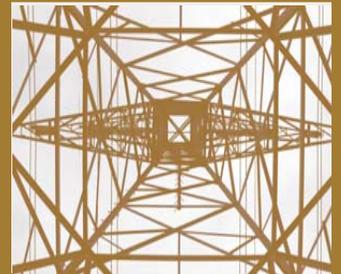
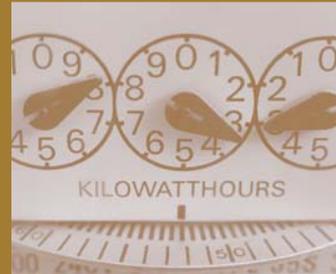




Center for



RESOURCE SOLUTIONS



2004 Annual Report

HOW TO READ THIS ANNUAL REPORT

Our 2004 Annual Report is fashioned in the style of a post card book, reminiscent of the kind you find when on vacation.

It is meant to convey the variety of services and programs offered by the Center for Resource Solutions (CRS). It is also meant to give you the highlights of all the different kinds of projects we do here.

Read it front to back, back to front- anyway you like. The Report is perforated so you can arrange the pages in the order you prefer, or pull a page out for easy reference-just like a postcard book of a favorite vacation destination.

We hope you enjoy reading this as much as we enjoyed creating it.

-The CRS Staff

How To Read Our Annual Report- CRS Annual Report, 2004



Forward

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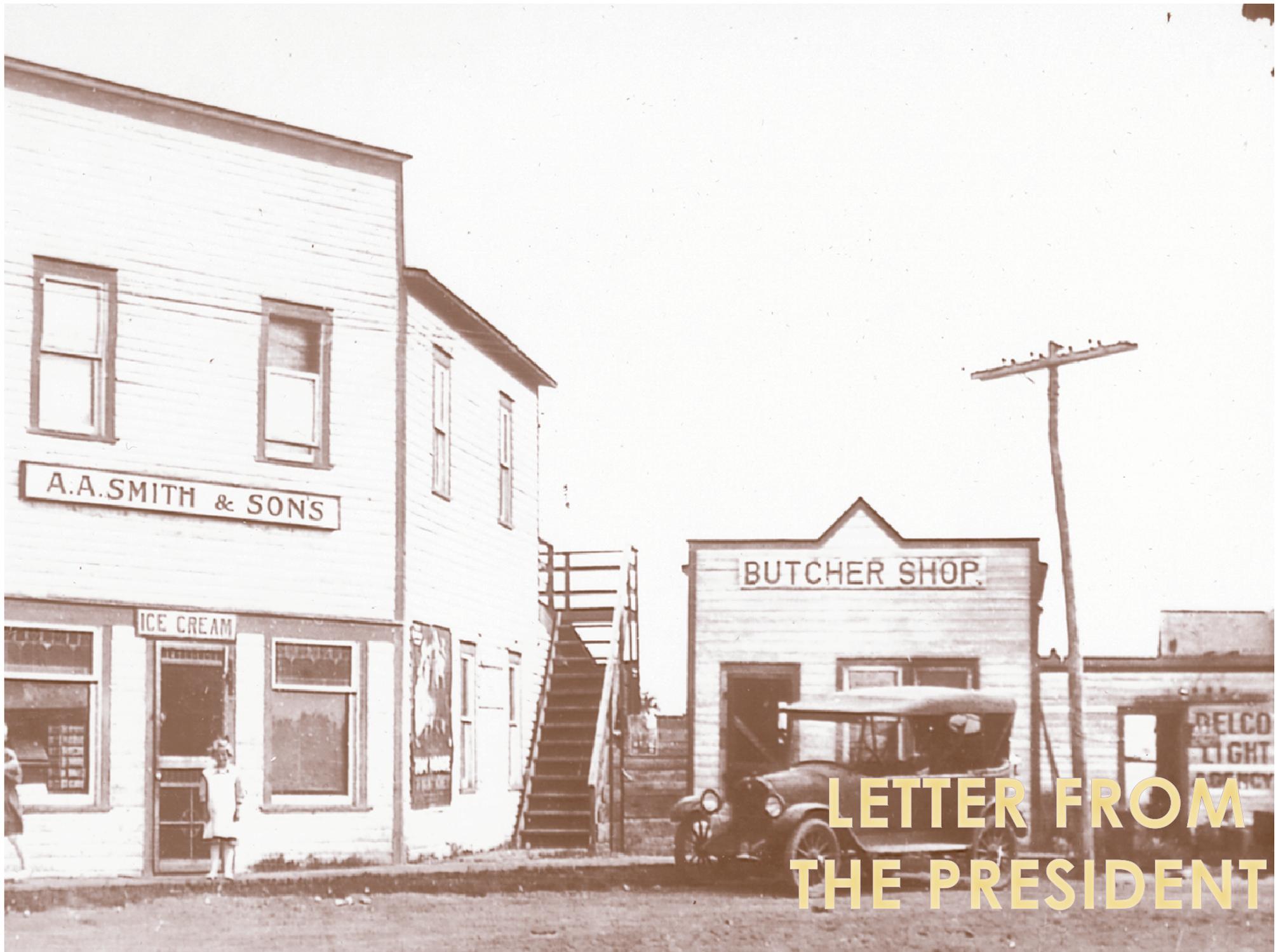
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The Center for Resource Solutions (CRS) is a national nonprofit working to build a robust renewable energy market by increasing demand and supply of renewable resources. CRS is a proven leader in creating energy strategies to protect both the environment and consumer, and has an impressive portfolio of programs in renewable energy policy and regulatory issues. Our proven networking approach relies on collaborative efforts and partnerships with a host of stakeholders -- from businesses to government agencies and non-governmental organizations - to address long-term energy and environmental problems.



A.A. SMITH & SONS

ICE CREAM

BUTCHER SHOP

DELCO
LIGHT
AGENCY

LETTER FROM
THE PRESIDENT

LETTER FROM THE PRESIDENT

Electricity has been providing services to people for more than a century to help them live satisfying and productive lives. Our philosophy at CRS is grounded in finding practical and sustainable energy solutions to live without exhausting our nonrenewable resources.

CRS made a number of significant changes in 2004 by grouping our programs into business lines to more clearly emphasize the types of services and skills CRS provides.

The largest of the business lines is Clean Energy Policy Design and Implementation, including renewable energy and climate change policy development, policy implementation, and best practices.

Another major focus of CRS's work is on Business and Promotional Services in Voluntary Renewable Energy and Carbon Markets where we advise businesses, institutions and individuals on making informed choices about renewable energy and other energy options that can lead to a sustainable environment.

Our third business line is Measurement and Verification Services including our Green-e program certification and verification and the connection between measurement and verification of renewable energy and greenhouse gas reductions.

Renewable Resource Assessment and Technical Assistance is our fourth area of expertise where we help identify energy investments that are economically viable and environmentally sustainable.

The renewable energy sector has matured enough to be integrated into greenhouse gas reduction programs and strategies. Renewable energy and climate change efforts are coming of age which allows us to craft powerful tools for use in meeting this serious global challenge.

We are grateful for your interest and support in our work over the years. We look forward to sharing more of our work with you during this exciting time of tremendous growth in our industry.

Letter from the President - CRS Annual Report, 2004



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Two



Dr. Jan Hamrin
President, Center for Resource Solutions

The photograph on the other side was taken circa 1920 in Clive, Alberta, Canada of my grandfather's store, butcher shop and small electric utility, Delco Power that manufactured a small diesel generator. This generator powered the town: the lights, refrigeration for the butcher shop, freezer in the store for ice cream, and an "entertainment center" with a silent film theatre. And, for a nickel, you could listen to this new-fangled thing called a radio that pulled voices right out of the air-very exciting for this small town.-Jan Hamrin



BUSINESS LINE

Clean Energy Policy Design
& Implementation

CLEAN ENERGY POLICY DESIGN & IMPLEMENTATION

Anticipating the needs of the voluntary and regulated renewable energy markets, CRS has designed policies, identified best practices and created implementation tools that promote renewable energy generation and protect end-use consumers of renewable energy. In 2004, we worked on a variety of public interest and technical assistance projects, including the following:

China Sustainable Energy Program: After CRS provided five years of policy assistance in China, the Chinese Renewable Energy Promotion Law was passed in 2004. The law itself focuses primarily on the development of bulk renewable power using a feed-in type tariff for each renewable technology.

Green-e Certification Program: In 2004, the policy branch of the Green-e Program completed all regional criteria documents including a Midwestern Regional Criteria and a default national green pricing accreditation criteria. This enabled product types everywhere to be Green-e certified. In addition, we developed policies and standards for the launch of the Product Labeling Initiative. We also streamlined program administration, including the verification process, marketing compliance review, and fee structure.

California Renewable Portfolio Standard(RPS) Implementation: CRS provides ongoing policy assistance to the California Energy Commission on the implementation of the state's RPS.



Clean Energy Policy Design & Implementation programs and projects include:

China Sustainable Energy Program
California RPS Implementation
Greenhouse Gas Cap and Trade
State Policy Assistance
International Market Integration Services
Generation Information Tracking Systems

Contact:

Dan Lieberman, Co-Director ,
dliberman@resource-solutions.org
or
Meredith Wingate, Co-Director
mwingate@resource-solutions.org



BUSINESS LINE

Clean Energy Policy Design
& Implementation-continued

CLEAN ENERGY POLICY DESIGN & IMPLEMENTATION (continued)

Greenhouse Gas Cap and Trade: In 2004, CRS formed the Renewable Steering Committee for the Regional Greenhouse Gas Initiative (RGGI), dedicated to ensuring that renewable energy generators are given fair treatment in the design of the Northeast regional cap and trade program. The Committee developed a paper on integrating renewables into RGGI. CRS plans to provide implementation assistance to the states and provinces participating in RGGI. CRS was also involved in the Western Governors Global Warming Initiative in a similar capacity.

Utility Green Tariff Best Practice Handbook: In 2004, CRS began work on a "Best Practices" handbook for regulators, staff and utilities related to green power programs. The Handbook was released in 2005.

Generation Information Tracking Systems: CRS provided technical assistance and wrote the functional requirements for two regional certificate tracking systems, the Western Renewable Energy Generation Information System (WREGIS) and the Upper Midwest REC Tracking System (M-RETS). The development of both sets of technical recommendations involved a nearly year-long stakeholder review.

North American Association of Issuing Bodies (NAAIB): CRS began a forum for the coordination and cooperation of systems issuing and tracking certificates of generation in North America. In 2004, we held several stakeholder meetings to prepare materials for the launching of the NAAIB in summer 2005.

Ongoing State Policy Assistance: In 2004, CRS provided expert testimony and comments on a number of state proceedings related to implementation of RPS, community aggregation, net-metering, and REC tracking.



Clean Energy Policy Design & Implementation programs and projects include:

China Sustainable Energy Program
California RPS Implementation
Greenhouse Gas Cap and Trade
State Policy Assistance
International Market Integration Services
Generation Information Tracking Systems

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Dan Lieberman, Co-Director ,
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Meredith Wingate, Co-Director
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KILOWATTHOURS

BUSINESS LINE

Measurement & Verification

MEASUREMENT & VERIFICATION



CRS's Measurement & Verification (M&V) Services program focuses on three program areas:

- Providing a clear and accurate connection between measurement and verification of renewable energy and carbon in order to accelerate the construction of new renewables.
- Working to incorporate renewables into greenhouse gas reduction programs.
- Providing consumer protection services.

In 2004, the business line managed the Green-e program certification and verification activities, provided expert assistance to the Connecticut ATSO program, and provided third party verification of Xcel Minnesota's Windsource program.

Certification & Verification of Green-e Program

CRS published the 2003 Verification Report which documented continued program growth. Green-e sales volume increased over 2002, largely due to growth in the TRC product sales, and early reporting for 2004 shows a continuation of this trend. In addition to ongoing management of certification, verification and compliance review for the Green-e program, M&V staff instituted several major Green-e Program improvements during 2004.

- New client management structure for Green-e participants.
- Streamlining improvements to the verification processes for Green-e marketers and utilities.
- Verification of generation facilities marked as Green-e eligible in the NEPOOL GIS tracking system.

Measurement & Verification programs and projects include:

Certification & Verification of the Green-e Program

Expert Assistance to federal and state agencies, non-profit organizations and other interested parties on the size, nature and expansion of the renewable energy market.

Contact:

Jennifer Martin

Director of Measurement and Verification Services

jmartin@resource-solutions.org

*Choose
Wine made
with the
Power of the
Sun!*



BUSINESS LINE

Business & Promotional Services

BUSINESS & PROMOTIONAL SERVICES

CRS works to empower **companies, institutions and individuals** with the knowledge and opportunities to choose clean renewable energy and options that reduce global warming. We cultivate best practices in marketing to maximize awareness and understanding of high quality renewable energy, and increase access to products and services that are "Made with Certified Renewable Energy."

Business & Promotional Services is a line of business at CRS that includes programs and projects that build demand, recognition, and purchasing of high quality renewable energy. In 2004, CRS developed business purchasing programs such as the **Massachusetts Renewable Energy Purchasers (MREP)** program, to engage and educate large businesses and organizations to consider significant renewable energy purchases. Thirty-four businesses in the state using over 1,000,000 kWh annually joined, committing to explore renewable energy options.

CRS also works with providers and developers to cultivate best practices in marketing renewable energy. The **Marketers' Marketers Group (MMG)**, a forum for energy marketers to learn new tools, strategies and techniques for marketing green power products to target audiences and discuss important industry issues, increased membership to over 80 in 2004.

CRS builds widespread awareness of renewable energy use by getting in front of millions of Americans through the consumer products they purchase and use every day. The **Product Labeling Initiative (PLI)** advances renewable energy as the next generation of environmental performance indicators for consumer products, taking its place alongside other consumer labels such as those for recycled products, organic food, fair trade practices, and energy efficiency. The PLI gives businesses an additional incentive to make considerable commitments to the environment through renewable energy--their products and services have the edge over competitors by being "Made with Certified Renewable Energy." In 2004, our Green-e logo was featured on consumer products such as wine, CDs, chips, rice, fabrics, teas, juices, sodas, and more. The logo is also displayed in stores and on the websites of beauty salons, hotels, cafes, consultant firms, office supply stores, supermarkets, and ski resorts.



Business & Promotional Services programs and projects include:

Massachusetts Renewable Energy Purchasers Program

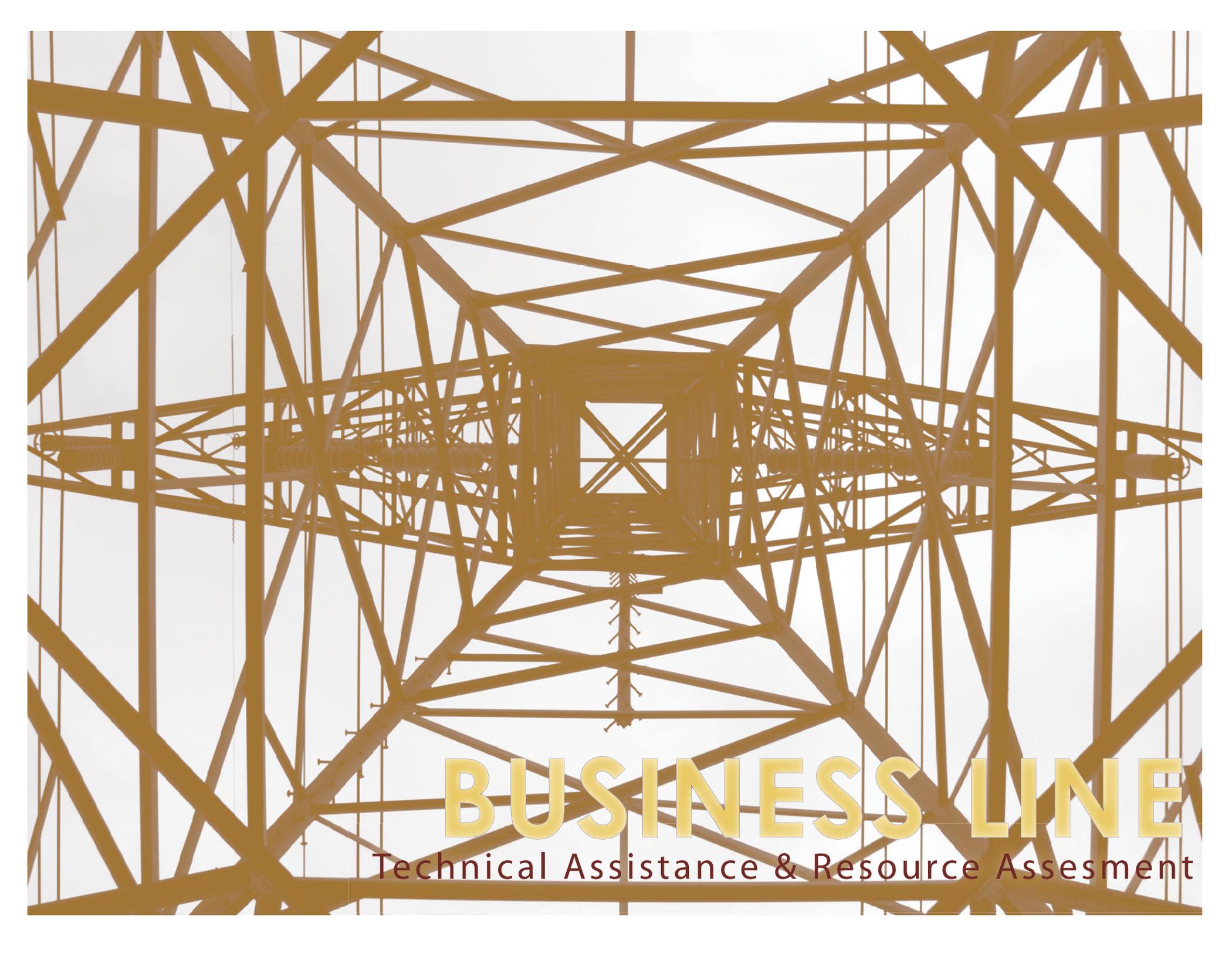
Green-e Product Labeling Initiative

Marketer's Marketers Group

Expert Assistance in Renewable Energy Marketing

Contact:

Këri Bolding, Director of
Communications & Business Services,
kbolding@resource-solutions.org



BUSINESS LINE

Technical Assistance & Resource Assessment

TECHNICAL ASSISTANCE & RESOURCE ASSESSMENT



CRS undertakes technical analysis of energy opportunities that are economically viable as well as environmentally sustainable and culturally appropriate. In 2004, CRS provided renewable energy technical support services to State Energy Offices, Utilities, Energy Developers, Regulatory Agencies and private sector companies. The services support strategic planning, energy development, procurement planning, economic and resource studies, and decision and risk analysis.

Along with the ongoing Public Interest in Energy Research (PIER) program of the California Energy Commission (CEC PIER), administered for Hetch Hetchy, CRS also completed several strategic studies in San Francisco, including: Wind/Hydro Integration, Renewable Fuel Options, and Flexible Firm Transmission. CRS completed a renewable Energy Procurement Options Analysis for Bay Area Rapid Transit (BART) and a solar market evaluation for the New Mexico Energy Task Force.

With the technical support we supply to State Energy Offices, Utilities, Energy Developers, Regulatory Agencies, and private sector companies, we specialize in the following areas:

Renewable Resource Characterization

Wind and solar data collection and analysis; Economic screening; Conceptual project analysis

Electric Transmission Analysis

Conceptual evaluation of transmission issues and options as related to renewable resource acquisition

Technology Assessment and Analysis

Renewable generation options analysis, Technology screening; Preliminary economic analysis

Resource Integration

Renewable resource and transmission planning in the context of system or utility wide IRP

Resource Integration

Distributed generation options; rural energy development; renewable energy and agriculture; Mini-grid analysis

Technical Assistance & Resource Assessment (TARA) - CRS Annual Report, 2004

TARA programs include:

CEC PIER Program

BART Analysis

Market Evaluation for The New Mexico Energy Task Force

Contact:

Ray Dracker, Technical Director,
rdracker@resource-solutions.org

A long, narrow wooden walkway with a complex truss structure on either side, leading to a bright light at the end. The walkway is made of wooden planks and has a wooden railing on both sides. The truss structure consists of numerous vertical and diagonal wooden beams. The lighting is warm and golden, creating a sense of depth and perspective. The walkway leads towards a bright, glowing light at the far end, suggesting a path forward or a goal.

CHALLENGES & OPPORTUNITIES

CHALLENGES & OPPORTUNITIES

The market for renewable energy is growing at a rapid pace. This growth results in the increased need for independent organizations and renewable energy leaders to examine and address policy issues, new market mechanisms and opportunities. CRS is committed to work that maximizes limited resources to strengthen and support the unlimited potential of the renewable energy sector.

Challenge: Our challenge is to interpret the changing political, physical and social environment for renewable energy and develop policies and best practices that protect consumers and support suppliers and marketers.

Opportunity: Close communication with the growing network of renewable energy providers, and consistent work with policy makers and government leaders, enables CRS to anticipate market developments and solutions. We have seen evidence in the way of innovation and creative thought in how to frame renewable energy issues. Although we have seen a great deal of creative thought put into new products, they must be easily understood by consumers and deliver real benefits.

Challenge: CRS and our colleagues in the renewable energy sector must guarantee over the next several years that the barriers to inclusion of renewable energy in developing climate programs are overcome while positioning CRS to respond proactively to changing markets and the need for ongoing consumer understanding and education.

Opportunity: With growing awareness of climate change and global warming issues along with broad community support for reducing the negative effects of electricity use, there has never been a more opportune time to strengthen and improve the renewable energy market.



CRS welcomes support for its work to include renewable energy in developing climate programs as a method to mitigate climate change, as well as our consumer protection and education work in energy markets



FINANCIALS

FINANCIALS



Statement of Financial Activity: Year Ended December 31, 2004

Revenue & Support	Unrestricted	Temporarily Restricted	2004 Total
Government Contracts	\$ 673,468		\$673,468
Fees	\$ 503,087		\$503,087
Grants	\$ 15,000	\$493,679	\$508,679
Interest			----
Net Assets released from Restriction	\$343,293	(\$343,293)	----
Total Revenue & Support	\$1,534,848	\$150,386	\$1,685,234
Expenses			
Program services	\$1,263,256		\$1,263,256
General and administrative	\$ 358,529		\$ 358,529
Fundraising	\$ 61,142		\$ 61,142
Total Expenses	\$1,682,927		\$1,682,927
Change in Net Assets	\$ (148,079)	\$150,386	\$ 2,307
Net Assets, Beginning of Year	\$ (63,661)	\$45,708	\$ (17,953)
Net Assets, End of Year	\$ (211,740)	\$196,094	\$(15,646)

Financials - CRS Annual Report, 2004

Net Assets, Year Ending 2004

\$(211,740) in Unrestricted Funds

\$196,094 in Temp. Unrestricted Funds

\$(15,646) in Total Funds for 2004



MAJOR CONTRIBUTORS

MAJOR CONTRIBUTORS

California Energy Commission

The Energy Foundation

The Izaak Walton League of America

The Joyce Foundation

John Merck Fund

The National Park Service

New Jersey Board of Public Utilities

The New York Community Trust

The Oak Foundation

Renewable Energy & Energy Efficiency Partnership

Rhode Island Renewable Energy Fund

The Rockefeller Brothers Fund

The San Francisco Foundation

State of Nevada Energy Office

Surdna Foundation

U.S. EPA

Western Governors' Association

Western Area Power Administration

Utility and Renewable Energy Marketer Certification Fees



CRS would like to thank these donors for their contributions. We deeply value their interest in our ongoing and vital work in promoting clean and efficient energy use.

Support from individuals and institutions is critical to our ability to provide services to encourage sustainable growth and preserve the environment for present and future generations.

For information on how you can support CRS, please contact:

Laurel Hilton, Director of Development
at laurel@resource-solutions.org.



CRS BOARD

CRS BOARD OF DIRECTORS



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VP External Affairs
SunPower Corporation

Claudine Cmarada
Energy Consultant

Doug DeNio
Technical Expert
Sustainability and Renewable Energy

Mark Levine, *Board Chair*
Division Director
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Energy Group Director,
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Energy Technology Collaboration Division
International Energy Agency

Byron Sher
Former State Senator

Carl Weinberg
President
Weinberg Associates

Ex Officio Members:

Jan Hamrin, Ph.D
President, Center for Resource Solutions

CRS Board of Directors - CRS Annual Report, 2004

CRS is grateful for the guidance
their highly distinguished Board
provides.

CRS's Board of Directors meet
twice annually in compliance with
California State Law



CRS STAFF

CRS STAFF

Këri Bolding

Director of Communications & Business Promotions

Ray Dracker

Director of Resource Assesment & Technical Assistance

Siobhan Doherty

Policy Analyst

Jan Hamrin, Ph.D.

President

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Matthew Lehman

Policy Analyst

Dan Lieberman

Co-Director of Clean Energy Policy Design and Implementation

Jennifer Martin

Director of Measurement & Verification

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Meredith Wingate

Co-Director of Clean Energy Policy Design and Implementation

Dee Young

Director of Human Resources



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Twelve

CRS Staff - CRS Annual Report, 2004

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