One of 10 "Charities Worth Watching" according to Charity Navigator!

2017 ANNUAL REPORT

EESI was recognized as a Four Star Charity for the ninth time by Charity Navigator, with a perfect score!
The year 2017 was a time of great uncertainty on the policy front. The dramatic budget cuts and relentless regulatory rollbacks proposed by the Trump Administration on energy and environmental issues have brought more attention to federal action, the role of Congress, and, by extension, to EESI’s work. It is more than ever abundantly clear that there is a great need for strong education and advocacy at the federal level.

Policymakers need credible information that they can trust. EESI worked with many allied organizations on group letters, held briefings to showcase the issues at stake and what kinds of impacts the administration proposals would have, and talked to Congressional staffers to help inform Congress. Congress took note and pushed back against the Administration’s budget proposals. Clearly, EESI’s educational and advocacy work at the federal level is more important than ever. We must be ever vigilant, but where there are opportunities for positive change, we are pushing that change forward.

In addition to our work at the federal level, we are providing more and more technical assistance at the local level. The two are inextricably linked: real world examples of win-win sustainable solutions pave the way for better national policy and more resilient communities. With our on-bill financing initiative, we are working with rural electric co-ops and municipal utilities to help foster affordable energy efficiency retrofits, community renewables, and low-carbon electrification, thereby lowering emissions and saving households money.

All of our results in 2017 were possible only because of your commitment. Thank you so much for your support!

Carol Werner, Executive Director

EESI BY THE NUMBERS (2017)

19,572 email subscribers

280,844 website visitors

291,871 cumulative YouTube views

15 Congressional Forums

180 Offices attended briefings

3,342 people attended EESI events, in person or online.

87% of survey respondents say they share briefing information with others.

About EESI

The Environmental and Energy Study Institute is an independent, non-profit organization advancing innovative policy solutions to set us on a cleaner, more secure and sustainable energy path. EESI receives no Congressional funding and is supported by generous donors and grants.

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Washington, DC 20036-6119

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eesi@eesi.org

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eesionline

87% of survey respondents say they share briefing information with others.

EESI's annual reports are available to the public on our website, at www.eesi.org/annual_reports.

EESI is a non-profit 501(c)(3) organization. Contributions are tax deductible to the fullest extent of the law.

EIN: 52-1268030

100% recycled paper
Accomplishments: Top 10 in 2017

1. Emphasized the national security impacts of climate change.
Rising sea levels and extreme weather caused by climate change are already affecting America’s national security. Without action, things will only get worse. EESI called attention to these threats with our issue brief and June briefing on the national security implications of climate change. Our best attended briefing of the year, it was attended by more than 175 people and broadcast live by C-SPAN. Our efforts contributed to the adoption of a climate provision in the 2017 National Defense Authorization Act. The provision calls climate change a “direct threat” to national security and directs the Pentagon to identify and report on its most vulnerable bases.

2. Warned about the devastating impacts of the Administration’s budget proposal on renewable energy, energy efficiency, and climate action.
In April 2017, EESI published a summary and analysis of the sustainable energy, building, transportation, and climate implications of the Trump administration’s proposed budget for fiscal year 2018. Our congressional engagement shored up support for endangered programs related to clean energy and climate, helping preserve them from the chopping block. Defense of federally-funded sustainable energy and climate programs is an EESI priority and we frequently make the case for the benefits these programs bring to communities across the country. In 2018, we are once again engaging on the budget and appropriations processes as they play out in Congress.

3. Held a briefing series on making U.S. communities more resilient.
EESI held a Congressional briefing series about making our communities more resilient: 2017’s hurricanes and wildfires made it the costliest year on record for U.S. natural disaster damage. Our “Building Resilient and Secure Infrastructure” series examined 1) how cities can become more resilient to extreme weather, 2) the critical federal-state-private sector partnership that underpins our emergency preparedness; and 3) how we can best invest in our infrastructure for the long-term. We have continued this briefing series on resilience in 2018, with a look at coastal communities that are especially vulnerable to extreme weather.

4. Earned a perfect score from Charity Navigator and was also #1 on Charity Navigator's "Charities Worth Watching" Top Ten list!
In March 2017, Charity Navigator, America’s leading nonprofit evaluator, awarded EESI its highest designation as a Four Star Charity for the ninth time! In addition, we earned—for the first time ever—100 out of the 100 points possible in both categories considered by Charity Navigator: financial health, and accountability and transparency. According to Charity Navigator, only about 1.8 percent of the organizations rated Four Star Charities have achieved a perfect score as EESI has! We were also #1 on Charity Navigator’s list of ten “Charities Worth Watching!” Charity Navigator noted that “many of America’s most effective charities are also household names. But some well-known charities are less effective than you’d think, while a number of lesser known charities are truly exceptional.”
Gained media coverage to help get the word out on sustainable energy.

Spreading information far and wide is an important part of our mission. In 2017, EESI earned a lot of positive media coverage, which helped get the word out. One of our policy associates was interviewed by three television networks: ABC, BBC, and CNBC. Arizona PBS covered one of our briefings, and C-Span broadcast two of them live. Our executive director was interviewed by Bloomberg’s Bureau of National Affairs and by The Atlantic. All of our briefings are livecast, greatly expanding our reach.

Implemented more clean energy opportunities for rural communities, and launched work on a beneficial electrification initiative.

EESI has supported the development or enhancement of on-bill financing programs in eight states (AK, CO, HI, MN, MO, NC, SC, and TN). These programs offer rural electric co-op members and other utility customers the ability to more easily finance energy improvements that save them money. We also are working with utilities to help their customers switch to electricity and away from fossil fuels to more efficiently heat their homes and power their vehicles.

Showcased two key options to reduce U.S. carbon emissions from the transportation sector: high-octane biofuels and electric vehicles.

The transportation sector is now the largest source of carbon emissions in the United States. EESI held a Hill briefing examining how high-octane, low-carbon renewable biofuels can lower vehicle emissions as we transition to electric vehicles. We also published a fact sheet on plug-in electric vehicles: they make up just over one percent of all vehicle sales in the United States—that’s not a lot, but there is a clear upward trend!

Prepared sustainability recommendations for the 2018 Farm Bill.

Lawmakers are preparing the next Farm Bill (the current one expires in September), which funds critical conservation programs, provides financing for rural clean energy initiatives, and establishes a framework for the renewable bioenergy industry—an important source of revenue and jobs for agricultural communities. EESI analyzed existing Farm Bill programs and provided our analysis and recommendations to Congressional offices.

Celebrated the 20th Congressional Renewable Energy and Energy Efficiency EXPO, attracting more than 750 attendees.

EESI has helped organize every Congressional Clean Energy EXPO since its scrappy beginnings in 1997. Every year, the EXPO creates more impetus for federal action on sustainable energy. In 2017, Sen. Edward J. Markey (D-MA, pictured), Rep. Ryan Costello (R-PA), and Rep. Paul D. Tonko (D-NY) gave rousing remarks in support of renewable energy and energy efficiency.

Emphasized the effectiveness of energy efficiency standards.

Federal efficiency standards reduced our national energy bill by about $80 billion in 2015, equivalent to the electricity needs of nearly a third of U.S. households. At a time when the Trump Administration proposed slashing funding for energy codes and appliance standards, EESI published an in-depth fact sheet, Energy Efficiency Standards for Appliances, Lighting and Equipment, noting the regulatory standards currently in place, and showing their value.
Congressional Briefings

We bring experts from government, industry, academia, and civil society to Capitol Hill for Congressional briefings. EESI briefings spur bipartisan discussions on cutting-edge research and analysis, success stories, and lessons learned. Briefing videos are livecast and posted on YouTube. Watch them and sign up for our notices at www.eesi.org/briefings. Please let your colleagues and friends know!

February
- 2017 Sustainable Energy in America Factbook
- Electric Transmission Infrastructure 101

March
- Can the United States Achieve a Low Carbon Economy by 2050?
- The Economic Returns of a National Transportation Infrastructure Initiative

April
- How Foreign Climate Aid Benefits the United States

May
- Investing in U.S. Infrastructure for Maximum Dividends
- Powering Businesses, Homes and Vehicles with Waste
- WIRES University Graduate School – Electric Transmission Infrastructure

June
- The National Security Implications of Climate Change
- Protecting America’s Water Amid Growing Threats

July
- 20th Annual Congressional Renewable Energy and Energy Efficiency EXPO and Policy Forum

September
- How Can Cities Become More Resilient to Extreme Weather?

November
- Can Fuel Efficiency Standards Be Met Cost-Effectively?

December
- What Came Out of the Latest Global Climate Talks?
GRANTORS

GOOGLE.ORG (IN KIND)       MCKNIGHT FOUNDATION       POET
THE GEORGE GUND FOUNDATION   MERCK FAMILY FUND       DAVID ROCKEFELLER FUND
HENRY M JACKSON FOUNDATION   NEW YORK COMMUNITY TRUST (NYCT)   SALESFORCE FOUNDATION (IN KIND)
THE JPB FOUNDATION

Grants awarded in 2017 and through May 2018

DIRECTOR’S CIRCLE ($5,000+ per year)

Members of the Director’s Circle have made a substantial commitment to EESI by providing $5,000 or more in general support. EESI is deeply grateful for everyone in the Director’s Circle! You can join the Director’s Circle today.

ANONYMOUS              HAVEN, PAUL (IN-KIND)       PB & K FAMILY FOUNDATION
ASSAD, MICHAEL         FIDELITY CHARITABLE GIFT FUND       RAWAL, SATENDER (IN-KIND)
CERES CHARITABLE FOUNDATION ALANNA AND KYLE HULBURD AND FAMILY      SANT, ROGER & VICKI
CONKLIN, GABRIELLE     MARTIN, ANNE
DEVLAL, VIKAL (IN-KIND)

Donations received in 2017 and through May 2018

EESI ASSOCIATES ($1,000 - $4,999 per year)

EESI Associates have made a significant commitment to advancing clean energy policy by providing $1,000 to $4,999 in general support. EESI is very grateful to all of our Associates! We also thank the many donors who give other amounts, whether by mail, online, or through workplace giving. Our work depends on you! Please give again today!

ALLETE/Minnesota Power Harris, Jessie
Adams, Annette and Jeff Harvey, Guy
Adhikari, Emily Howland Family Fund
Anonymous Iowa Renewable Fuels Association
Arora, Akankshi and Sartaj Jansen, Laura
Beltz, Karen Jethva, Mayur
Bierbaum, Rosina Kaarsberg, Tina
Birnbaum, Steven Kalick, Laura
Brzozowski, Mike Carl E. Kessler Family Foundation
Buchholzer Charitable Foundation David Kimmel Foundation
Carson, TJ Kirkland, Kelly
Chen, Jacqueline Kolesky, Jeff
Colton, Deborah Kramer, Peg
Cooper, Rachael Levine, Jeffrey
Curtis, William Matiss, Kalja
De Vera, I.Q. Matloff, Dan
DeSantis, Ranae Meyer, Carl
Dorman, Craig and Cynthia Microsoft Matching Gifts Program
Dudar, Lori Monteiro, Mike
Duston, Art Murray, Frank
The Electric Cooperatives of South Carolina, Inc. National Hydropower Association (NHA)
Elton, Loree Polymer Science Incorporated
Fidler, Shelley Lester Poretsky Family Foundation
Filomena, Joseph The Mark Ramba Family Fund
Google Matching Gifts Program Ribar, Mitchell
Gramlich, Jeffrey Rielly, Marie
Hammond Family Foundation Ruiz Alvarez, Arkaitz
Rutberg, Michael and Pooja
Sam and Alex Family Fund
Scharc, Alex
Schepis, Christopher
Schmitz-Fromherz Family Fund
Schwab Charitable
Seligman, Peter
Senechal, Luke
Sentman, Michael
Shaw, Karen
Singh, Reet
Stringer, Ben and Kristi
Stromberg, Luise
Tanjuklio, John
Trillium Asset Management
Triskeles Foundation – Tierra Vista Fund
Tulsa Community Foundation
Van Ness Feldman
Wagoner, Julianne
Warshaw, Lawrence
Wedemeyer, Kate
Westminster Barrington Foundation
Whitman Family Foundation
Winnard, James
Wood, Patrick
Zizlperger, Nora

Donations received in 2017 and through May 2018
The Impact of Your Support

2017 was a year in which renewed attention to federal policymaking and the increasing impacts of our technical assistance work resulted in strong revenue for EESI—as you can see in our statement below.

This increased revenue demonstrates that donors know they can make an impact on the issues that matter most to them by investing in EESI. Another sign of confidence is the recognition EESI has received from Charity Navigator, America’s leading nonprofit evaluator. We were once again designated a Four Star Charity, and received a perfect score to boot!

Thank you so much for your confidence as we continue a robust program in 2018!

Summary Financial Statement of Activities

for the year ended December 31, 2017, with comparative totals for 2016

<table>
<thead>
<tr>
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<th>2017</th>
<th>2016</th>
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<td>TOTAL REVENUE</td>
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<td>NET ASSETS, BEGINNING OF YEAR</td>
<td>3,419,826</td>
<td>$3,558,030</td>
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<tr>
<td>NET ASSETS, END OF YEAR</td>
<td>3,821,380</td>
<td>$3,419,826</td>
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*Note related to 2016 results: per rules specific to not-for-profit accounting, EESI was required to recognize the entirety of multi-year grants in 2014, when the commitment was made. In 2016, EESI spent $366,000 to perform grant obligations for multi-year grants awarded in 2014.

The condensed financial information shown is a summary derived from EESI’s 2017 audited financial statements. Our complete audited financial statements are available at www.eesi.org/funders, by e-mailing us at eesi@eesi.org, or by calling us at (202) 628-1400.

Ways You Can Give

- Online at www.eesi.org/donate (monthly or single donation)
- By mail to EESI:
  1020 19th St NW Suite 650
  Washington DC 20036

- Through a Donor-Advised Fund or Giving Account
- Through workplace giving
- By including EESI in your will, insurance policy, or as an IRA/401(k) beneficiary. Our EIN is 52-1268030.

Perfect Charity Navigator Rating

Charity Navigator gave EESI perfect scores in both financial and accountability and transparency.

<table>
<thead>
<tr>
<th>Rating Category</th>
<th>Score</th>
<th>Grade</th>
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<tr>
<td>Accountability &amp; Transparency</td>
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</tr>
</tbody>
</table>

EESI WAS NAMED #1 ON CHARITY NAVIGATOR’S CHARITIES WORTH WATCHING LIST!

Thank you!
In 2017 (and 2018!), EESI won a coveted Top-Rated Award from GreatNonprofits for the seventh time in a row. Only 1 percent of eligible nonprofits have won this accolade.

EESI has received 129 rave reviews on GreatNonprofits.org, including:

EESI is consistently an excellent organization to work with and learn from. They organize a plethora of interesting and informative briefings on the Hill, providing reliable straightforward information to stakeholders and decision makers in the energy and environment fields.

— Agatha Wein

EESI keeps me updated on climate and other environmental issues in Washington, with just the right amount of depth and breadth. It is absolutely unique—timely, intelligent and focused.”

— Gelvin S.

“EESI is uniquely positioned to inform each successive Congress on the merits of energy and environmental legislation. There is a lot of information available to staff, but not a lot of objective information that is precisely tailored to helping busy Members and staff understand the importance and consequences of their actions.”

— Jim Turner, former Congressional staffer

EESI benefits from its 55-member Advisory Board, which includes government officials, academics, scientists, business executives, and nonprofit administrators. Please see www.eesi.org/board-advisors for more information.