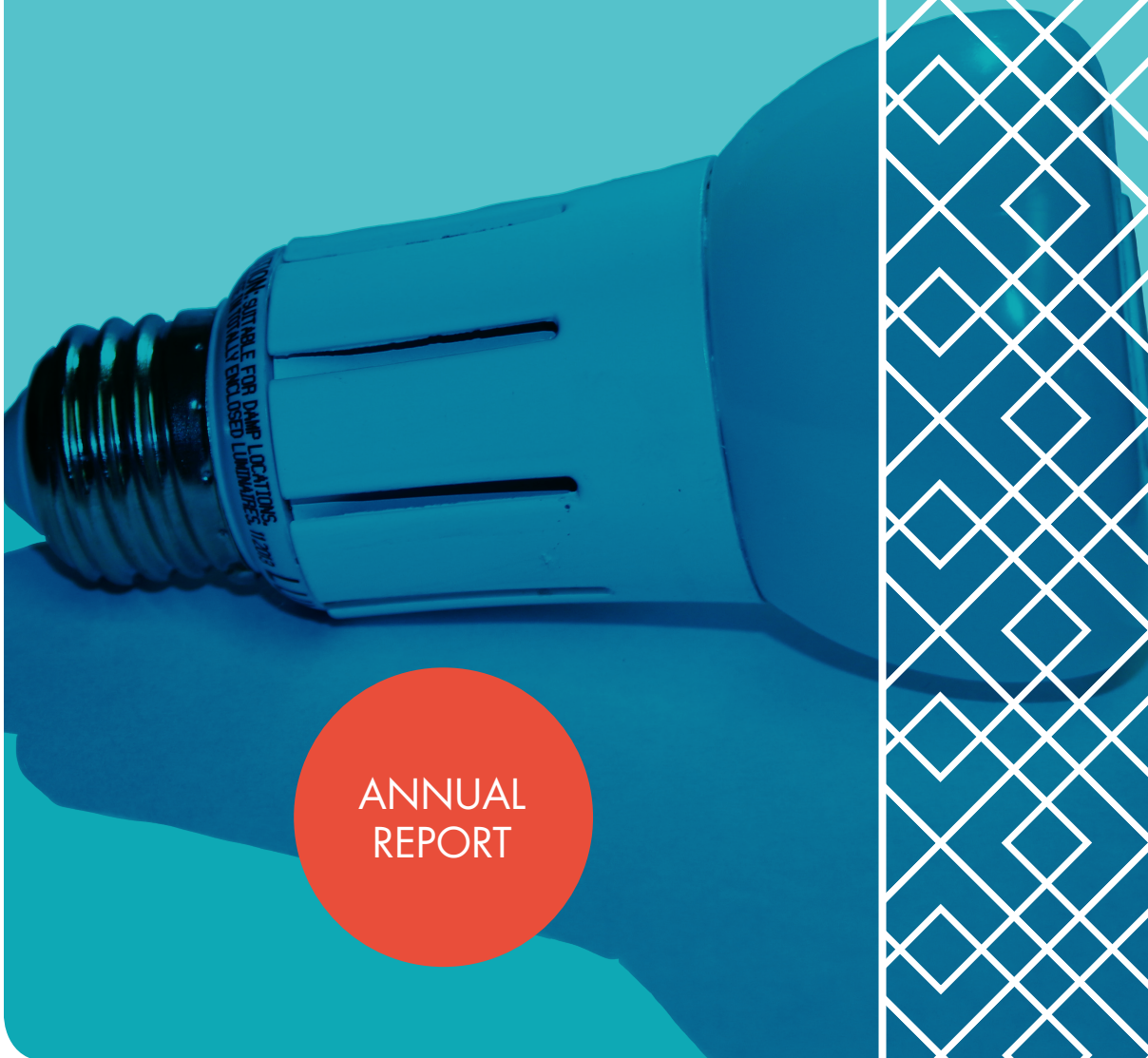


20FOURTEEN

NEFF



ANNUAL
REPORT

LETTER FROM THE CHAIRMAN OF THE BOARD

Our nation is fortunate to have an abundant and diverse resource base, as well as robust, resilient and extensive infrastructure to deliver our domestic resources so that they can be used for heating and cooling, cooking, cleaning, powering manufacturing and supporting the countless daily tasks that contribute to our quality of life and allow our economy to function. While those like me who work in the industry are immersed in helping to safely and reliably deliver energy to millions of homes and businesses, most Americans don't necessarily think about where their energy comes from or how it gets to them – they have just become accustomed to having it there and only notice the rare times it isn't available.

As the nation seeks policies and initiatives that will support the infrastructure and investment needed to secure America's energy future, it is critical that policymakers and consumers understand what it takes to fuel our lives and keep the lights on, and how to make informed choices about the energy we consume.

An informed energy nation begins in classrooms and that is why National Energy Foundation's (NEF) work to educate students and teachers about generating and using energy is so important. I am proud to be able to point to significant accomplishments on that front as detailed in this Annual Report. In 2014, we reached even more students and introduced new materials and programs. The numbers tell a successful story; in the past year alone, NEF administered more than 60 programs in 29 states and the District of Columbia, delivered nearly 140,000 energy efficiency kits to families, held 10 student competitions in nine states and DC, and reached a total of 180,000 students – a nearly 40 percent increase from last year.

Our nation has a bright energy future and today's students will lead us there. That bright future will require a skilled workforce who can address complex challenges and seize the opportunities the 21st century presents. With a significant portion of the energy workforce set to retire in the next decade, there is tremendous employment opportunity and a remarkable need for energy professionals. NEF is leading the way in providing the building blocks that will allow students to understand how important energy is to each of our lives and possibly even pursue an exciting career path in the energy industry. By fostering a citizenry that understands energy, we are helping to strengthen the foundation of our nation's energy future. Your support helps make this possible, and I join the rest of the NEF Board of Directors in thanking you for your continued engagement.

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ENERGY AWARENESS AND NATURAL RESOURCES

Programs in energy awareness emphasize a wide range of topics and are delivered in a variety of formats from teacher workshops to student presentations and conferences. This year, topics included safety, renewable energy sources, alternative fuel vehicles, energy conservation and efficiency, water, protecting the environment, energy economics and natural resources. Energy awareness programs and sponsoring organizations for fiscal year 2013 – 2014 included the following:

Energy Efficiency and Conservation Programs

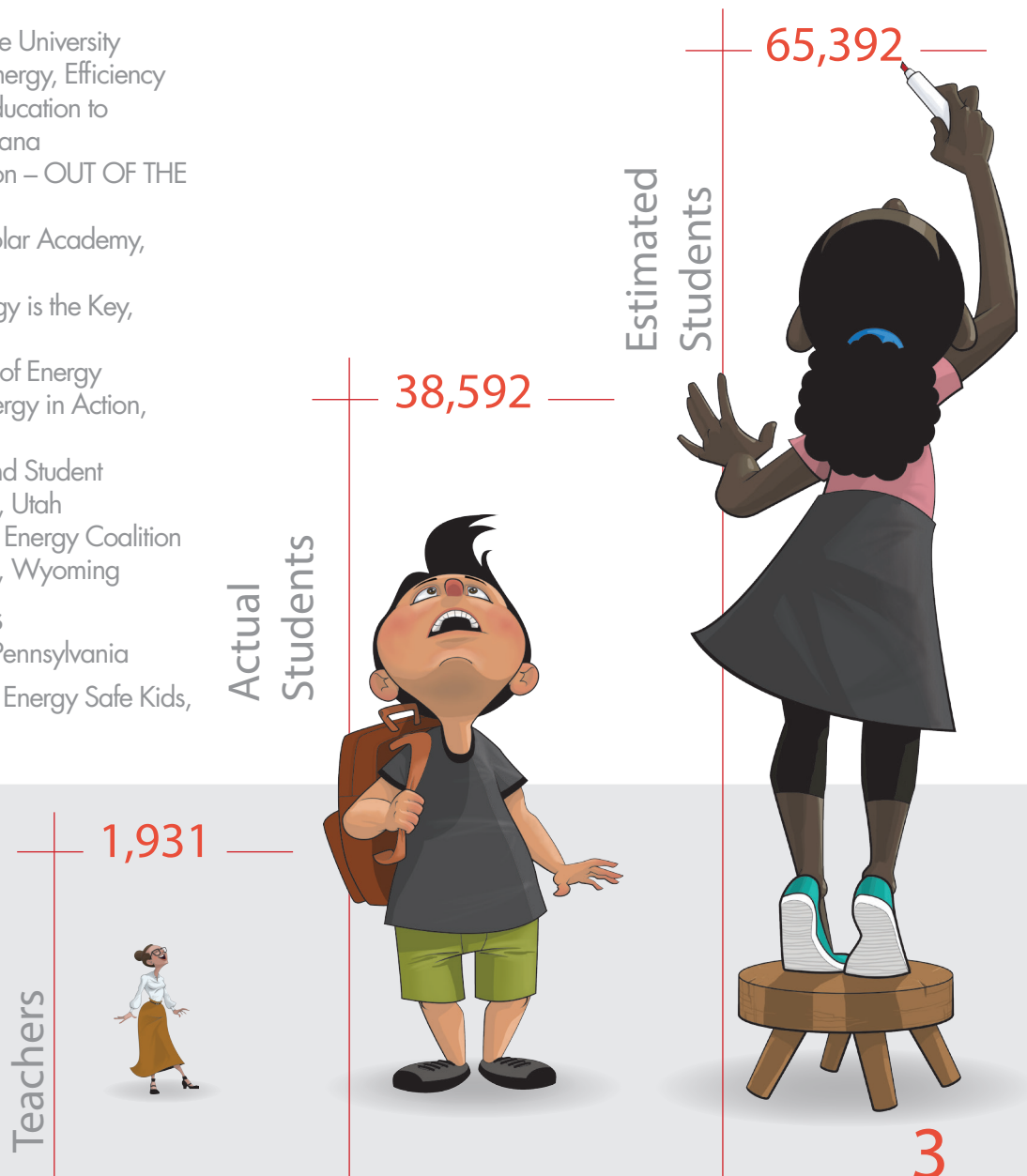
- Murray Kid Power (3rd, 5th and 8th grade programs), Utah
- Murray Water, Utah
- Utah Municipal Power Authority, Utah
- Wattsmart (Rocky Mountain Power), Utah
- Wattsmart (PacifiCorp), Washington

Teacher Workshops

- Indiana University-Purdue University Indianapolis (IUPUI) – Energy, Efficiency and the Environment: Education to Preserve our Future, Indiana
- Idaho Mining Association – OUT OF THE ROCK (OOTR), Idaho
- Johnson Controls Inc. Solar Academy, California
- PPL Electric Utilities Energy is the Key, Pennsylvania
- Utah Governor’s Office of Energy Development Water Energy in Action, Utah
- Utah Debate Teacher and Student Preparation Conference, Utah
- Yellowstone-Teton Clean Energy Coalition Alternative Fuel Vehicles, Wyoming

Energy Safety Programs

- UGI Energy Safe Kids, Pennsylvania
- Vectren Energy Delivery Energy Safe Kids, Indiana and Ohio



ENERGY MANAGEMENT

Energy management programs combine energy education with high-efficiency products for participants to install in their homes. Students in second and third grades took part in Bright Kids (BK) focusing on electricity and lighting. Students in fourth through seventh grades took part in Take Action! (TA!) learning about electricity, natural gas and water. High school students participated in Innovation (IN), centering on plug load. Entire families were trained in energy efficiency at the school forum program, Community in Action (CIA). These programs garner measured savings for the sponsoring utilities and make up the THINK! ENERGY brand of energy efficiency programs. Additionally, many fourth and fifth grade students were reached by a new drop-ship (DS) model that provides teachers with everything they need to implement a kit-based program without in-class presenters. Energy management programs and sponsoring organizations for fiscal year 2013 – 2014 included the following:

DTE Energy THINK! ENERGY

- DTE Energy, Michigan (BK, TA!)

Energizing Indiana School Education Program

- AM Conservation Group, South Carolina (DS)
- Duke Energy, Indiana (DS)
- Good Cents, Georgia (DS)
- Indiana Municipal Power Authority, Indiana (DS)
- IPL, Indiana (DS)
- NIPSCO, Indiana (DS)
- Vectren Energy Delivery, Indiana (DS)
- Indiana Michigan Power, Indiana (DS)

Idaho Power THINK! ENERGY Student Energy Efficiency Kit Program

- Idaho Power, Idaho (DS)

THINK! ENERGY with Consumers Energy

- Consumers Energy, Michigan (TA!, IN, CIA)

THINK! ENERGY with Consumers Energy and Lansing Board of Water and Light

- Consumers Energy, Michigan (TA!)
- Lansing Board of Water and Light, Michigan (TA!)

THINK! ENERGY with DTE Energy and Consumers Energy

- Consumers Energy, Michigan (TA!)
- DTE Energy, Michigan (TA!)

THINK! ENERGY with Efficiency United

- CLEAResult, Michigan (TA!)

THINK! ENERGY with E-power

- PPL Electric Utilities, Pennsylvania (BK, TA!, IN, CIA)

THINK! ENERGY with Nicor Gas

- Nicor Gas, Illinois (TA!)

THINK! ENERGY with Nicor Gas and ComEd

- Nicor Gas, Illinois (TA!)
- ComEd, Illinois (TA!)

THINK! ENERGY PNM Homeworks

- PNM, New Mexico (TA!)

THINK! ENERGY with UGI Utilities

- UGI Utilities, Pennsylvania (TA!)

Xcel Energy

- AM Conservation Group, South Carolina (DS)
- Xcel Energy, Colorado (DS)
- Xcel Energy, Minnesota (DS)

5

THOUSAND

60

TEACHERS



KWh
24 MILLION
Five hundred seventy-3
THOUSAND

979 .78

1 MILLION
349K
8 HUNDRED
THIRTY
POINT 44
THEMS
SAVED

NINETEEN
PROGRAMS

STATEMENTS OF FINANCIAL POSITION

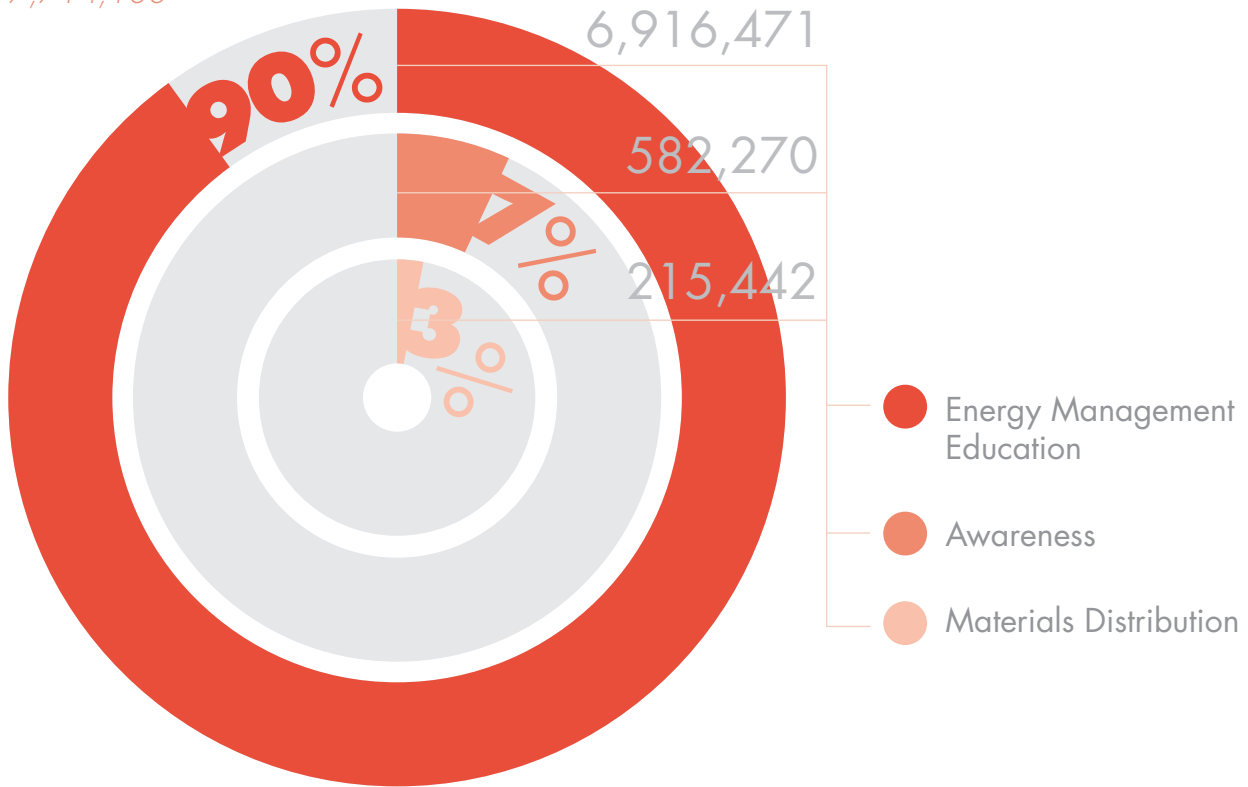
	2013*	2014
ASSETS		
Current assets		
Cash and cash equivalents	1,864,981	2,133,903
Accounts receivable	662,750	732,516
Inventory	111,497	83,961
Investment in mutual funds	505,359	521,041
Other current assets	14,628	44,104
Total current assets	3,159,215	3,515,525
Property and equipment		
Office equipment	265,249	321,360
Automobiles	25,423	29,329
Less accumulated depreciation	(154,225)	(199,873)
Property and equipment (net)	136,447	150,816
Deferred compensation plan	304,542	348,904
Total assets	3,600,204	4,015,245
LIABILITIES AND NET ASSETS		
Current liabilities		
Accounts payable and accrued liabilities	324,312	519,397
Deferred revenue	616,307	182,751
Total current liabilities	940,619	702,148
Deferred compensation plan	55,484	-
Total liabilities	996,103	702,148
Net assets		
Unrestricted	2,604,101	3,313,097
Total net assets	2,604,101	3,313,097
Total liabilities and net assets	3,600,204	4,015,245

STATEMENTS OF ACTIVITIES

	2013*	2014
Revenue and support		
Materials distribution	221,925	215,442
Less cost of materials	79,396	80,180
Gross margin	142,529	135,262
Program sponsors	5,867,826	7,498,741
Contributions	-	45,388
Miscellaneous revenue	13,005	20,740
Non-materials revenue and support	5,880,831	7,564,869
Total revenue and support	6,023,260	7,700,131
Expenses		
Program services		
Awareness	488,461	518,312
Energy management education	4,169,944	5,133,225
Materials, development & distribution	230,023	159,093
Total program services	4,888,428	5,810,630
Support services		
Development	461,930	541,235
Administrative	470,202	639,669
Total support services	932,132	1,180,904
Total expenses	5,820,560	6,991,534
Other income		
Unrealized gain (loss) on investments	13,903	399
Change in net assets, unrestricted	216,703	708,996
Net assets, beginning of year	2,387,398	2,604,101
Net assets, end of year	2,604,101	3,313,097

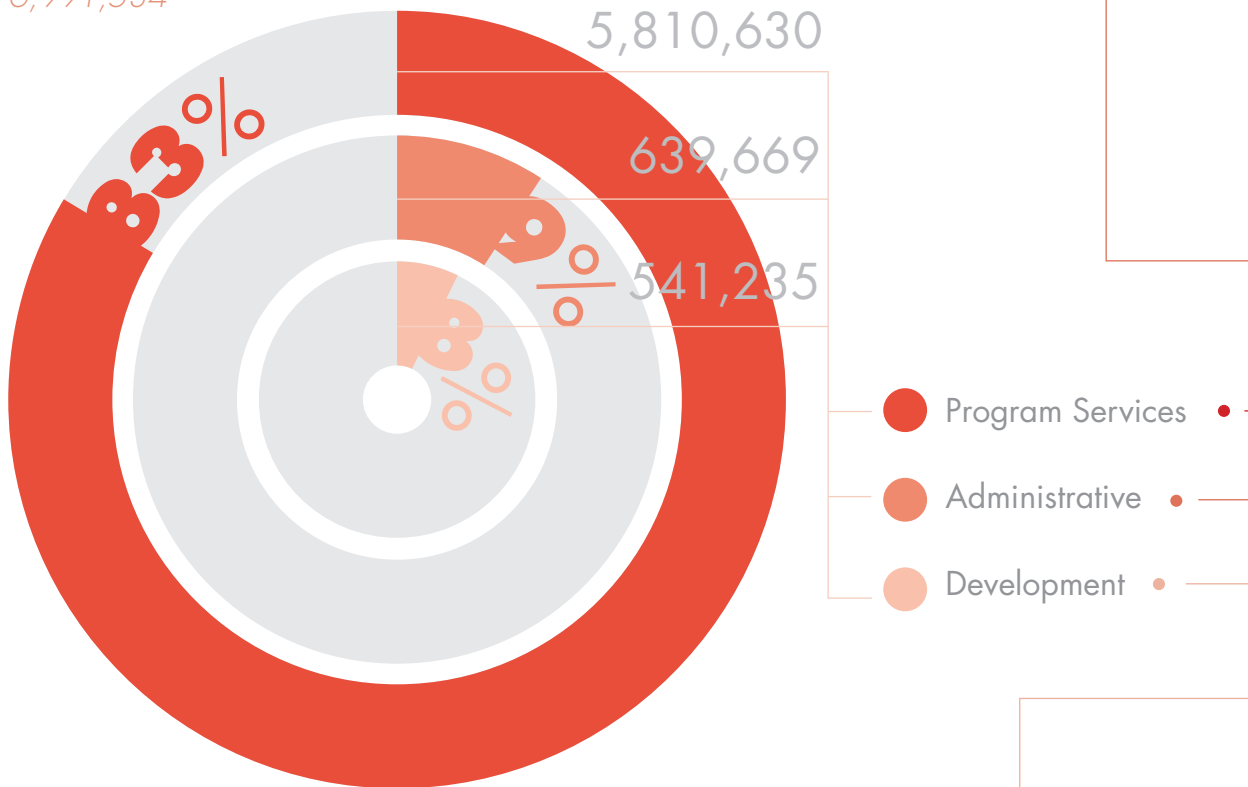
REVENUE

7,714,183



EXPENSES

6,991,534

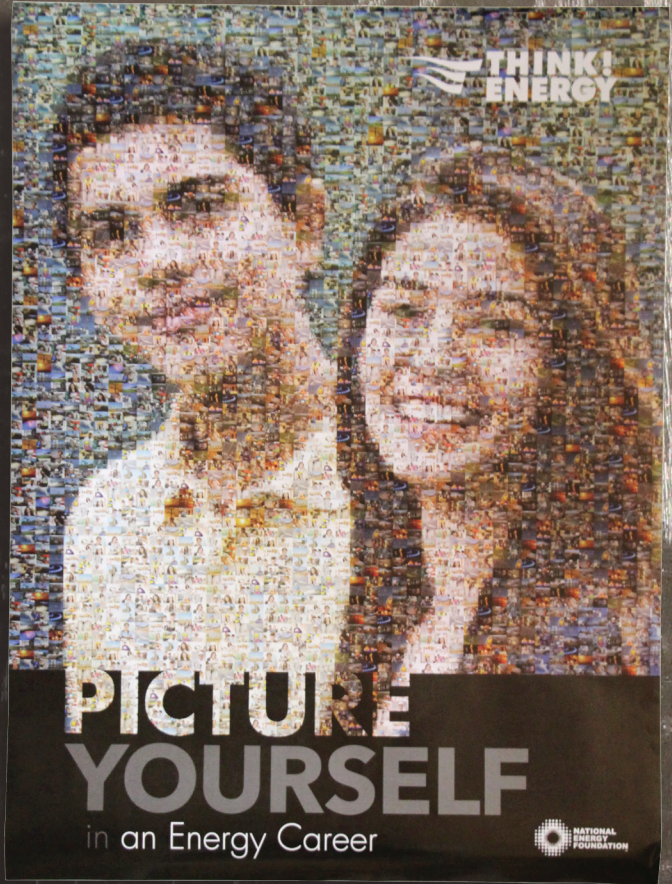
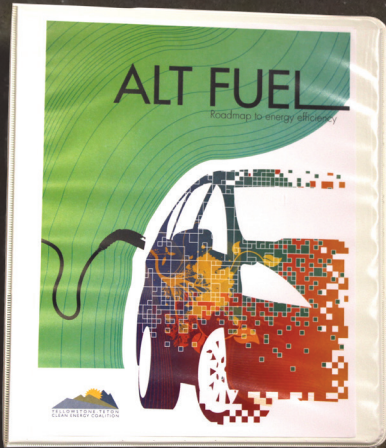


MATERIALS DEVELOPMENT

Keeping NEF at the forefront of evolving national curriculum standards is critical to the educational integrity of the foundation. Through national networks and research, NEF develops and revises curriculum projects to meet that challenge while meeting our sponsors' individual needs. NEF curriculum is correlated to STEM skills and behaviors and is also correlated to Next Generation Science Standards and the Common Core. Following are curriculum projects completed during the 2013-2014 year:

- Electrical Safety Poster
- Electricity Serves Our Community Poster
- Nuclear Energist
- Mine to My Home Poster update
- Rocks and Minerals Poster update
- Take Action! Student Guide – LED version
- Vectren Employee Training Binder
- Careers in Energy Poster
- Idaho Power curriculum suite
- Yellowstone-Teton Clean Energy Coalition-Alternative Fuel Vehicle Curriculum
- PPL Sustainability Training Binder-Our Earth, Our Home
- Energizing Indiana curriculum suite
- Xcel curriculum suite
- ENERGY SAFE KIDS Challenge
- PNM curriculum suite
- Take the Challenge – Energy Safe, Energy Wise Take-home Booklet





MATERIALS DISTRIBUTION

Materials distribution programs offer free education materials to classrooms funded by energy industry sponsors. These programs meet the need of sharing information and promoting energy education when funding is limited. Distribution programs are a great solution for energy organizations looking to expand their reach in new and creative ways. Materials programs invite teachers and principals to register for free materials. The 2013-2014 data for materials distribution programs in this area is as follows:

NEF Academy of Natural Gas Education – 16 Natural Gas Companies in 20 states

Participation – 2,373 elementary and 662 secondary teachers, 59,325 estimated elementary students reached and 99,300 estimated secondary students reached

Sponsoring Natural Gas Utilities:

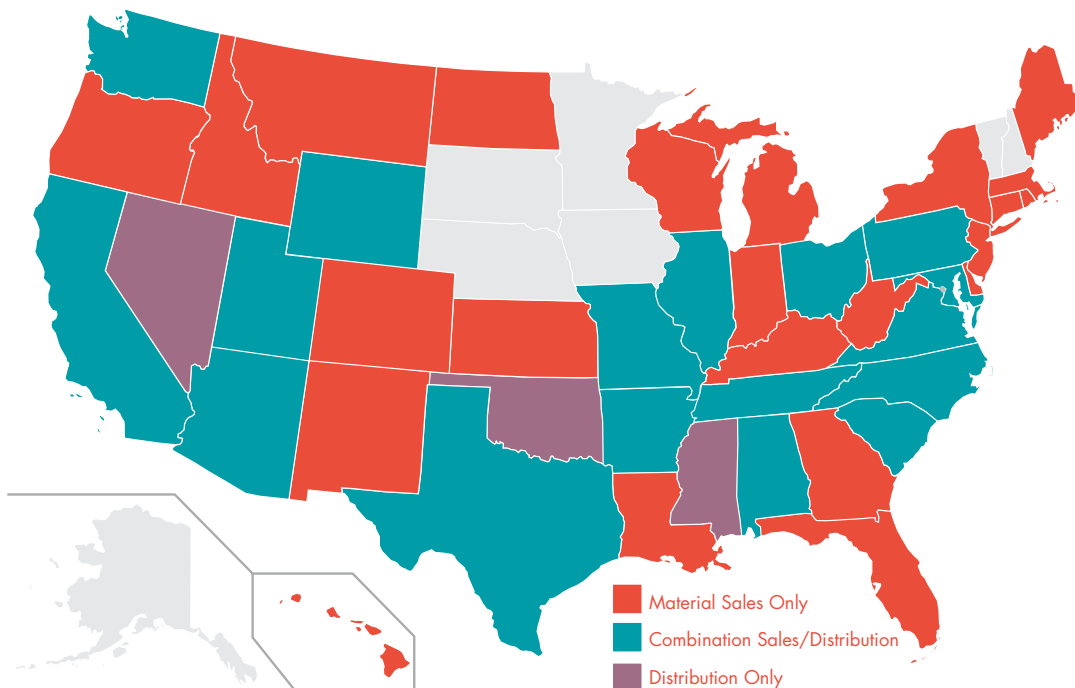
- Ameren, Illinois and Missouri
- Arkansas Oklahoma Gas, Arkansas and Oklahoma
- Atmos Energy, Tennessee and Virginia
- CenterPoint Energy, Arkansas, Louisiana, Mississippi, Oklahoma and Texas
- Columbia Gas of Kentucky, Kentucky
- Columbia Gas of Maryland, Maryland
- Columbia Gas of Ohio, Ohio
- Columbia Gas of Pennsylvania, Pennsylvania
- Columbia Gas of Virginia, Virginia
- Nicor Gas, Illinois
- Ohio Gas Company, Ohio
- Paiute Pipeline Company, California and Nevada
- Piedmont Natural Gas, North Carolina, South Carolina and Tennessee
- Questar Gas, Utah and Wyoming
- Southwest Gas, Arizona, California and Nevada
- UGI Utilities, Pennsylvania

Murray Kid Power High School Materials Distribution

- Murray City Power, Utah

Utah Office of Energy Development Water Energy Poster

- Utah Governor's Office of Energy Development, Utah



CONSULTATION

The Foundation's consultation services vary from informal recommendations to comprehensive involvement and planning. NEF is frequently called on by educators and partners to assist with on-site visits, committee membership opportunities, presentations at conferences, marketing consultation, custom materials development and strategic proposal writing. NEF appreciates the collaborative nature of consultation and in the fiscal year 2013 – 2014 worked closely with:

- ACEEE Energy as a Resource Conference
- AESP National Conference
- AESP Regional Conferences
- AM Conservation Group
- CEWD National Conference
- Common Ground Alliance
- E-Source Conference
- EEI National Convention
- Intermountain Sustainability Summit
- IOGCC Annual Meetings
- MEEA Annual Summit
- Milford Renewable Energy Fair
- NASEO National Conference
- National Energy Efficiency Forum
- NEEP Annual Summit
- Triangle Coalition
- U.S. Department of Transportation – Pipeline and Hazardous Materials Safety Administration
- Uintah Basin Energy Summit
- Utah Education Week Conference
- Utah Governor's Energy Summit
- USA Science and Engineering Festival
- Western Energy Association Annual Meeting

STUDENT COMPETITIONS

Student competitions allow students to express creativity while thinking critically about energy related issues. These competitions create meaningful interaction between sponsors, teachers and students. The contests offer rewards and recognition for participants and provide excellent marketing and public relations opportunities. NEF administered, coordinated and/or conducted the following competitions in fiscal year 2013 – 2014:

- Consumers Energy Facebook THINK! ENERGY Challenge – Michigan
- Citizens Energy Savers Student Poster Contest – Indiana
- ENERGY SAFE KIDS Challenge Call 811 Student Poster Contest – PHMSA - IN, OH, PA, VA, D.C.
- Igniting Creative Energy Challenge – Johnson Controls – GA, IN, NY, OH, TX, VA
- Murray Water "Fix a Leak Week" Coloring Contest – Utah
- THINK! ENERGY with E-power PPL Innovation Challenge – Pennsylvania
- PPL Electrical Safety Poster Contest – Pennsylvania
- Utah Governor's Office of Energy Development – Water Energy in Action Slogan Contest – Utah
- Utah Debate Meet – Utah
- Vectren ENERGY SAFE KIDS Public Service Announcement Challenge – Indiana and Ohio

PRESIDENT'S MESSAGE

Elissa Richards
President
National Energy Foundation



Energy education is a way of life at National Energy Foundation. These two simple words are the keys to our mission. Every year more and more students, teachers and families are reached by NEF and our message. According to Abraham Lincoln, "the philosophy of the school room in one generation will be the philosophy of government in the next." When it comes to something as important as energy, it is crucial to have an informed public. Focusing on students, working with a wide variety of organizations and promoting education and awareness are just a few of the ways National Energy Foundation is doing its part to help the philosophy of the school be well-informed and well-rounded.

There is a strategy to working in schools, in addition to the idea that students are just more fun to work with than adults. Young people have a better ability to adapt than their parents. When a student has a personal connection to energy, so will the people around him or her and when a student becomes the teacher at home, we have truly accomplished a small slice of our mission. The younger generation is aware of, and dependent upon energy. That is why it is the perfect audience to make an informed and positive impact on future energy policy.

To be most effective in working with students, NEF has made a firm commitment to education as opposed to advocacy. It is important for students and their families to reach their own conclusions based on the best information available. We provide that information through the highest-quality educational materials. We send the best energy educators into classrooms and partner with a wide variety of organizations with differing missions. Dedication to our mission and the students we reach help those students make their own decisions about energy issues based on a balanced understanding of energy.

OUR STORY

Energy problems first highlighted by the 1973-74 gasoline and fuel shortages spawned considerable research efforts on the topic of energy conservation. Throughout the 1970s, over 300 energy-consumption studies were conducted. Leaders from prominent energy businesses and organizations in the US recognized the importance of energy and its contribution to our economy, national security, quality of life and the environment. This influential group joined together to form National Energy Foundation and launch an innovative initiative to educate the public about energy and conservation.

Energy is an important part of the American way of life and has remained so despite the many changes in political, economic and social landscapes. In order to fulfill our mission of promoting and cultivating energy literacy, NEF is dedicated to providing consistent, quality energy education. NEF employs the approach of educating rather than advocating to maintain authority and integrity in the fields of education and energy use.

The commitment NEF made to education early on has allowed the Foundation to work with a large variety of sponsors, departments of education, government organizations, teachers, students and thousands of program participants. NEF continues to tailor its message and methods of educating in order to remain on the cutting edge of energy related issues and effectively reach the target audience, "K through gray!"

