



  **ALLIANCE TO
SAVE ENERGY**
Creating an Energy-Efficient World

THE ALLIANCE 2009 ANNUAL REPORT

THE ALLIANCE
TO SAVE ENERGY
PROMOTES
ENERGY EFFICIENCY
WORLDWIDE
TO ACHIEVE
A HEALTHIER
ECONOMY,
A CLEANER
ENVIRONMENT
AND GREATER
ENERGY SECURITY.

The Alliance to Save Energy strives to be the world's premier organization promoting energy efficiency.

To achieve this goal, the Alliance:

LEADS worldwide energy efficiency initiatives in research, policy advocacy, education, technology deployment and communications that impact all sectors of the economy;

PROVIDES vision and activism through its board of directors, which includes leaders from business, government, the public interest sector and academia;

INITIATES and participates in public-private partnerships, collaborative efforts and strategic alliances to optimize resources and expand its sphere of influence; and

EXECUTES its mission through a team of recognized energy efficiency experts and professionals.



Dear Alliance Associates,
Board Members and Friends:

It was over 30 years ago that the Alliance to Save Energy embarked on a mission to advance energy efficiency worldwide. And though the world has changed much since that time, today's energy crisis is borne of the same causes

that compelled our founders to act at the peak of the 1976 OPEC oil embargo: energy waste and overconsumption in the most energy-intensive economy in the world.

Likewise, our mission — though tuned to today's circumstances — remains on course as we focus on saving energy in schools, buildings, manufacturing plants, communities and homes across six continents, through programs that keep energy efficiency relevant for a variety of audiences.

We make energy efficiency a lesson for students, and a service for consumers, a blueprint for builders, an operational strategy for industries, a model for businesses and a tool for policymakers.

Over the years, we've succeeded in expanding our reach to a wide audience of business, industry and policy leaders as well as homeowners, builders and educators — all eager to join us in this march to a clean energy economy.

In 2009, we welcomed over 30 new members to our Associates Program, bringing the number to 164 at the time of writing.

We scored broad support to develop the Clean and Efficient Energy Program — a groundbreaking new program for utilities — while also expanding our existing coalitions and creating new ones to further advance energy efficiency in the built environment.

Also in 2009, we teamed up with new school districts in California, Washington, D.C., New York and Tennessee to

advance energy efficiency in their schools and campuses.

We collaborated with other international organizations to export energy and water efficiency strategies abroad.

We rallied a group of diverse partners to further expand a first-of-its-kind fuel efficiency campaign called the Drive Smarter Challenge, which launched an extremely successful video contest in 2009.

And we hosted our first major conference abroad, the 2009 Energy Efficiency Global Forum & Exposition, in Paris, France.

Our efforts to elevate energy efficiency to center stage in the federal climate and energy debate continued in 2009. And I'm pleased to report that the forecast looks promising: with the arrival of the new Congress and Administration in early 2009 came a wave of energy efficiency allies who have since shown tremendous interest in our organization. With their support, we will continue to advise government leaders as they craft our country's climate and energy legislation.

As we get busier each year, our staff continues to grow: since 2002, we've added 22 new staff members, making us "71 strong" at the close of 2009.

Thirty-two years from now we will no doubt be facing a different set of energy challenges linked to consumption. Whatever the context, energy efficiency will offer solutions. And the Alliance will answer the call.

Here's to an energy-efficient future!

Best,

Kateri Callahan | President, Alliance to Save Energy
June 2010

MESSAGE FROM THE CHAIRMAN



Over the past few years, the world experienced the devastating economic effects of high energy prices, and “woke up” to the urgent imperative of tackling global climate change in order to sustain nations and our planet for future generations. The nexus of energy use, the environment and security has led to a clarion call from all corners of the planet for a new world energy order.

It is clear that we must rethink – and indeed create and innovate – a clean energy future. It is also becoming crystal clear – to policymakers and business and thought leaders – that energy efficiency is the foundation upon which we can begin, today, to build the new, clean energy engine that will fuel and sustain the global economy.

At our fingertips is the world’s cleanest, fastest and cheapest fuel: energy efficiency. It is a tried and true “friend” – responsible for reducing U.S. energy consumption by about 50 quads since 1973, and with the potential to abate future growth in energy demand in the U.S. between now and 2020, according to the McKinsey Global Institute.

Viable in any region of the world, energy efficiency is an ally to all nations, big and small, developed or emerging. In fact, McKinsey projects that investments in cost-effective energy efficiency (having an internal rate of return of 17 percent or better) could yield \$900 billion in avoided energy costs globally between now and 2020.

But for all its exceptional attributes, energy efficiency is like any other fuel in that it must be fully “mined” and deployed in order to deliver its full potential.

For over 30 years, the Alliance to Save Energy has pursued a cross-sector, global strategy for this very purpose. By uniting business, policy and environmental leaders, advocating energy efficiency policies and facilitating programs and campaigns that deploy energy efficiency, the Alliance is building a solid foundation for a new and sustainable world energy order.

Experience, leadership, strategy – these are strong currencies in this time of crisis and opportunity. With them, the Alliance responds to the call for action. On behalf of the 2009 Alliance Board of Directors, I invite you to join us in our efforts to promote energy efficiency as the sustainable route to a healthy economy, a clean environment and greater energy security.

A handwritten signature in black ink that reads "James E. Rogers". The signature is written in a cursive, flowing style.

James Rogers | Chairman, President and Chief Executive Officer | Duke Energy
December 2009

REPRESENTING THE LEADING VOICES ON THE FRONTLINE OF POLICY, THE ALLIANCE HONORARY CONGRESSIONAL VICE-CHAIRS ARE EFFECTIVE CHAMPIONS OF THE ALLIANCE'S MISSION TO ADVANCE ENERGY EFFICIENCY.

Honorary Chair



Senator
Mark Pryor

Honorary Vice-Chairs



Senator
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Representative
Ralph Hall



Senator
Lisa Murkowski



Senator
Susan M. Collins



Representative
Steve Israel



Representative
Paul Tonko



Senator
Byron L. Dorgan



Representative
Edward J. Markey



Representative
Zack Wamp

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New Opportunities

There's no doubt about it: 2009 was a watershed year for our Policy Team as the topic of energy efficiency and climate change took center stage in the administration and the Congress. The billions of dollars allotted for energy efficiency projects in the 2009 American Recovery and Reinvestment Act presented us with a tremendous opportunity to seek and promote projects and programs that fuse energy efficiency with economic growth – a powerful combination that we have for years supported.

This year, we continued to develop and promote our recommendations on how best to capitalize on the potential of energy efficiency in climate and energy legislation. We have emerged as a vocal supporter of a cap-and-trade program that sets a carbon price, and the need for complementary energy efficiency policies and programs.

Policy Formation, Education and Analyses

In light of this year's renewed focus on energy and climate issues, our Policy Team continued to conceive and define effective public policies and programs related to energy efficiency, while also analyzing energy and climate legislation under consideration by policymakers. From fact-sheets and "side-by-sides" to in-depth analyses of budgets and bills, our cache of online resources has grown exponentially in response to the flurry of activity on the Hill in 2009.

PUBLICATIONS

Analysis of H.R. 2454, the Waxman-Markey Climate and Energy Bill, July 2009

ACES v. ACELA: A Comparison of Energy Efficiency Provisions, September 2009

TAX INCENTIVES

ASSISTANCE PROJECT (TIAP)

Maintained by the Alliance and allies, the TIAP website educates consumers and businesses about federal income tax incentives available for energy-efficient products.

www.energytaxincentives.org

Engaging Policymakers and Associates

Part of our policy strategy involves garnering 'face time' with policymakers, be it by testifying at congressional committee hearings, or hosting congressional briefings on topics such as building codes, energy efficiency in climate legislation and industrial energy efficiency. In 2009 we facilitated dialogue amongst policy, business, industry and environmental leaders on the future of energy and climate legislation, while also bringing together Alliance Associates and policymakers within the administration and Congress to confer on various other energy policy issues.

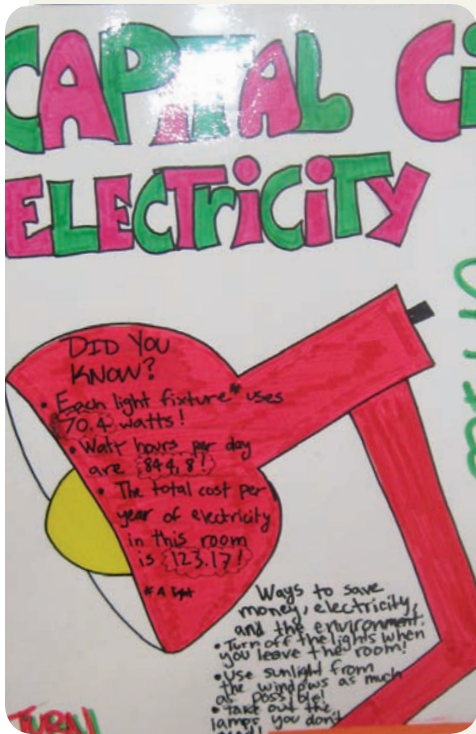
JOINING FORCES

The Alliance's primary forum for policy advocacy, the Energy Efficiency Coalition (EEC), is composed of more than 50 representatives from industry, academia and the nonprofit world, with members ranging from Honeywell to the American Gas Association to the Natural Resources Defense Council. Led by the Alliance, the EEC exercises a broad outreach effort that involves congressional member meetings, letters to committee chairs and communication with congressional staff regarding the coalition's legislative priorities.



FACE-TO-FACE WITH ENERGY EFFICIENCY LEADERS

- EE Policy Perspectives**
 Monthly meetings between Alliance Associates and key legislators and policymakers promoting energy efficiency. Past speakers include Sen. Mark Pryor (D-Ark.); Rep. Paul Tonko (D-N.Y.); Colorado Gov. Bill Ritter; Senior Advisor to the U.S. Secretary of Energy Matt Rogers; and Chair of the White House Council on Environmental Quality Nancy Sutley.
- Congressional Education Day**
 A "field trip" to the Hill led by Alliance staff, where Alliance Associates discuss the benefits of energy efficiency with congressional members and staffers.



GREEN SCHOOLS SAVE BIG IN 2009

- During the 2008-2009 school year, Rochester, N.Y.'s 19 participating schools saved \$99,854 in avoided costs.
- Monroe High School, a Green School in Rochester, N.Y., used the initial savings from energy efficiency activities to purchase energy-efficient maintenance equipment to affect long-term savings.
- During the 2008-2009 school year, California Green Schools saved an average of 3,557,338 kWh and avoided \$596,404 in energy costs.

Green Schools

With conservation and environmental stewardship now an important part of the national curriculum, the Alliance's Green Schools program assumes even greater relevance in today's classrooms. The program's school-wide energy audits, customized lesson plans and CFL-light bulb exchanges teach students and teachers to save energy in their schools and communities.

In 2009, the Green Schools program began work in 14 middle and high schools in Washington, DC, through the Saving Energy in DC Schools Program (SEDS), operated in partnership with the DC Energy Office. SEDS features a unique Student Energy Auditor Training program that teaches students how to conduct energy audits of their schools and homes. 2009 was also the pilot year for the Tennessee Valley Authority Green Schools program, which includes 21 schools in Memphis, Knoxville and Washington County. The program will soon expand to include 60 more schools in Tennessee and surrounding states.

WHO'S AFRAID OF THE ENERGY HOG?

Through engaging lessons and role-playing, the Energy Hog – energy waste's dastardly mascot – shows schoolchildren how to hunt for real energy hogs in their schools and homes. Funded by state grants, the Energy Hog is "on the loose" at schools in Ohio, Wyoming, Colorado and North Dakota.





Green Campus

Integral to economic recovery is the emergence of a new green work force, one that thousands of college students nationwide are eager to join. The Green Campus program prepares these students for careers in energy efficiency. In 2009 it expanded to universities and community colleges in California, including community colleges in Los Angeles.

At the program's 16 universities and college campuses, interns conducted successful school-wide energy efficiency projects, including outreach campaigns and competitions, energy efficiency technology retrofits, energy audits and intern-led and faculty-sponsored academic courses and seminars in energy efficiency.

As in years past, we helped our interns connect with Alliance Associates eager to meet today's bright, energy efficiency-minded students and offer them technical training, career advice and even employment.

COMPETING TO SAVE ENERGY

In January 2009, Cal Poly San Luis Obispo's Green Campus interns conducted a residence hall energy competition throughout six buildings. The results? An average of 30 percent energy savings and 15 percent water savings, which helped the group win the Best Practices in Student Energy Efficiency Award at the 2009 UC/CSU/CCC Sustainability Conference.



FORMER GREEN CAMPUS INTERNS TELL ALL

"Green Campus remains the best program around to build your skill set and meet your potential future employers."

– Jeff Steuben

"My experience with Green Campus really improved my understanding of energy efficiency and was my first opportunity to build professional skills, which I did through working with a variety of stakeholders on campus and at other universities across the state."

– Katie Landeros

"The Green Campus program is what helped me get the job [at Alliance Associate Trane]. The experience with the Green Campus program ... gave me a leg up on the competition."

– Doug White



Online and Media Outreach

In 2009, we continued to educate consumers about the real-time benefits of energy efficiency. Alliance home energy tips and tax credit information were featured in over 750 articles in newspapers and magazines such as *USA Today*, *The New York Times*, the *Washington Post*, *The Wall Street Journal*, *Time* and *Real Simple* among others. Alliance staff appeared on TV and radio networks such as CNN, CSPAN, Good Morning America, NPR and many local TV and radio stations.

To better serve the hundreds of thousands of consumers who rely on ase.org and our newsletter, e-FFICIENCY NEWS, for the latest information on home weatherization, energy-efficient products and tax credits, we continue to add to our online tools and resources while also expanding our presence on social media sites to better engage and mobilize the energy efficiency community.

the drive smarter challenge



The Drive Smarter Challenge

In 2009, we ratcheted up our award-winning Drive Smarter Challenge campaign to a whole new level. This time, we asked our audiences to create videos that effectively demonstrated our fuel-efficiency tips. From California to New York, 65 contestants submitted humorous and slightly wacky videos that spoke to the benefits of fuel efficiency. Thousands of visitors tuned in to drivesmarterchallenge.org to cast their votes through our online voting forum. Our top four winners received fantastic prizes courtesy of our campaign partners, and all contestants received \$25 gas gift cards from ExxonMobil.

DID YOU KNOW...?

- The majority of consumers do not know where the bulk of carbon emissions comes from. The most popular answer is transportation (30%); the correct answer is buildings (40%).
- 26% of consumers say the best reason to save energy is to save money.
- Of all the eco-friendly buzzwords, "energy efficiency" gets the largest positive response (88%).

The Shelton Group's 2009 Energy-Pulse survey.

COMMUNICATING ENERGY EFFICIENCY

We helped a variety of clients communicate the message of energy efficiency to their stakeholders. Our 2009 clients included:

The Ministry of Communal Services in the Ukraine: Assisting the ministry in developing and implementing a three-year public information campaign that promotes energy efficiency to Ukrainian citizens.

Signature Levi Strauss & Co. and Proctor and Gamble's Tide Coldwater Wash partnership: Informing consumers about easy low-cost/no-cost ways to save money and energy on their laundry while caring for their jeans.



Current Program Areas, New Projects

Deploying energy efficiency worldwide remained a priority for the Alliance in 2009 as more and more countries faced the environmental and economic challenges posed by rising energy prices and climate change.

In 2009, we launched new programs in our current areas of operation. In Eastern Europe, for example, we teamed up with local and international partners to facilitate



a Municipal Heating Reform (MHR) Project in Ukraine, which involves a nation-wide energy efficiency campaign and pilot city projects.



In India – an Alliance stronghold for over a decade – our team advised organizations in Tamil Nadu on municipal energy efficiency projects in 45 towns using energy performance contracts (ESCOs), making this India’s first ever large-scale financing project involving ESCOs.

We continued to serve as the North American Secretariat of the Austria-based Renewable Energy and Energy Efficiency Partnership, while also working with partners in Europe to launch a European Alliance to Save Energy.

Further afield, the Alliance oversaw the formation of the Australian Alliance to Save Energy (A2SE). Launched in September 2009, A2SE is modeled after our own organization and presents new opportunities for campaigns and trade missions to promote energy efficiency in all corners of the world.

Watergy

Our signature Watergy program helps people in developing countries extend their precious water resources, expand delivery and save money on energy costs. To date, the program has generated an annual savings of more than 20.8 million kWh of electricity and \$5.3 million in operating costs. In 2009, our experts worked in South

WATERGY WORKS IN:

- Schools in South Africa and water utilities in the Lake Victoria region of Africa
- Municipal water utilities in Mexico, the Caribbean region, Central America and India

African schools training staff, making repairs and upgrading systems as part of Coca Cola and USAID’s “Water for Schools” program. At the project’s end in December 2009, monthly savings for each school averaged 1,833kl and R11,988 (USD 1,582) .

Also in 2009, we introduced Watergy strategies to new projects in the Caribbean and Central America, where we conduct energy management

training to reduce communities’ energy costs and improve supply-side efficiency.

CLIENTS

- Asia-Pacific Economic Cooperation
- Coca-Cola
- The Coca-Cola Foundation
- Global Environment & Technology Foundation
- Inter-American Development Bank
- International Finance Corporation
- Renewable Energy and Energy Efficiency Partnership
- UN Habitat
- U.S. Agency for International Development
- U.S. Department of Energy
- U.S. State Department
- U.S. Trade and Development Agency
- The World Bank
- Municipalities and water utilities in many countries





Improving Building Code Efficiency

In an effort to chip away at the enormous amount of emissions and energy waste associated with both commercial and residential buildings, the Alliance continued to engage policymakers, manufacturers, energy efficiency advocates and the greater building community in a variety of programs and activities.

Founded by the Alliance and partners in 2007, the Energy Efficiency Codes Coalition (EECC) continued pushing for a stronger and more consistently enforced building energy code in every state and locality through its signature “30% Solution.” Having played a large role in the passage of the 2009 International Energy Conservation Code (IECC) – signifying a 13 percent gain in efficiency over the 2006 IECC – the EECC is now working to sustain and build on this progress for the 2012 update of this code, scheduled for adoption in October 2010.



Also in 2009 we helped found two other codes-advocacy groups, the **Building Energy-Efficient Codes Network (BEECN)**, and the **Responsible Energy Codes Alliance (RECA)**. BEECN is a national issues-advocacy campaign for legislation that sets ambitious energy-saving targets for building codes and provides state and local agencies with resources to adopt and enforce these codes in new homes and commercial buildings. RECA is a consortium of energy efficiency professionals, product and equipment manufacturers and trade associations that encourages states to adopt and implement strong building codes.



Meanwhile, the **Building Codes Assistance Project (BCAP)** continued its grassroots advocacy efforts at the state and local levels. In 2009, BCAP launched a powerful new tool to motivate its constituents and improve codes and standards from the “bottom up”: the Online Code Environment and Advocacy Network (OCEAN), a reference and networking website for everything related to building energy codes. In addition, BCAP delivered customized state toolkits and projects such as Code Builder, while also hosting live forums like BCAP Code Institutes and nationwide workshops.



WHAT IS A NET-ZERO ENERGY BUILDING?

A net-zero energy building is a high-performance building that uses integrated energy-saving technologies and practices to achieve very low energy use and carbon emissions, and produces from renewable sources at least as much energy as it uses in a year.

Building Efficiency, Inside and Out

Energy efficiency in the built environment poses huge energy savings potential, and the Alliance has been hard at work maximizing this opportunity.

With an eye to the future of energy-efficient buildings, we launched the **Net-Zero Energy Commercial Building Project**, a private/public consortium that works with the U.S. Department of Energy (DOE) as part of a congressional initiative passed in 2007 to accelerate development of net-zero energy commercial buildings. The consortium holds seminars, workshops and briefings for the building community in an effort to achieve market transition to net-zero energy commercial buildings by 2030 for new construction, and by 2050 for the entire commercial sector.

Efficiency Standards and Labeling

In 2009, we helped facilitate the signing of an historic agreement among leading energy efficiency advocacy groups and manufacturers in support of new federal efficiency standards for residential central air conditioners, furnaces and heat pumps. We also joined lighting equipment manufacturers and energy efficiency organizations to develop a legislative package creating new minimum efficiency standards for outdoor lighting.

In addition to educating U.S. consumers and businesses about energy-efficient windows through the **Efficient Windows Collaborative**, we helped the Chinese government pilot a windows energy rating and labeling program. Also this year, we participated on the National Fenestration Rating Council's board of directors, where we represented the energy efficiency community.





Our work with utilities reached new heights in 2009 with the launch of an innovative, nationwide program: the **Clean and Efficient Energy Program (CEEP)**. Founded by the Alliance with the American Public Power Association (APPA) and the Large Public Power Council (LPPC), CEEP assists public utilities in the planning, design, implementation and evaluation of energy efficiency and renewable energy activities.

Through its online presence at cleanefficientenergy.org, CEEP offers utilities a wealth of information from its extensive resource library, as well as countless networking opportunities through its popular online forums.

CEEP also works "in the field" conducting regional workshops and field support for LPPC and APPA member companies.



WHO'S LOGGED ON TO CLEANEFFICIENTENERGY.ORG?

A new utility program manager joins a CEEP discussion forum to connect with more experienced peers.

An experienced utility manager shares a case study from his company's energy efficiency program through CEEP's Resource Library.

A utility representative participates in a CEEP workshop and uses the site to stay connected to other workshop participants.

An energy efficiency advocate consults CEEP to research the governance and organization of locally-owned and consumer-operated utilities.



RESULTS

Since 2005 more than 2,000 industrial plants have received *Save Energy Now* LEADER assessments, accruing

- \$1.3 billion in identified energy cost savings
- 119 trillion Btu in identified energy savings
- 11.2 million metric tons of identified avoided CO₂ emissions

Data as of December 2009.



Industry Leaders Save Energy

Driving energy efficiency in the industrial sector has been a major focus of our efforts this past year, and much of our work has been in support of the U.S. Department of Energy's *Save Energy Now* LEADERS program, which aims to reduce industrial energy intensity by 25 percent within 10 years. Since the program's inception, we have helped promote it among our Associates working in the industrial and manufacturing sectors, and were proud to see a number of our Associates become official *Save Energy Now* LEADERS in December 2009.

Education and Outreach

This year, our Industrial Team launched an extremely successful series of congressional briefings called *Efficient Enterprises: Powering American Industry*. Covering energy efficiency best practices and technical insight, these talks are led by subject experts from industry, government and academia, and attract a broad range of decision-makers keen to learn more about energy efficiency's potential in the industrial sector. Past topics included nanotechnology, combined heat and power, and manufacturing.

REPORTS

Promoting Energy-Efficient Buildings in the Industrial Sector (2009)

Review of GHG Policies, Programs, Initiatives and Energy Efficiency Opportunities for U.S. Industry (2009)





2009 ACTIVITIES

Industry – working with industry, utility and government stakeholders in the Southeast Industrial Energy Efficiency Coalition to help regional industries sustain growth through energy efficiency practices.

Utilities – helping utilities overcome the challenges of ratemaking practices, and creating policy mechanisms that develop incentives for utilities to invest in energy efficiency.

Policy – partnering with colleges, universities, businesses, utilities, industries and national labs to develop and model energy efficiency policies.

In 2009, the Southeast Energy Efficiency Alliance (SEEA) continued to cultivate a culture of energy efficiency practiced by businesses, communities and individuals in the southeast region of the United States, which is responsible for 44 percent of the nation's total energy consumption despite accounting for only 36 percent of its population.

Community Outreach in the Southeast

In June 2009, SEEA awarded the city of Charlottesville and the county of Albemarle, both in Virginia, \$500,000 to create the Local Energy Alliance Program (LEAP). Cities and counties across the Southeast submitted their proposals to the competition, in which SEEA requested strategies for achieving unprecedented energy and water savings by retrofitting homes and buildings and installing renewable technologies across all end-use sectors.

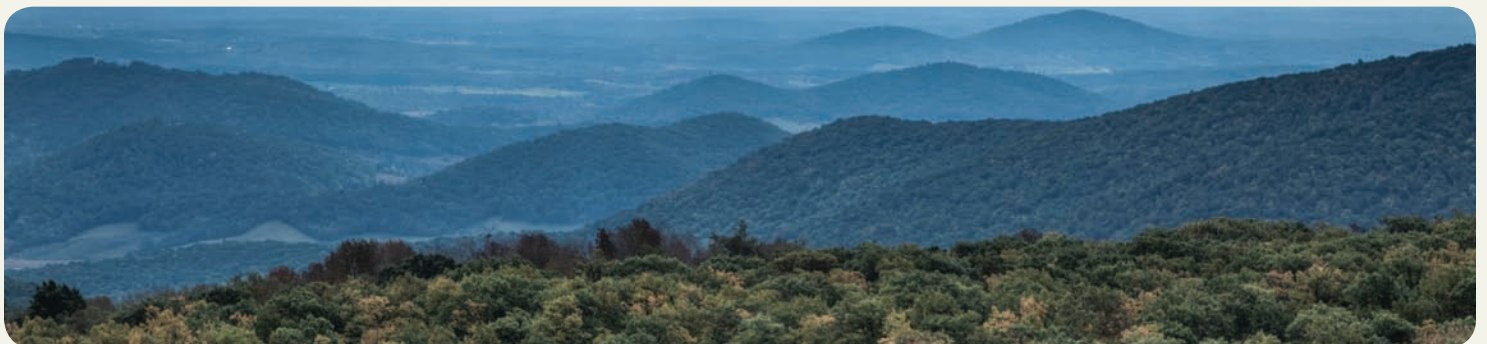
Over the next five to seven years, LEAP hopes to retrofit 30–50 percent of the homes and businesses in the community, saving 20–40 percent on the energy costs of each building. The program is expected to create more than 1,600 jobs and save \$4,900 per house, or \$75 million countywide. SEEA is committed to working with cities and counties like Charlottesville and Albemarle to improve the energy efficiency of their communities.



Researching Efficiency in Appalachia

Teaming up with the nation's leading academic institutions and laboratories, NGOs and government agencies, SEEA analyzes the economics, policies and practices of energy efficiency deployment across all sectors in the Southeast. In 2009, SEEA helped research and write the groundbreaking report, *Energy Efficiency in Appalachia*. Commissioned by the Appalachian Regional Commission,

the report concluded that energy efficiency has the potential to create 77,000 new jobs in the Southeast while saving consumers \$27 billion by 2030. SEEA is hoping to realize this great potential by working with policymakers, utilities and businesses to grow the market for energy-efficient products and make energy efficiency a viable resource in the Southeast.



Staged in Washington, DC and as far away as Paris, the Alliance's signature events attracted record audiences and stellar speakers in 2009.

EE Global 2009

In 2009, we dedicated time and energy to organizing our first EE Global abroad, held in Paris, France, from April 27-29. This international event – the second in the EE Global series – attracted a high-caliber audience from over 40 countries, with close to 40 percent self-identifying as executives and an additional 50 percent as managers.

Our speaker list featured government officials, heads of international corporations and thought-leaders from research and environmental advocacy organizations, all keen to contribute to EE Global's cache of best practices in energy efficiency.

The Evening with the Stars of Energy Efficiency Awards Dinner

At our awards dinner in September 2009, we hosted over 600 attendees and awarded energy efficiency 'heroes' from around the world, including U. S. DOE Secretary Chu, who received our prestigious Chairman's Award. This soiree was preceded by a Policy Summit held on Capitol Hill where notable business, government and nonprofit leaders from around the world addressed "of the moment" energy efficiency issues and policies.

Other Alliance Events

EE Policy Perspectives – held in Washington, DC as well as "outside the beltway" and connecting Alliance Associates with key legislators and policymakers in energy efficiency.

EE Noon – a regular brownbag series featuring presentations by energy efficiency leaders on a variety of topics.

Great Energy Efficiency Day – drawing more than 400 stakeholders from business, industry, government, academia, the media and the public interest sector to Capitol Hill to hear keynote addresses from congressional members and other leading voices in energy efficiency.



\$0 - \$50,000

Accurate Dorwin
 American Council for an Energy-Efficient Economy
 Aegis Window & Door LLC
 AGC Flar Glass North America
 All-Tex Exteriors
 American Air Barriers Association
 American Architectural Manufacturers' Association
 American Exteriors LLC
 Andersen Corporation
 Asia Pacific Energy Research Centre
 Associated Materials Inc.
 Atrium Companies
 B.F. Rich Co. Inc.
 Battelle, Pacific Northwest Division
 BiltBest Products Inc.
 The Cadmus Group Inc.
 CalFinder Window Replacement
 Cardinal Glass Industries
 CertainTeed Corp.
 Chevron U.S.A. Inc.
 Comfort Line Ltd.
 Cool Roof Rating Council
 CrystalLine Inc.
 California State University
 Custom Order
 DAN-ALD Remodeling Inc.
 Deceuninck North America
 Dell USA LLC
 Dream In Green
 EcoAdapt
 Empire Pacific Windows
 Energy Ace
 EverSealed Windows Inc.
 Extruded Polystyrene Foam Association
 Fibertec Window & Door Manufacturing
 Georgia Environmental Facilities Authority
 Georgia Institute of Technology
 Global Learning Inc.
 Gorell Windows & Doors
 Guardian Industries
 Harvey Industries
 HSGroup
 Inline Fiberglass Ltd.
 JCPenney
 JELD-WEN
 Johns Manville
 K & H Windows & Exteriors
 Kasson & Keller
 The Keystone Center
 Keystone Certifications
 Knauf Insulation
 Lockheed Window Corporation
 Marvin Windows & Doors
 Mercury Excelum Inc.

Metuchen Board of Education
 Midwest Energy Efficiency Alliance
 Milgard Manufacturing Inc.
 Monda Window and Door
 National Association of State Energy Officials
 National Fenestration Rating Council
 North Dakota Department of Commerce
 New Jersey Natural Gas
 North Georgia Replacement Windows Inc.
 Northeast Energy Efficiency Partnerships
 Northeast Window and Door Association
 NT Windows
 Oglethorpe Power Corporation
 Oak Ridge National Lab/U.S. Department of Energy
 Overbrook Foundation
 Owens Corning
 Pactiv Corporation
 Paradigm Window Solutions
 Pella Corporation
 Ply Gem Windows
 Polyisocyanurate Insulation Manufacturers Association
 PPG Industries Foundation
 Prisk School Long Beach
 Ringer Windows Inc.
 Rosati Windows
 Royalplast
 SAGE Electrochromics Inc.
 Seaway Manufacturing Company
 Serious Materials Inc.
 Showcase Custom Vinyl Windows and Doors
 Silver Line
 Simonton Windows
 Soft-Lite Windows
 Southwall Technologies
 Stanford University Student Housing
 State of Colorado
 State of Connecticut
 State of Ohio, Department of Development
 Superseal Manufacturing
 Thermotech Windows Ltd.
 Turner Foundation
 Unlimited Inc.
 U.S. Agency for International Development
 Vinylmax LLC
 Vytex Windows
 West St.Paul-Medota Heights Eagan Area Schools
 Wisconsin Aluminum Supply Company
 Westlab
 William Clinton Foundation
 Window & Door Manufacturers Association
 Woodbridge Township School District
 World Resources Institute
 Wyoming Business Council

\$50,001 - \$99,999

American Chemistry Council
 Asia-Pacific Economic Cooperation
 Appalachian Regional Commission
 Econoler International
 Inter-American Development Bank
 North American Insulation Manufacturers Association
 Pennsylvania Department of Environmental Protection
 UT - Battelle

\$100,000 - \$499,999

American Petroleum Institute
 BCS Inc.
 District of Columbia Department of the Environment
 The Dow Chemical Company
 U.S. Environmental Protection Agency
 ExxonMobil
 Global Environment and Technology Foundation-South Africa
 The Kendeda Fund
 Los Angeles Community College District
 Lawrence Berkeley National Lab/U.S. Department of Energy
 Louis Berger Group Inc.
 REEEP International Secretariat
 Rochester City School District
 Tennessee Valley Authority
 U.S. Department of State
 U.S. Department of Energy
 United Nations Human Settlements Program

\$500,000 or greater

The Energy Foundation
 International Resources Group
 Kresge Foundation
 National Energy Technology Laboratory/
 U.S. Department of Energy
 Southern California Edison
 Sea Change Foundation

Independent Auditor's Report

To the Board of Directors
Alliance to Save Energy
Washington, D.C.

We have audited the accompanying consolidated balance sheet of Alliance to Save Energy and Affiliate (the Organization) as of December 31, 2009, and the related consolidated statements of activities, functional expenses and cash flows for the year then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audit. The prior year's summarized comparative information has been derived from the Alliance's 2008 consolidated financial statements and in our report, dated August 12, 2009, we expressed an unqualified opinion on those financial statements.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the 2009 consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Alliance to Save Energy and Affiliate as of December 31, 2009, and the changes in their net assets and their cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued a report, dated June 23, 2010, on our consideration of the Organization's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

McGladrey & Pullen, LLP

Vienna, Virginia
June 23, 2010

McGladrey & Pullen
Certified Public Accountants

FINANCIAL OVERVIEW

CONSOLIDATED BALANCE SHEET

December 31, 2009 *With Comparative Totals For 2008*

ASSETS	2009	2008
Cash and Cash Equivalents	\$ 623,317	\$ 833,020
Investments	450,912	388,051
Grants Receivable, net	3,703,755	2,896,574
Other Receivables	-	27,777
Prepaid Expenses and Deposit	133,261	10,140
Property and Equipment, net	719,725	833,569
	\$ 5,630,970	\$ 4,989,131

LIABILITIES AND NET ASSETS

Liabilities		
Accounts payable	\$ 725,535	\$ 375,297
Accrued expenses	427,694	419,274
Refundable advances	1,860,476	1,807,948
Deferred rent	670,705	686,415
	\$ 3,684,410	\$ 3,288,934

Net Assets - Unrestricted	1,946,560	1,700,197
	\$ 5,630,970	\$ 4,989,131

CONSOLIDATED STATEMENT OF ACTIVITIES

Year Ended December 31, 2009 *With Comparative Totals For 2008*

REVENUE AND SUPPORT	2009	2008
Grants		
Corporations and foundations	\$ 5,733,356	\$ 4,647,091
Government	3,001,971	3,148,788
Membership contributions	1,230,698	1,370,409
Special events, <i>net of cost of direct benefit to donors</i>	2,592,223	1,126,681
Donated services and equipment	116,599	137,271
Administrative and advisory fees	6,551	4,348
Other income	42,953	45,270
Total revenue and support	\$ 12,724,351	\$ 10,479,858

EXPENSES:		
Program services	8,809,306	6,486,079
General and administrative	3,328,622	3,759,507
Fundraising	340,060	374,448
Total expenses	12,477,988	10,620,034

Change in net assets	246,363	(140,176)
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NET ASSETS:		
Beginning	1,700,197	1,840,373
Ending	\$ 1,946,560	\$ 1,700,197

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES Year Ended December 31, 2009

With Comparative Totals For 2008

	PROGRAM SERVICES				General and Administrative	Fundraising	2009 Total	2008 Total
	Demonstration	Policy	Communications	Total Program				
Salaries	\$ 2,397,348	\$ 369,204	\$ 545,856	\$ 3,312,408	\$ 1,118,481	\$ 235,077	\$ 4,665,966	\$ 3,733,931
Employee benefits and payroll taxes	929,009	211,180	117,434	1,257,623	378,635	82,137	1,718,395	1,435,599
Professional fees and contract services	2,123,667	29,465	37,791	2,190,923	486,888	3,065	2,680,876	2,662,166
Travel	750,321	27,519	5,752	783,592	105,654	13,766	903,012	561,609
Occupancy and utilities	60,357	-	-	60,357	751,219	-	811,576	638,913
Meetings and conferences	672,712	6,236	4,698	683,646	26,511	638	710,795	298,554
Supplies and miscellaneous	171,206	204	11,744	183,154	226,106	1,111	410,371	636,835
Telephone	100,868	7,318	23,398	131,584	72,734	1,062	205,380	217,963
Depreciation	-	-	-	-	113,844	-	113,844	122,210
Periodicals, dues, and subscriptions	43,736	14,903	11,931	70,570	26,701	2,250	99,521	98,349
Printing and publication	63,483	41	24,446	87,970	8,801	422	97,193	163,871
Postage and shipping	19,603	-	13,025	32,628	6,722	413	39,763	49,834
Repairs and maintenance	10,695	3,100	-	13,795	-	-	13,795	200
Other	1,056	-	-	1,056	6,326	119	7,501	-
Total direct costs	7,344,061	669,170	796,075	8,809,306	3,328,622	340,060	12,477,988	10,620,034
Indirect allocation	2,518,319	425,658	118,689	3,062,666	(3,062,666)	-	-	-
Total expenses	\$ 9,862,380	\$ 1,094,828	\$ 914,764	\$11,871,972	\$ 265,956	\$ 340,060	\$ 12,477,988	\$ 10,620,034

CONSOLIDATED STATEMENT OF CASH FLOWS

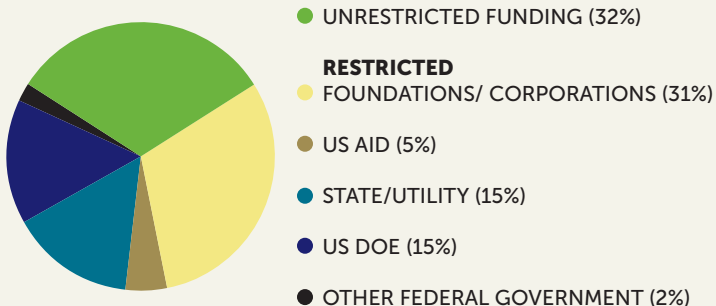
Year Ended December 31, 2009

With Comparative Totals For 2008

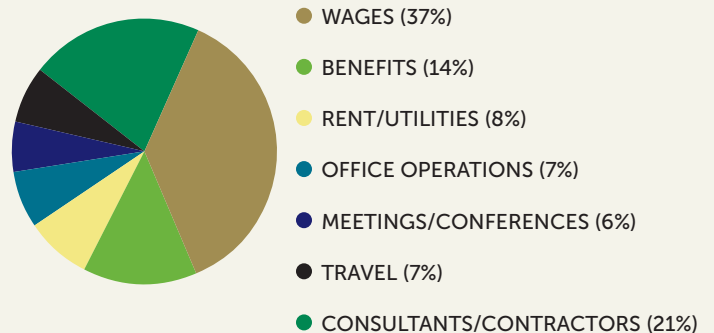
	2009	2008
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 246,363	\$ (140,176)
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Depreciation	113,844	122,210
Bad debt expense	-	-
Unrealized gain on investments	(24,884)	(14,480)
Donated investments	(25,830)	-
Deferred rent	(15,710)	(12,519)
Changes in assets and liabilities:		
Increase (decrease) in:		
Grants receivable	(807,181)	(944,887)
Other receivables	27,777	138,375
Prepaid expenses and deposit	(123,121)	11,968
Increase (decrease) in:		
Accounts payable	350,238	(187,650)
Accrued expenses	8,420	51,221
Refundable advances	52,528	1,465,908
Net cash provided by (used in) operating activities	(197,556)	489,970
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property and equipment	-	(17,375)
Purchases of investments	(12,222)	(16,463)
Proceeds from sale of investments	75	689
Net cash used in investing activities	(12,147)	(33,149)
CASH FLOWS FROM FINANCING ACTIVITIES		
Principal payments on capital lease obligation	-	(6,687)
Borrowings on line of credit	150,000	450,000
Repayments on line of credit	(150,000)	(450,000)
Net cash used in financing activities	-	(6,687)
Net increase (decrease) in cash and cash equivalents	(209,703)	450,134
CASH AND CASH EQUIVALENTS		
Beginning	833,020	382,886
Ending	\$ 623,317	\$ 833,020
SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING AND FINANCING ACTIVITIES		
Donated investments	\$ 25,830	\$ -

Auditors notes to Financial Statements available upon request.

2009 TOTAL REVENUE \$12.724 M



2009 TOTAL EXPENSES \$12.477 M



1E

3M Company

Acuity Brands Lighting
Advanced Power Control Inc.
Affordable Comfort
Air-Conditioning, Heating and Refrigeration Institute
American Chemistry Council
American Council for an Energy-Efficient Economy
American Council on Renewable Energy
American Electric Power
American Gas Association
American Institute of Architects
American Lighting Association
American Public Power Association
American Public Transportation Association
Andersen Corporation
AREVA
Armstrong International Inc.
Arup
Association of Energy Engineers
Association of Home Appliance Manufacturers
ASERTTI
AT&T
Bank of America
Barnstable County/Cape Light Compact
Battelle
The Berkshire Gas Company
Best Buy
Bonneville Power Administration
Bosch
Bostonia
Brodeur Partners
Brookhaven National Laboratory
Building Performance Institute Inc.
California Climate Action Registry
California Energy Commission
Calmac Manufacturing Corporation
Calnetix
Canadian Energy Efficiency Alliance
Canadian Manufacturers & Exporters
Cardinal Glass Industries
Center for Environmental Innovation in Roofing
CertainTeed Corporation
Change to Win
Charlotte Regional Partnership

City of Austin/Austin Energy

ClimateMaster
CMC Energy Services Inc.
Computing Technology Industry Association (CompTIA)
Conservation Services Group
Constellation Energy
Copper Development Association
Cree
Dallas/Fort Worth International Airport
Danfoss
Dell Inc.
Department of Public Utilities – Los Alamos County
Dominion
The Dow Chemical Company
Dryvit Systems Inc.
Duke Energy
EDF Inc.
Edison Electric Institute
Efficiency Valuation Organization
Electric Power Research Institute
E-Mon
Energy Climate Solutions
EnergySolve Companies
EnerNOC
EnerPath
EPS Capital Corporation
Exelon Corporation
Extruded Polystyrene Foam Association
ExxonMobil
Green Building Initiative
Greener World Media Inc.
GridPoint
GridWise Alliance
Guardian Industries
Habitat for Humanity
Hannon Armstrong Capital LLC
The Home Depot
Honeywell International
ICF International
Ingersoll Rand
Intel Corporation
International Copper Association
International Emissions Trading Association
JELD-WEN
Johns Manville
Johnson Controls
Jupiter Oxygen Corporation
Kimberly-Clark Corporation

Knauf Insulation

Large Public Power Council
Lawrence Berkeley National Laboratory
Lockheed Martin
LPB Energy Management
Manulife Financial
Maryland Energy Administration
Masco Home Services
Michelin North America Inc.
Midwest Energy Efficiency Alliance
National Association of State Energy Officials
National Electrical Manufacturers Association
National Fenestration Rating Council
National Grid USA
National Insulation Association
National Renewable Energy Laboratory
National Rural Electric Cooperative Association
NYSERDA
Nexant
Niagara Conservation
NORESCO
North American Insulation Manufacturers Assoc.
North America Power Partners
Northern California Power Agency
Northwest Energy Efficiency Alliance
Oak Ridge National Laboratory
OPOWER
Optimum Energy
Orion Energy Systems
OSRAM SYLVANIA
Owens Corning
Pacific Gas and Electric Company
Panasonic
The Pataki-Cahill Group
Philips Lighting Company
Plumbing Manufacturing Institute
PNM Resources
Polyisocyanurate Insulation Manufacturers Assoc.
PPG Industries
Rebuilding Together
Recurve
Rhodia
Rinnai Tankless Water Heater Corporation

Sacramento Municipal Utility District

Safety-Kleen Systems Inc.
Salt River Project
Schneider Electric
Seattle City Light
Sempra Energy
Serious Materials Inc.
The Shelton Group
Siemens Industries Inc.
Snohomish County Public Utility District
Solutia
Southeast Energy Efficiency Alliance
Southern California Edison
Southern Company
Spirax Sarco
The Stella Group
TAS
Tennessee Valley Authority
Teridian Semiconductor Corporation
Texas A&M – Energy Systems Laboratory
Texas State Energy Office
The Trust Fund for Electric Energy Savings (FIDE)
Tyco Electronics
United Technologies Corporation
U.S. Green Building Council
Wal-Mart Stores Inc.
Washington Gas
Western Governors' Association
Whirlpool Corporation
White & Case LLP

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