

Center for Resource Solutions



2000 Annual Report

CRS brings together diverse interests to implement practical resource solutions. Our programs promote clean and efficient energy use, encourage sustainable economic growth, and help preserve the environment for present and future generations.

LETTER

from the Executive Director

The year 2000 was a year of maturation and refinement for the CRS programs. Green-e continued as the centerpiece of CRS domestic activities with regional criteria in New England and the Mid-Atlantic replacing the state-by-state approach used previously. The Green Pricing Program accredited its first three utility programs while the Green-e Plus Program worked to bring together the energy efficiency industry and the green power industry into mutually beneficial co-marketing arrangements.

The concept of tradable renewable certificates (TRC) gained in popularity and CRS launched a stakeholder process to develop national guidelines to support the growth of a credible market. CRS also participated in dialogue to develop an international network of TRC stakeholders.

CRS international programs expanded, particularly in China where the CRS team provided assistance that resulted in Renewable Portfolio Standard (RPS) language being included in China's 10th Five Year Plan. Work also continued in Southern Mexico with the Nature Conservancy Project in addition to a very successful Morocco Meeting that evaluated international PV efforts, and several other World Bank sponsored renewable energy and restructuring activities.

Along with the CRS programs, the CRS staff grew from six full time employees to ten plus five part time staff. The organization welcomed a new Green Pricing Program Manager, Communications Director, Verification Manager, and two Regional Coordinators.

In 2001, we expect changes in the electricity sector to result in further refinements and additions to the CRS network of programs as renewable energy and energy efficiency come into increasing prominence both in the United States and abroad.



Jan Hamrin
Executive Director

PROGRAM

domestic programs

Green-e



In the new millennium, the Green-e Program continues to be a collaborative force uniting the renewable energy community and a staunch promoter of the green power market. The year 2000 was spent working in a variety of education, stakeholder, and policy-setting activities. Green-e successfully defined a sustainable biomass criteria in the Mid-Atlantic; developed a persistent promotion program for large commercial and industrial customers around their green power switch; raised awareness in the foundation community on the potential for green power markets to promote pollution prevention; and developed a standard for certifying block products.

Green-e Successfully Completed Its Second Annual Verification. Each electricity provider participating in Green-e must undergo the annual process audit to verify that they meet the Green-e Standard. All participating companies completed the 1999 verification (conducted in 2000). CRS produced four new documents in 2000 reflecting the evolving methodology and new verification guidelines. CRS also streamlined the methodology to be more adept at accommodating different state verification regimes.

Green-e Advisory Committees Expand to New Regions Across the Nation. In 2000, Green-e had three active advisory committees in New England, Mid-Atlantic, and California. Green-e also launched a new committee in the Southwest. Regional Advisory Committees make recommendations to the Green Power Board for modifications to the Green-e Standard based on regional issues such as the availability of renewable resources, the potential market in a region, environmental sensitivities, state laws, and other relevant issues.

In New Jersey and Pennsylvania, there were four electricity providers selling seven Green-e certified products in 2000. In addition, Green-e certification was successfully used for two state government power procurements in the Mid-Atlantic. The State of Maryland and the New Jersey Department of Transit both included Green-e as a requirement for their green power purchase.

In New England, Green-e certified its first product, 100% renewable "EcoWatt" offered by the Connecticut Energy Cooperative, and received national press attention in the *New York Times*. Green-e staff expect several new green products to emerge in New England in 2001.

California's renewable market continued to grow steadily in 2000. There were 13 companies selling 23 Green-e certified products in California, all of which were 100% renewable products.

UPDATES

Unfortunately, in February 2001 the majority of green power customers in California were switched back to the utility due in part to the excessively high cost of wholesale power, uncertainty about the regulatory climate, and inability to garner credit to buy power. CRS is hopeful that a new legislative framework in 2001 will support green power choice for the hundreds of thousands of customers who demand it.

In the Southwest, Green-e launched a new stakeholder process in 2000. In June, Green-e held introductory stakeholder meetings in Arizona, New Mexico, and Nevada. Due to non-competitive market rules in Arizona, Green-e plans to pursue the development of a Green-e Southwest Standard for New Mexico and Nevada as those markets open.

Green-e Advances the Standard for Renewables. The Green Power Board tackled several policy issues that pertain to the national Green-e Standard in 2000. Included in these are a national policy on monopoly islands, certification standards for 100% new renewable block products, provisions to include Low Impact Hydropower criteria in the Green-e Standard, and a timeline for increasing the new renewable requirement beyond the 10% level in California and Pennsylvania. This work enables Green-e to maintain its relevance in rapidly changing green power markets across the United States.

Green-e Helps to Bring on New Renewable Generation. Preliminary Green-e Process Audit reports show that Green-e certified products contained approximately 152,000 MWh of new renewables in 2000. This is equivalent to approximately 35 MW of new renewable capacity. The greenhouse gas emissions saved from 152,000 MWh of new renewables has the equivalent effect of taking over 8,000 cars off of the road, or planting over 11,000 acres of trees.

Green-e Reaches Out Across the Country. In 2000, Green-e made an increased effort to reach out to environmental organizations nationally and to disseminate Green-e materials through communication channels in membership organizations. Green-e materials were featured at over 70 Earth Day events nationwide. Green-e also continued participation in a collaborative education campaign, along with Global Green and the Center for Energy Efficiency and Renewable Technologies (CEERT).

PROGRAM

domestic programs continued

Green-Pricing

The Green Pricing Accreditation Initiative recognizes best-practice green power programs offered by monopoly utilities in regulated markets. Central to the effort has been the support of local environmental organizations and utilities through the creation of regional stakeholder groups. CRS was instrumental in creating two groups in 1999, one in Wisconsin and one in the Tennessee Valley Authority (TVA) region. During 2000, the stakeholder groups developed regional standards for green power products, which met or exceeded CRS's minimum national standard. In April 2000, the Green Pricing Accreditation Board accredited three green pricing programs: Wisconsin Electric's *Energy for Tomorrow* program, the TVA's *Green Power Switch*, and Madison Gas & Electric's *MGE Wind Power*. The announcement was made through a Washington, D.C. press conference held at the National Press Club.

Available to Over 3 Million in the New Millennium. Today, these programs are available to over three million customers of Wisconsin Electric, TVA and Madison Gas & Electric. The accredited programs are among the strongest in the country and will stimulate investments in at least 15-20 megawatts of new wind, solar, and landfill gas capacity. The National Renewable Energy Labs' list of the Top Ten Utility Green Pricing Programs includes all three currently accredited utility programs, due to the number of customer participants and the amount of new renewables supported through green pricing.

Stakeholders Emerge Across the Nation. In 2000, CRS convened stakeholder groups in Georgia and Colorado. These groups will follow the lead of Wisconsin and TVA by creating regional criteria to encourage utilities in their regions to design top-notch green pricing programs. Lead stakeholders were also identified in Iowa, Alabama, and Florida, with kickoff meetings forthcoming for those states.

During 2001, the Green Pricing Accreditation Program expects to finalize regional criteria in Georgia, Colorado, Alabama, Florida, and Iowa. We also hope to establish stakeholder groups in South Carolina and Minnesota. As the Accreditation footprint grows, so will the number of participating utilities. The end goal for CRS is to design a standard for green power all over the country, both in deregulated markets through Green-e and in regulated markets through Green Pricing Accreditation.

Green Pricing to Develop a Verification Protocol. In early 2001, CRS hired a Verification Manager. During the coming year, she will develop verification protocol for the Green Pricing Accreditation Program. Implementation of the protocol will provide assurance to Green Pricing customers that each accredited product fully complies with the regional Green Pricing criteria.

UPDATES

Green-e Plus

The Green-e Plus Program introduces to green power marketers the concept of co-marketing energy efficiency products and services with their certified renewable energy product offerings. It also introduces manufacturers and retailers of Energy Star labeled home appliances to co-marketing opportunities with green power marketers. Since the inception of Green-e, marketers have expressed an interest in offering rebates and other incentives for Energy Star labeled products, in part because it will help “level the playing field” with the incumbent utilities that already have these established relationships with appliance manufacturers. CRS's Green-e Plus Program is helping to build that relationship.

CRS Organized Groups to Focus on Incentives. The initial step for CRS was to conduct focus groups to determine how best to structure incentives. Focus groups were held in early 2000, and showed that consumers would be more attracted to a green power product that offered rebates for premium Energy Star home products. While the pilot concept for Green-e Plus was originally conceived as a California activity, market developments during the year forced Green-e electricity providers to exit the market. For that reason, CRS is now taking a two-track approach.

Energy Efficiency Response Kits are in the Works. For marketers that had an active customer base in California during 2000, CRS will pursue opportunities to obtain public funds to send an “energy efficiency emergency response kit” to their former customers. The kits will contain energy efficiency tips and information about the array of energy efficiency programs offered by California's investor-owned utilities. Green power customers are “early adopters” in energy markets, and should have high participation rates in utility energy efficiency programs.

Green-e Plus Program Design Relocates. CRS will move the original program design pilot to Hartford, Connecticut. There, the next step will be to bring the Green-e certified electricity providers and the Energy Star manufacturers and retailers together and create mutually beneficial relationships. CRS is planning a meeting among Connecticut's Green-e certified providers, appliance manufacturers and Hartford-area appliance retailers during 2001. At the meeting, the following two goals will be achieved: (1) encourage green power customers to invest in energy efficiency and use their green electrons wisely; and (2) encourage traditional customers who are seeking new refrigerators, air conditioners and clothes washers to buy an efficient product *and* at the same time switch to green power.

PROGRAM

international programs

Global Guardianship Initiative

CRS developed its partnership with the Nature Conservancy (TNC) to use renewable resources and appropriate technology to enhance conservation efforts and meet strategic conservation needs. This mission is accomplished through: (1) Improving TNC staff capabilities to identify renewable resources and appropriate technologies as a strategy option for meeting conservation challenges; (2) Developing opportunities for these technologies where cost-effective and sustainable for compatible economic development; (3) Selecting initial projects with a high probability of success that illustrate strategic applications of renewables and appropriate technologies to meet critical needs; and (4) Documenting and disseminating information about successful renewable resource solutions to significant conservation challenges for other conservation organizations.

Since initiating the CRS-TNC Partnership, CRS has:

- Developed of a strategy tool for TNC managers and their conservation partners to identify where renewable energy and appropriate technology (RE-AT) can assist in both land and community conservation efforts. This tool is a menu-driven computer application in which the user inputs conservation threats and gets outputs of locations to apply RE-AT in their work. Discussion on renewable energy and the application of the strategy tool took place at TNC's climate change meeting in Belize with staff and partners from all over Central and South America.
- Completed Renewable Energy Assessments of three major TNC Climate Change Projects. A study was completed in Peru (Central Silva) in which hydropower, solar electric, and high efficiency wood stoves were assessed for reducing conservation threats, powering preserve infrastructure, home power systems, community and compatible productive enterprises. Similar studies were completed for the Rau Province - Indonesia and Madre de las Aquas – Dominican Republic climate projects.
- Conducted workshops on "Development of Micro Enterprises and the Use of Renewable Energy in the Buffer Zone of Reserves in Southern Mexico" were given in the Yucatan and Chiapas for TNC's Mexican Conservation NGO Partners and staff. The focus of these workshops was to demonstrate how renewable energy can help support new and expanded micro-enterprises in villages that do not have electricity and, in doing so, assist conservation efforts.
- Provided assistance to the TNC Southern Mexico Program in identifying and funding renewable energy as a tool for micro-enterprises in the buffer zones of Mexican Reserves, with the help of the Shell Foundation. A Request for Proposal was issued in Spring 2001 to solicit the above-mentioned projects.

International Expert Assistance

China Program: This has been an exciting year for the CRS Team in China. CRS staff worked directly with the Chinese State Development & Planning Commission (SDPC) on the development of an Action Plan for Renewables as a part of the 10th Five Year Plan. As a result, language supporting the development of a Renewable Portfolio Standard for China was included in the plan. In addition, CRS is working with SDPC on a model Wind Concession

UPDATES

Policy. We are also working with SDPC, the State Economic and Trade Commission (SETC) and the Ministry of Science and Technology (MOST) on a National Wind Policy Framework. In 2001, CRS expects to become more involved with distributed renewable energy policy as a tool for economic development in rural areas of China, ~~funded by the~~ *China Sustainable Energy Program* of the David and Lucile Packard Foundation.

Climate Change: CRS facilitated a project with Florentin Krause of IPSEP and Lawrence Berkeley National Laboratory to bring Chinese policy leaders to the U.S. to meet informally with climate change experts and receive training in carbon measurement and evaluation. CRS scheduled training and meetings with leading experts from the U.S. and China's Ministry of Foreign Affairs. Other Chinese policy leaders are expected to participate in the program in 2001.

Expert Assistance, General: In 2000, CRS participated in a number of international programs and policy forums as well as providing direct technical assistance. CRS, in partnership with Morse Associates, organized, managed and participated in a major meeting in Morocco in September, sponsored by the Global Environmental Facility, "Making a Difference in Emerging PV Markets: Strategies to Promote Photovoltaic Energy Generation." More than 100 people from 17 countries participated in the event. CRS also participated in World Bank sponsored meetings on the role of renewables in the restructured electricity sector held in China and India. CRS staff served in an advisory capacity to the Commission for Environmental Cooperation -- Advisory Board on Environmental Challenges and Opportunities of the Evolving Continental Electricity Market. CRS Executive Director, Jan Hamrin, participated as a keynote speaker at a Border Institute meeting in Mexico on Trade, Energy, and the Environment: "Challenges and Opportunities for the Border Region." Hamrin, also made presentations on electricity industry restructuring and the role of renewables and energy efficiency at international events in Washington DC and around the globe.

In 2001, CRS hopes to launch a new collaborative/interactive web site that includes direct assistance for non-grid renewable energy and appropriate technology applications related to micro enterprise development in rural areas and developing countries.

Policy Assistance, IEA: CRS staff participated in a number of meetings in Europe with organizations interested in developing a coordinated network and information exchange related to tradable renewable certificates (TRC). As co-organizer of a Paris meeting on this topic, CRS developed the background information, acted as a presenter, Section Chair and assisted in drafting the final report. In 2001, CRS hopes to lead the development of a Domestic TRC program and participate in the international TRC network.

Jan Hamrin is serving on the Advisory Committee for the G-8 Renewable Energy Task Force and providing expert assistance to the IEA/Task Force Staff in the development of an action agenda for G-9 consideration to support greater development of renewable energy (both grid connected and non-grid renewables) in both developed and developing countries.

FINANCES

Statement of Financial Activity

Year Ended December 31, 2000

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>2000 Total</u>
Revenue and Support			
Government Contract	\$ 76,500		\$ 76,500
Fees	\$ 461,350		\$ 461,350
Grants		\$ 399,550	\$ 399,550
Interest	\$ 17,010		\$ 17,010
Net Assets Released from Restriction	\$ 715,055	\$ (715,055)	
Total Revenue and Support	\$ 1,296,915	\$ (315,055)	\$ 954,410
Expenses			
Program Services	\$ 1,043,648		\$ 1,043,648
General and Administrative	\$ 246,645		\$ 246,645
Total Expenses	\$ 1,290,293		\$ 1,290,293
Change in Net Assets	\$ (20,378)	\$ (315,055)	\$ (335,883)
Net Assets, Beginning of Year			
As Previously Reported			\$ 203,815
Prior Period Adjustment			\$ 25,815
Balance at Beginning of Year, as Restated	\$ 286,612	\$ 527,453	\$ 814,065
Net Assets, End of Year	\$ 266,234	\$ 211,948	\$ 478,182

Main Contributors 2000

The Energy Foundation

China Sustainable Energy
Program

Shell Sustainability
Foundation

The Suddha Foundation

Emily Hall Tremaine
Foundation

World Bank/GEF

Green-e Licensing Fees

Department of Energy

Alliance to Save Energy

Green Pricing Accrual
Fees

California Public Utilities
Commission

W. Alton Jones Foundation

Greenville Foundation

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