from its high-profile renewable energy technologies conference (and rebuffed requests to include it). Geothermal also had been excluded from the list of renewable energy technologies deemed eligible for the federal energy loan guarantee program and we found that geothermal was omitted from DOE’s draft Strategic Plan 2006’s list of renewable energy technologies. We submitted public comments to DOE about this omission and the critical need for federal research and demonstration of geothermal technologies. To try to preempt a repeat situation, EESI signed onto a letter to President Bush, urging him to fund the federal geothermal energy and hydropower programs in his upcoming FY08 budget.

EESI analyzed the key efficiency, renewable, biofuels, and tax provisions of Energy Policy Act of 2005 (EPAct ’05) as signed into law. EESI supported an extension of the renewable energy production tax credit (PTC), Clean Renewable Energy Bonds (CREBS), the solar investment tax credit (ITC), and efficiency tax credits, which were authorized for only two years in EPAct ’05. Carol gave numerous presentations in Washington, DC and across the country, conducted media interviews and participated in numerous meetings on Capitol Hill at which she emphasized the value of the PTC, ITC and CREBs. The tax credits were extended for one year (applicable to projects completed before January 1, 2008), but that time-span is insufficient for many businesses to make use of them. EESI will continue to raise awareness of the critical need for a multi-year extension.

EESI continued its work with various Congressional caucuses. Carol met with Congressmen Gilchrest (R-MD) and Israel (D-NY) to discuss ways to expand and better mobilize the House Climate Change Caucus, the House Oil/Security Caucus and ways to more aggressively use renewables/efficiency technologies within the Defense and Homeland Security Departments. We also worked closely with House RE/EE Caucus leadership to produce a bipartisan letter from more than 80 Members of Congress to President Bush urging full funding of the EPAct ’05 efficiency and renewable programs in his FY08 budget proposal.

On February 2, Senators Domenici (R-NM) and Bingaman (D-NM) released a White Paper outlining
key issues to be addressed in crafting a market-based greenhouse gas emissions reduction program. They requested public comment and announced a conference to solicit input. EESI informed its network, tracked comments on the White Paper, attended the April 4<sup>th</sup> day-long Senate Energy and Natural Resource Committee Climate Conference, and engaged Congressional staff to follow and provide input to the policy development.

EESI continued to discuss climate change policy options with Members and track various climate change proposals (of which there were many). In 2006, the House Climate Stewardship Act added 12 sponsors, bringing their total to 123. A number of additional bills were introduced that EESI followed including: the Kerry (D-MA)/Snowe (R-ME) climate bill calling for 65 percent reduction below 2000 levels by 2050; the Keep America Competitive Global Warming Policy Act of 2006 introduced by Reps. Tom Udall (D-NM) and Tom Petri (R-WI), calling for a national "cap-and-trade" policy on global warming; and the Global Warming Pollution Reduction Act introduced in the Senate, calling for 80 percent reduction below 1990 levels by 2050. Representative Waxman (D-CA) introduced the Safe Climate Act as a companion bill, which attracted 112 cosponsors.

OUTREACH AND NETWORKING

EESI organized numerous energy and climate Congressional briefings this year (listed in the Briefings section of the report). “Dear Colleague” letters were disseminated by House and/or Senate Member offices for many of our briefings, urging Members and Hill staff to attend.

The distribution of Climate Change News, EESI’s weekly electronic newsletter, grew 82 percent to more than 1,600, including every Congressional office. Providing an update on domestic and international news about climate change—scientific literature, government or private sector actions, and conferences. Climate Change News receives excellent reviews from our Capital Hill/policy community audience. This is an important way for us to keep policymakers regularly informed and build momentum on the issues.

New publications


Renewable Energy Technology Fact Sheets
- Concentrating Solar
- Geothermal Energy
- Hydropower
- Ocean Energy
- Solar Photovoltaics
- Solar Architecture
- Solar Water Heating
- Wind Energy
- Wind Resource Base and Incentives

Energy Efficiency Technology Fact Sheets
- Industrial Energy Efficiency
- Building Energy Efficiency
- Automotive Energy Efficiency

Other Fact Sheets
- Recent Polling on Public Perceptions of Climate Change, April 2005-2006
- Key Climate Facts (summary of NASA Director Jim Hansen’s climate testimony)
- 2006 US Geothermal Update (Geothermal Energy Association)
- 2006 US Geothermal Power Production and Development (Geothermal Energy Association)

We also conducted several speaking engagements on energy and climate.

- American Planning Association—Planning a Sustainable Energy Policy
- American Geophysical Union—Renewable Energy - Technology and Policy Update
Renewable energy has the potential to create significant new income streams for farmers while yielding substantial environmental rewards, greenhouse gas reductions, economic development, national energy security and public health benefits. The US agricultural sector can play an important role in mitigating emissions while helping the country cut its addiction to oil. EESI educates policymakers, builds networks and develops policy options to promote wider use of biomass for biopower, biofuels and biobased products.

The President’s State of the Union Address in January, mentioned “ethanol, not just from corn, but from wood chips, stalks or switchgrass,” generating a great deal of attention (and many calls to EESI and others). Interest in biomass initiatives grew significantly, due to increasing concerns for national and energy security and a recognition of the role of biofuels in potentially replacing oil. This year also saw major preparation for the Farm Bill reauthorization in 2007. The creation of the Energy Title of the 2002 Farm Bill was largely based on an EESI policy whitepaper published in 2001. It has spurred the growth of on-farm renewable energy projects and elevated the role that these projects and farmers play in reducing petroleum consumption. EESI places high priority on ensuring its success as a fully-funded and effective legislation.

POLICY

EESI prepared a much-utilized analysis of the impact of the Administrations FY07 budget on bioenergy programs. The President’s budget request called for significant cuts to Farm Bill Sec. 9006 (RE/EE Grants/Loans program) and Sec. 6401 (Value-Add program which provides grants to farmers for rural businesses), essentially gutting these programs. Throughout each step of the appropriations process, EESI issued press releases, sent updates to our extensive network and posted timely information on our website. EESI worked extensively with Rep. Rosa DeLauro (D-CT), the Ranking Member of the Agriculture Appropriations Subcommittee, on bioenergy issues. Rep. DeLauro introduced a bold amendment to increase funding for renewable energy by $500 million. Unfortunately, the Amendment was ruled out of order on the floor after failing in full committee.

We are pleased to report that the House passed the Agriculture Appropriations Act, for FY 2007, with all but one renewable energy program being fully funded to its mandatory level. The Senate Appropriations Subcommittee on Agriculture funded most of the renewable energy programs at the same levels, but with an increase of $2 million for Sec. 9006 and funding $48 million for Sec. 6401.

EESI constantly discussed the very important Sec. 9006 RE/EE Grant Program with individuals in our network, a wide range of organizations, and many Members of Congress. EESI continually promotes the solicitation for proposals to encourage more and better applications. This year saw a significant increase in the number of grants awarded (387 recipients out of 619 applications) but a resulting decrease in the average size of the grant awards.

Although the USDA has been slow in implementing the Federal Procurement of Biobased Products Program (Sec. 9002), the announcement of four rules pertaining to new categories of biobased products in 2006 represented a success. A pilot program using biobased products took place at the USDA. EESI discussed possible changes to the pilot program with the USDA that might make it more effective. Additionally, EESI is one of the original members of a new group called Alliance for a Biobased Economy, which is designed to bring more attention to biobased products.

At their request, EESI met with Senior House and Senate Agriculture committee staff members to discuss the reauthorization of the Farm Bill in 2007. EESI provided information to many Senators including Clinton (D-NY), Harkin (D-IA) and Lugar (R-IN), on rural development and renewable energy, background research on biomass assessments, risk management, and feedstock production. EESI also has been discussing reauthorization ideas with federal agencies such as the DOE and USDA as well as a number of other nonprofit organizations. Sen. Lugar’s (R-IN) staff requested that we update our farm bill white paper. This posed an extraordinary opportunity for EESI to make a direct contribution to the ideas being considered in the energy/agriculture policy debate. EESI spent much of 2006 compiling and vetting ideas for this paper.
EESI continued to monitor, work with key agencies and distribute information to our network on a number of key programs in EPAct05, including several new programs. For example:

- The Renewable Fuel Standard (RFS) production target of 7.5 billion gallons by 2012 needs to be expanded because the country will meet this standard early. EESI tracked new bills, informed our network, and followed RFS funding levels so that funds will be sufficient to implement the program.

- EESI showed the value of DOE Loan Guarantee Program (Title XVII) to the commercialization of cellulosic technologies. More than 170 people attended EESI’s September briefing on cellulosic ethanol technology, which identified the loan program as the most significant federal program that could help cellulosic technologies. We also spoke with House and Senate offices about implementation and funding for the DOE office that will house this program.

- When DOE issued its solicitation for Integrated Biorefinery Demonstration Projects (Sec. 932(d)) last year (which included an expanded definition of feedstocks recommended in EESI's comments), they proposed a total of $160 million to fund an anticipated 2 to 3 projects. EESI promoted the solicitation and DOE received 24 applications. Our cellulosic ethanol briefing also highlighted the importance of this program to the commercialization of new technologies. (When DOE announced the awards in 2007, they had made 6 awards for up to $385 million - more than twice the original amount - an important victory!)

Media coverage of bioenergy issues and EESI’s work continued to grow in 2006. Many journalists from across the country including Newsweek, Opis, KMID-TV (TX), ICIS News, Gas Daily, and California Farmer approached EESI about issues including appropriations, the budget, ethanol, and the future of biomass. Once again, RenewableEnergyAccess.com asked EESI to write an “end-of-year article” on biomass policy. They also asked EESI to be the Biomass Expert for their “Ask the Experts” column.

“One word – OUTSTANDING! – best describes the recent EESI newsletter. You guys really put out a quality product.” Ron Buckhalt, a federal Special Projects Coordinator

The BCO: Bioenergy/ Climate Protection/ Oil Reduction subscriber list grew to more than 2,100 readers worldwide. Issues covered included status reports on energy and agriculture legislation (at least 42 new bills); a summary of more than eight different studies on biomass; federal, state, and local biomass initiatives; as well as the latest academic research relating to bioenergy. Numerous groups use BCO articles or forward it to their networks in its entirety.

New publications
Reports
Farm Bill Energy Title Summary Update
Farm Bill Energy-Related Provisions Update

In addition, EESI wrote and distributed 16 press releases on the federal budget, rulemaking, solicitations, appropriations and other actions of interest to our agriculture/energy network.

As EESI staff traveled across the country for speaking engagements speaking at conferences and workshops, we never missed an opportunity to bring attention to the highly successful Farm Bill Energy Title programs. Some of EESI’s 2006 agriculture and energy included:

- Harvesting Clean Energy Conference
- Governors’ Ethanol Coalition
- “25 x ‘25”
- Northeast Regional Biomass Program
- Sustainable Agriculture and Food Systems Funders
- Growing the Bioeconomy Conference
- North Carolina Bioenergy Summit
- National Conference of State Legislatures
- PowerGen
Transportation accounts for more than two-thirds of US oil consumption and produces almost one-third of the US greenhouse gas emissions. Utilizing cleaner, more sustainable transportation vehicles and fuels is critical to the transition to a clean energy future. Busses are the largest component of nationwide transit and more than 24 million children are transported by over 450,000 school buses each year. Using cleaner fuels and advanced vehicle technologies in buses can mitigate the negative effects of diesel emissions and petroleum consumption.

This year, EESI expanded its focus beyond its National Clean Bus Project to address a wider range of clean transportation options. Promoting flexible-fuel, plug-in hybrid vehicles (FF-PHEVs) was a major focus of 2006, with EESI serving as a founding, leading national partner in the Plug-in Partners Campaign started by Austin Energy. EESI continues to work with Congress to improve public health, improve national energy security and protect the environment through alternative transportation investments. EESI continues to coordinate its National Clean Bus Network, a coalition of stakeholders from industry, academia, government agencies, and the public interest sector.

**POLICY**

EESI worked on implementing **“Safe, Accountable, Flexible, Efficient Transportation Equity Act—A Legacy for Users”** (SAFETEA-LU), which authorizes $286.5 billion in guaranteed funding over six years for federal highways and transit programs. We tracked relevant rulemaking and informed our network of opportunities to respond. We gathered and submitted comments on behalf of our Clean Bus Network and engaged the Department of Transportation (DOT) officials and other stakeholders to ensure implementation of enacted provisions, including the critical Clean Fuels Grant Program (which funds the purchase of clean busses and is authorized at $238.1 million over five years). For the first time ever, DOT requested separate funding for this program in its FY07 budget proposal—a victory!

EESI worked with several Senate and House offices on **flex-fuel plug-in hybrid** policies. A tax credit provision for plug-in hybrid vehicles was included in the Kerry (D-MA)/Snowe (R-ME) **Global Warming Reduction Act of 2006** (S. 4039). The proposal offered a consumer tax credit of $3,000 for the purchase of a plug-in hybrid light-duty vehicle ($3,150 if also flex-fuel). Additional credits up to $3,000 would be available based on the degree of fuel economy improvement achieved. This tax credit was also featured in **Clean EDGE Act of 2006** (S.2829) introduced by Cantwell (D-WA) and 24 other Senators.

In June, EESI worked with the House Science Committee staff on plug-in hybrid elements for **Alternative Energy Research and Development Act** (H.R. 6203), sponsored by Energy Subcommittee Chairman Judy Biggert (R-IL). This legislation passed the House in September and included language from Rep. Lamar Smith’s (R-TX) original plug-in bill, **Plug-In Hybrid Electric Vehicle Act of 2006** (H.R. 5538).

**OUTREACH AND NETWORKING**

The **National Plug-In Hybrid Campaign** was kicked off in January 2006 at the National Press Club. EESI is a leading partner and advisor to Austin Energy on this Campaign, with hundreds of partners signed on, including cities, local governments, public and private utilities, businesses, and public interest groups. The Campaign is demonstrating that Americans support flexible-fuel plug-in hybrid vehicles (FF-PHEV) and has secured more than 7,800 “soft” fleet orders. EESI has been a strong advocate for the flexible-fuel component of this campaign. We played a critical role in recruiting several key organizations to the campaign, including the American Corn Growers Association, the Northeast Sustainable Energy Association, the American Council on Renewable Energy, Westart-CALSTART, and the New York State Energy Research and Development Authority.

> “New York State is pleased to partner with EESI on this national campaign.” Charles Fox, Deputy Secretary of Energy for NY Governor George Pataki
We have leveraged our strong relationships with federal and state policymakers to educate them about this national campaign and secure their support for FF-PHEVS. EESI was instrumental in securing New York State’s significant support of the campaign, Governor Pataki has incorporated FF-PHEVs in his NYS budget and New York is in the process of converting 600 vehicles to plug-in hybrids—the largest effort yet in the U.S. to deploy these vehicles!

EESI helped create growing interest in FF-PHEV technology on the Hill and in the public eye. Our highly successful FF-PHEV Congressional briefing in April attracted an audience of more than 100, including several automaker representatives. EESI actively engaged the media on the issue of plug-in hybrids and helped publicize the national campaign. For example, EESI was interviewed by the Wall Street Journal, Newsweek magazine, Science News, BNA, and the Baltimore Examiner.

EESI formed a partnership with the Salt Lake/Utah Clean Cities Coalition and the Utah-based National Energy Foundation, designed a program to develop a training program and education materials for key fleet personnel to reduce bus idling in school districts. The 2-year project, Clean Air-Fuel Saving for School Bus Fleets, was funded by the Department of Energy. The primary product will be a school bus driver curriculum that has been pilot tested and documented to reduce diesel emissions and save fuel, demonstrating substantial economic, energy savings and environmental benefits to communities. EESI was engaged in the process of researching, developing and refining the model curriculum and will be deeply involved, with our partner the National School Board Association, in the widespread dissemination of the final product and encouragement of its replication.

EESI reformatted and renamed its electronic newsletter Clean Motion (formally National Clean Bus Update) to reflect the expanding scope of our transportation program. Clean Motion debuted in December and includes policy updates, technology developments, success stories, grant announcements, and other information relevant to deploying cleaner transportation. This publication continues to provide stakeholders with information on clean bus issues but had broadened its scope to include light duty vehicles, such as plug-in hybrids and flex-fuel cars. During the year, the subscriber base increased 63 percent, reaching 1,310 readers. It is viewed as a valuable resource to transit officials, technology providers, federal, state and local officials and it’s our hope that its broader scope will further build our network of transportation stakeholders in the years to come.

EESI spoke at the following conferences and meetings on the benefits of deployment of advanced technologies and cleaner, renewable fuels in the transportation sector:

- American Planning Association—Planning a Sustainable Energy Policy
- National Association of State Energy Offices—Energy Outlook Conference
- Association of State Energy Research & Technology Transfer Institutions—2006 State Energy Forum
- National Ethanol Conference
- PowerGen Conference
- DC Electric Vehicle Association
- Northwest Public Power Association
- American University
- Center for a New American Dream—The Green Fleet “Summette”

“I find the information you folks provide very valuable. This is a wonderful service you are offering.” Rick Peltz, Appalachian Regional Commission.

New publications
Fact Sheet
- Funding Clean Buses: An Overview of Federal and State Resources

Action Alert
- FHWA Issues Recissions Notice: Funds for Cleaner Transit and Air Quality Programs at Risk

Analysis
- “Modest Increases for Transit in FY 2007 Budget, $45 Million for Clean Fuel Buses”
- “EESI’s Response to an ACEEE Report on Plug-in Hybrids”
EESI’s Sustainable Communities Program focuses on promoting energy efficiency and the use of renewable energy technologies in the built environment. We seek to educate policymakers, planners and other decision makers to overcome barriers to including energy conservation and renewable energy resources in land-use planning and community design. To accomplish this, EESI promotes better integration of energy policy and land-use policies, greater inclusion of energy efficient/renewable energy techniques in development and design decisions, and improved research to evaluate the energy value of different community and building designs. The resulting benefits include a cleaner, healthier environment; enhanced public health, advancement of more “sustainable” biologically diverse communities; and a more resilient and less vulnerable energy system.

The Sustainable Communities Program grew tremendously this year. We launched an exciting project to help planners better understand the connections between energy and planning and learn how to integrate these principles into their work with grants from the George Gund and Surdna Foundations.

**POLICY**

This year saw bipartisan support within Congress to advance green building initiatives. Legislation to advance energy-efficient sustainable building design was introduced throughout the year in both the House and Senate. EESI educated Congress and other stakeholders on economic, environmental and public health benefits of green buildings through a series of briefings, fact sheets and meetings with Congressional staff. Senator Jeffords (I-VT) proposed a *High Performance Green Buildings Act of 2006* (S. 3591), which he introduced with eight co-sponsors in June 2006. This Act codified the existing green building initiatives by establishing an Office of Green Building Performance within the General Services Administration.

Additionally, EESI worked closely with the House Science Committee on the *Alternative Energy Research and Development Act* (H.R. 6203) sponsored by Judy Biggert (R-IL), which passed in September and provides incentives for a suite of renewable technologies such as solar, wind and biofuels as well as establishes a grant program for the construction of energy-efficient buildings.

**OUTREACH AND NETWORKING**

A great highlight of our work has been the launching of an excellent partnership with the American Planning Association, which we formed to educate US planners about energy issues. Together, we surveyed approximately 5,000 US planners to determine their current level of energy awareness and interest in receiving energy and climate change information. Survey results were published in the *PAS Memo* (April/May 2006), an APA bi-monthly electronic newsletter sent to the more than 1,200 Planning Advisory Service subscribers. The partnership presented survey findings at APA’s National Planning Conference in April and distributed survey highlights in a press release.

**New publications**

**Fact sheets**
- *Energy and Buildings* (focusing on the energy consumption and emissions associated with US buildings)
- *Buildings and Health* (spotlighting the harmful health effects of building-related exposure from radon, lead, mold and poor air quality as well as the health costs)

**Case studies**
- *Burlington, Vermont* (a city incorporating energy efficiency and renewable energy technologies and practices into the city-wide planning process)
- *Built Green Washington* (private builders making efforts to incorporate green building practices in Seattle and neighboring area developments)

**Congressional Briefing Summary**
- *Healthy Communities for Young and Old: How Transit and Better Community Design Help the Most Vulnerable Generations.*

EESI made a presentation as part of the American Council for an Energy-Efficient Economy’s (ACEEE) prestigious 2006 Summer Study, *It’s About How and Where We Build: Connecting Energy and Smart Growth*, updating its landmark *energy and smart growth* paper to include the latest information on energy and planning, including a report of our survey findings. The presentation and the updated paper are available on our website.
EESI coordinated 24 Congressional briefings and forums in 2006. We are proud to attract consistently strong and often “standing room only” briefing attendance. EESI’s highly respected Congressional forums create issue visibility and play a unique and vital role in the policy process. They spur hearings, develop Congressional leadership, spawn media coverage, and affect policy positions. Senior Congressional staff and many of our colleagues tell us that EESI briefings are extremely valuable, timely and absolutely necessary—and have asked us to do more because this kind of education and visibility is critical. Our briefing panels provide a variety of perspectives, bringing diverse and often underrepresented views to the policy debate.

- **Kevin Carroll**, Majority Staff Director, House Science Energy Subcommittee
- **Scott Sklar**, President, The Stella Group
- **Bill Prindle**, Deputy Director, American Council for an Energy Efficient Economy
- **Peter Smith**, Chairman, National Association of State Energy Officials and President, NY State Energy Research and Development Authority
- **Mark Wolfe**, Executive Director, National Energy Assistance Directors Association
- **Commissioner Ron Jones**, Tennessee Regulatory Authority and Chair, National Association of Regulatory Utility Commissioners
- **Nick Sunday**, Chief, Office of Community Services, Ohio Department of Development
- **Robert Scott**, Program Manager, WV Office of Economic Opportunity; National Association of State Community Services Programs Board

- **Mike Fresse**, Legislative Assistant, Office of Senator Craig (R-ID)
- **Paul Thomsen**, Public Policy Administrator, Ormat Technologies

**Pesticides in the Nation’s Streams and Ground Water**—March 3
- **Dr. Robert Hirsch**, USGS Assoc. Dir. for Water
- **Bob Gilliom**, Chief, NAWQA Pesticide Synthesis Team
- **Jim Jones**, Director, EPA Office of Pesticides

**Dependence on Oil: How Transit Can Help Americans Reduce Energy Consumption**—March 8
- **William W. Millar**, President, American Public Transportation Association
- **Mariia Zimmerman**, Vice President of Policy, Reconnecting America
- **Winston Harrington**, Senior Fellow, Resources for the Future

**Cuts Threaten Distributed Energy Program: Local Solutions for a National Crisis**—March 9
- **John Jimison**, U.S. Combined Heat and Power Association
- **Thomas Rosfjord**, UTC Power
- **Catherine Van Way**, Cummins Inc.

**The Cost Competitiveness of Green Building Design: How Efficient Design Delivers Cost Saving to Businesses and Homes**—March 9
- **Paul Westbrook**, Sustainable Dev’t Manager, Texas Instruments Worldwide Construction

**Flexible-Fuel Plug-in Hybrids: Taking Charge to Reduce U.S. Oil Consumption**—April 4
- **Roger Duncan**, Deputy General Manager, Austin Energy
- **Bob Graham**, Program Manager, Electric Transportation, Electric Power Research Institute
- **William C. Holmberg**, Chair, Biomass Coordinating Council; President, Biorefiner
Environment and Energy Study Institute                          10                                                                  2006 Annual Report

Do Americans Believe Climate Change is Real? Do They Think the United States Should Do Something About It?—April 20

• Dr. Whit Ayres, President, Ayres, McHenry & Associates Strategic Opinion
• Dr. Clay Ramsay, Research Director, Program on International Policy Attitudes and Center on Policy Attitudes
• Dr. Thomas Brewer, Associate Professor, Georgetown University, MacDonough School of Business

The Perfect Power System: What Is It and Why Is It Important?—April 26

• Richard Munson, author of From Edison to Enron: The Business of Power and What it Means for the Future of Electricity
• Kurt Yeager, Chairman of the World Energy Council’s study on Energy and Climate Change and Past-President of the Electric Power Research Institute

Volatile Organic Compounds in the Nation's Ground Water and Drinking-Water Supply Wells—April 28

• Robert Hirsch, Associate Director for Water, US Geological Survey
• John Zogorski, Volatile Organic Compounds Synthesis Team Leader, National Water-Quality Assessment Program

Healthy Communities for Young and Old: How Transit and Better Community Design Help the Most Vulnerable Generations—5/1/06

• Dr. Howard Frumkin, Director, National Center for Environmental Health, Center for Disease Control
• Richard Gilbert, Director of Research, Centre for Sustainable Transportation, Toronto, Canada
• Kathryn Lawler, Director, Aging Atlanta, Atlanta Regional Commission


• Ed Gray, PE, Principal, Antares Group
• Tom Stickle, Owner, Monona Farms and Director, Switchgrass for Bioenergy Project (on Conservation Reserve Program Land)
• Kathy Bryan, Vice President, BBI International
• Drew Bolin, Director, Colorado State Energy Office
• Jay Jenson, Executive Director, Council of Western State Foresters
• Larry Shirley, Director, North Carolina State Energy Office

How Changes in the Arctic are Affecting the Rest of the World—June 15

Forum I: Transformation in the Arctic, Impacts Beyond the Arctic

• Kurt Vollenbaek, Norwegian Ambassador to the United States
• Jonas Gahr Stoere, Norwegian Minister of Foreign Affairs
• Senator John McCain (R-AZ), Chair, Senate Committee on Indian Affairs

Forum II: The Arctic as a Bellwether for Climate Change

• Dr. Robert Corell, Chair, ACIA, and Senior Policy Fellow, Policy Program of the American Meteorological Society
• Dr. Louis Frontier, Canada Research Chair on the Response of Arctic Marine Ecosystems to Climate Change, and Professor, Université Laval
• Dr. Katey Walker, Research Program Manager, Prince William Sound Science Center, and UA Presidential International Polar Year Fellow, University of Alaska, Fairbanks

Forum III: How Climate Change in the Arctic Reinforces Global Climate Change

• Dr. Lonnie Thompson, Professor, Department of Geological Sciences, Ohio State University
• Dr. Judith Curry, Chair, School of Earth and Atmospheric Sciences, Georgia Institute of Technology
• Dr. Arni Snorrason, Head, Hydrological Service, National Energy Authority of Iceland
Forum IV: Costs of Climate Change to the United States

- Dr. Gary Yohe, Professor of Economics, Wesleyan University
- Tom Wagner, Director, Nebraska Department of Insurance, and Chair, National Association of Insurance Commissioners’ Risk Retention Working Group
- Chris Walker, Managing Director, Environmental/Greenhouse Gas Solutions, Swiss RE

Forum V: Luncheon Keynote Speaker

- Sen. Richard Lugar (R-IN), Chair, Senate Committee on Foreign Relations

The 9th Annual Renewable Energy & Energy Efficiency Expo and Forum—June 20


- Karl Gawell, Executive Director, Geothermal Energy Association (Chair)
- Rich Halvey, Program Manager, Western Governors’ Association
- Sarah Verville, Vice President, National Hydropower Association (hydroelectric)
- Scott Trainum, Past Chairman, Adkins Energy (ethanol)
- Dr. Stephen B. Brandt, Director of Great Lakes Environmental Research Laboratory, National Oceanic and Atmospheric Administration (biodiesel)

Panel II: “Improving the Economy and Solving the Energy Crisis Through Sustainable Resources”

- Carol Werner, Executive Director, Environmental and Energy Study Institute (Chair)
- Rep. Judy Biggert (R-IL), Chair, House Science Energy Subcommittee
- Jonathan Weisgall, Vice President, MidAmerican Energy Holdings Company (geothermal and wind)
- Chris O’Brien, Vice President for Strategy & Government Relations, Sharp Solar Systems

- Kevin Rackstraw, Development Leader, Clipper WindPower Inc.

Panel III: “Increasing Energy While Decreasing Greenhouse Gas Emissions—The Unique Role of Efficient, Sustainable Technologies”

- Phil Sharp, President, Resources for the Future (Chair)
- Tom Casten, President and CEO, Primary Energy
- Dr. Michael MacCracken, President, International Association of Meteorology and Atmospheric Sciences, and Chief Scientist of Climate Change, Climate Institute

Cleaning Up School Bus Emissions: Will FY07 Appropriations Meet the Challenge?—May 22

- Brian Mormino, Majority Staff Director, Subcommittee on Clean Air, Climate Change and Nuclear Safety, Senate Committee on Environmental and Public Works
- L. Bruce Hill, Senior Scientist, Clean Air Task Force
- Pat Quinn, Principal of the Accord Group, on behalf of the Union of Concerned Scientists
- Timothy Regan, Senior Vice President, Corning Incorporated
- Gabe Rozsa, representing National School Transportation Association
- Dan Utech, Legislative Assistant, Sen. Hillary Clinton (D-NY)

High-Performance Green Buildings: A Look at Their Benefits and the Role of Federal Policy—July 20

- Robert F. Fox, Jr., AIA, Partner, Cook + Fox Architects LLP (U.S. Green Building Council member), designer of the new Bank of America Tower at One Bryant Park, New York City
- Helen English, Executive Director, Sustainable Buildings Industry Council
- Claire Barnett, Executive Director, Healthy School Network, and Coordinator, Coalition for Healthier Schools
6th Annual Congressional Fuel Cell Expo, Fuel Cells: Powering the Present...Securing the Future—July 20
Organized by the US Fuel Cell Council, in cooperation with the Environmental and Energy Study Institute

- Rep. Lee Terry (R-NE)
- Rep. Zach Wamp (R-TN)
- Hon. David Garman, Under Secretary of Energy, Department of Energy

UK Energy Policy: Addressing the Challenges—July 24
- Dr. Christian Turner, First Secretary for Energy and Environment, British Embassy

What Would the Elimination of the Conservation Reserve Program do to Federal Spending and Commodity Prices—September 7
- Professor Daryll E. Ray, Blasingame Chair of Excellence in Agricultural Policy, and Director of Agricultural Policy Analysis Center (APAC), University of Tennessee

Understanding the Energy-Water-Climate Nexus: Implications for Policy—September 13
- Nate Gentry, Professional Staff Member, Senate Committee on Energy and Natural Resources
- John Gasper, Strategic Area Manager, Environmental Policy Analysis and Planning, Argonne National Laboratory
- Dr. Peter Gleick, President and Co-founder, Pacific Institute for Studies in Development, Environment and Security

Cellulosic Ethanol Technology: Is it Ready to be Commercially Deployed Today?—September 22
- Maurice Hladik, Director of Marketing, Iogen Corp.
- John Doyle, Vice President, Celunol, Corp.
- Arnold R. Klann, Chairman, President, CEO, BlueFire Ethanol, Inc.
- Thomas Murray, Managing Director and Co-Head, Loan & Debt Capital Markets, West LB Securities, Inc

Clean Energy, a Strong Economy and a Healthy Environment: Western Governors Take Action—September 27
- Dr. Douglas Arent, Principal Analyst, Energy Analysis, National Renewable Energy Laboratory, and member, Quantitative Working Group, Western Governors’ Association Clean and Diversified Energy Advisor Committee
- William Keese, Co-chair, Western Governors’ Association Clean and Diversified Energy Advisory Committee, and former Chairman of the California Energy Commission

Small Business Takes Active Role in Supporting California’s Global Warming Legislation, AB 32: Signals National Implications—November 1
- Byron Kennard, Executive Director, Center for Small Business and the Environment
- Scott Hauge, Founder and President, Small Business California
- Hank Ryan, Executive Director, Small Business California

Stern Review on the Economics of Climate Change—November 13
- Julian Braithwaite, Counselor for Global Issues, British Embassy
- David Thomas, First Secretary, Energy and Environment, British Embassy
- Lauren Faber, Environment Advisor, British Embassy

Recent Remarks on EESI’s 2006 Briefings

“…Thanks to all for providing leadership on this issue, that I am quite sure will have far reaching effects.”

“Your efforts have attracted so many participants and so much interest in your series of subjects!”

“All the list of seminars is a remarkable achievement and truly is a visible testament to the mission of EESI.”
Our thanks and appreciation goes to these and our many other contributors!

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Solar Energy Industries Association

We would like to extend our abiding appreciation to our foundation and partner funders are vital to EESI’s ability to fulfill our mission. Without their support we would not be able to accomplish the valuable work listed here.

*Thank you!*

**FUNDERS**
Energy Foundation  
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Salt Lake/Utah Clean Cities Coalition/US Department of Energy  
Max and Anna Levinson Foundation  
The New Land Foundation  
City of Austin, Texas  
Royal Norwegian Embassy  
Coalition of Northeastern Governors  
US Geological Survey  
Whole Systems Foundation  
US Fuel Cell Council  
Worldwatch Institute

**EESI INTERNS**
We would like to recognize our many interns, whose contribution of time and talent are an invaluable component of EESI’s work. EESI’s interns of 2006 were: Shaun Brown, Julie Fry, Caitlin Greeley, Sara Hummel, Priya Keane, Abby Letzer, Michael McCarthy, Oxana Miliaeva, Jeff Rominger, Aly Sanoh, and Neelam Singh. And thank you to Allie Krystal for her assistance with the preparation of this publication.

EESI also extends its deepest gratitude to the many companies and individuals who have donated to us through Earth Share workplace giving campaigns.
In 2006, EESI received 4-stars — the top rating — from Charity Navigator.

Charity Navigator is America's premier independent charity evaluator. They help charitable givers make intelligent giving decisions by providing in-depth, objective ratings and analysis of the financial health of America's largest charities. Charity Navigator awarded four out of a possible four stars. In earning Charity Navigator's highest four star rating, EESI has demonstrated exceptional financial health, outperforming most of its peers in its efforts to manage and grow its finances in the most fiscally responsible way possible.
# Statement of Activities

For Year Ended December 31, 2006

<table>
<thead>
<tr>
<th></th>
<th>Unrestricted</th>
<th>Temporarily Restricted</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>REVENUE</strong></td>
<td></td>
<td></td>
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<tr>
<td>Grants and contributions</td>
<td>$532,862</td>
<td>$345,390</td>
<td>$878,252</td>
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<td>Earth share</td>
<td>66,460</td>
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<td>66,460</td>
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<tr>
<td>Other</td>
<td>2,665</td>
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<td>2,665</td>
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<tr>
<td>Investment income</td>
<td>185,180</td>
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<td>185,180</td>
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<td>Net assets released from restrictions</td>
<td>152,500</td>
<td>(152,500)</td>
<td>-0-</td>
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<td><strong>TOTAL REVENUE</strong></td>
<td>939,667</td>
<td>192,890</td>
<td>1,132,557</td>
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<tr>
<td><strong>EXPENSES</strong></td>
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<td></td>
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<tr>
<td>Programs</td>
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<td></td>
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<tr>
<td>Transportation/Smart Growth</td>
<td>110,667</td>
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<td>110,667</td>
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<tr>
<td>Energy and Climate Change</td>
<td>406,332</td>
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<td>406,332</td>
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<tr>
<td>Total Programs</td>
<td>516,999</td>
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<td>516,999</td>
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<tr>
<td>General and administrative</td>
<td>84,125</td>
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<tr>
<td>Development</td>
<td>61,627</td>
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<td>61,627</td>
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<tr>
<td><strong>TOTAL EXPENSES</strong></td>
<td>662,751</td>
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<td>662,751</td>
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<td><strong>CHANGE IN NET ASSETS</strong></td>
<td>276,916</td>
<td>192,890</td>
<td>469,806</td>
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<td><strong>NET ASSETS, BEGINNING OF YEAR</strong></td>
<td>2,149,930</td>
<td>152,500</td>
<td>2,302,430</td>
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<td><strong>NET ASSETS, END OF YEAR</strong></td>
<td>$2,426,846</td>
<td>$345,390</td>
<td>$2,772,236</td>
</tr>
</tbody>
</table>

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2006 Annual Report

Environmental and Energy Study Institute
Our Focus
EESI is dedicated to moving the country toward a sustainable, efficient, renewable energy path for a cleaner, healthier, safer future.

Who We Are
EESI was established in 1984 by a bipartisan group of Congressional leaders. Today we utilize our strong relationship with Congress as well as our diverse, nationwide network of stakeholders to promote solutions on clean energy, climate change, transportation, agriculture and smart growth.

What We Do
EESI educates policymakers, develops innovative policy solutions, and provides credible, timely science, technology, and policy information through Congressional briefings, publications, workshops, media outreach, coalition building, and task forces. Our primary audience is federal policymakers and those that influence them.

EESI’S Mission
EESI’s mission is to promote environmentally sustainable societies through transitions to social and economic patterns that sustain people, the environment and the natural resources upon which present and future generations depend.

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