



NEEF 2013

 NATIONAL ENERGY FOUNDATION™

ANNUAL REPORT

LETTER FROM THE PRESIDENT



Forty years ago our nation received a wake up call when the Organization of the Petroleum Exporting Countries (OPEC) decided to exert control over oil flow to the United States and the world. People in the US found themselves waiting in line, sometimes for hours, to buy gasoline. The limits of a resource that was thought to be so abundant quickly became a reality.

Shortly thereafter some insightful people, many of whom would later form National Energy Foundation, realized that we needed to have a better understanding of energy and its importance in our daily lives. The key to understanding is education and the key to understanding energy is energy education.

There was no better place to start than with the coming generation, K-12 students in American schools. Students have proven time and time again that they have a talent for learning and connecting the dots. After identifying students as a wonderful start to educating the country, the next step was how to present these topics that

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

are so incredibly important to our future and wellbeing.

Educators and energy leaders put their heads together to decide what an energy-literate person should be aware of. From this idea the NEF Conceptual Framework was conceived and consists of the following seven core concepts: energy sources, energy uses and applications, energy forms and conversions, energy impacts, energy limits, energy future and energy conservation and management.

These concepts still prove relevant and are the basis for what every energy literate person should know and understand. Every material created, every lesson developed, every training delivered is based on the concepts found in this conceptual framework. An energy literate society will not simply happen overnight, but the students first introduced to the Conceptual Framework for Energy Education so many years ago are now the very people helping the next generation take on the energy challenges of the day.

Robert Poulson
President
National Energy Foundation

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, governmental 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!"

ENERGY AWARENESS AND NATURAL RESOURCES

Energy awareness and natural resources education programs are essential to fulfilling the NEF mission. Natural resources, energy efficiency and energy safety are all covered in the awareness curriculum. Program formats primarily include in-class presentations, community forums and teacher workshops. Each of these types of programs provides rich and unique educational opportunities. Energy awareness programs and sponsoring organizations for fiscal year 2012 - 2013 were:

Energy Awareness

- Murray City Power, Utah
- Murray City Water, Utah
- Pacific Power, Washington
- PPL Electric Utilities, Pennsylvania
- Rocky Mountain Power, Utah
- Utah Municipal Power Agency, Utah

Energy Safe Kids

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

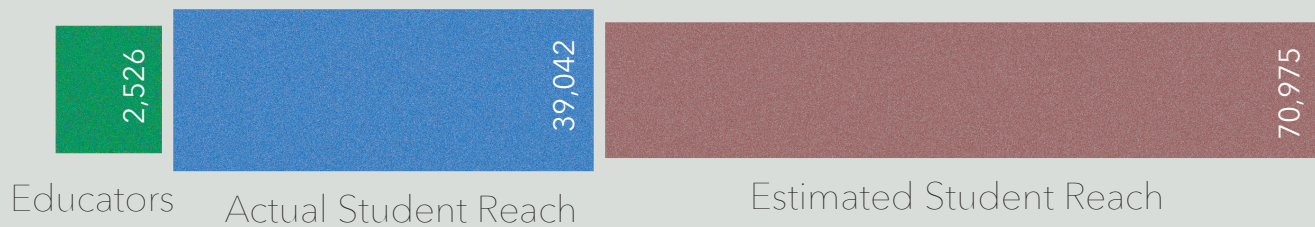
Energy Action In Schools

- Johnson Controls, Inc. Academy of Energy

Out of the Rock

- Idaho Mining Association

Total Estimated Reach: 112,543



ENERGY MANAGEMENT

Energy management programs combine energy education with high-efficiency products participants install in their homes. Students in 2nd and 3rd grades took part in **Bright Kids** focusing on electricity and lighting, students in 4th through 7th grades took part in **Take Action!** on electricity, natural gas and water, and high school students participated in **Innovation** focusing on plug load. These programs garner measured savings for the sponsoring utilities and make up the **THINK! ENERGY** brand. Energy management programs and sponsoring organizations for fiscal year 2012 - 2013 were:

DTE Energy THINK! ENERGY

- DTE Energy, Michigan

THINK! ENERGY with Consumers Energy

- Consumers Energy, Michigan

THINK! ENERGY with Consumers Energy and BWL

- Consumers Energy, Michigan
- Lansing Board of Water and Light, Michigan

THINK! ENERGY with DTE Energy and Consumers Energy

- Consumers Energy, Michigan
- DTE Energy, Michigan

THINK! ENERGY with Efficiency United

- CLEAResult, Michigan

THINK! ENERGY with E-power

- PPL Electric Utilities, Pennsylvania

THINK! ENERGY with Nicor Gas

- Nicor Gas, Illinois

THINK! ENERGY with Nicor Gas and ComEd

- Nicor Gas, Illinois
- ComEd, Illinois

THINK! ENERGY with UGI Utilities

- UGI Utilities, Pennsylvania

3,546

TEACHERS

91,264

STUDENTS

9 PROGRAMS

14,291,352

KWH SAVED

1,985,423

THERMS SAVED

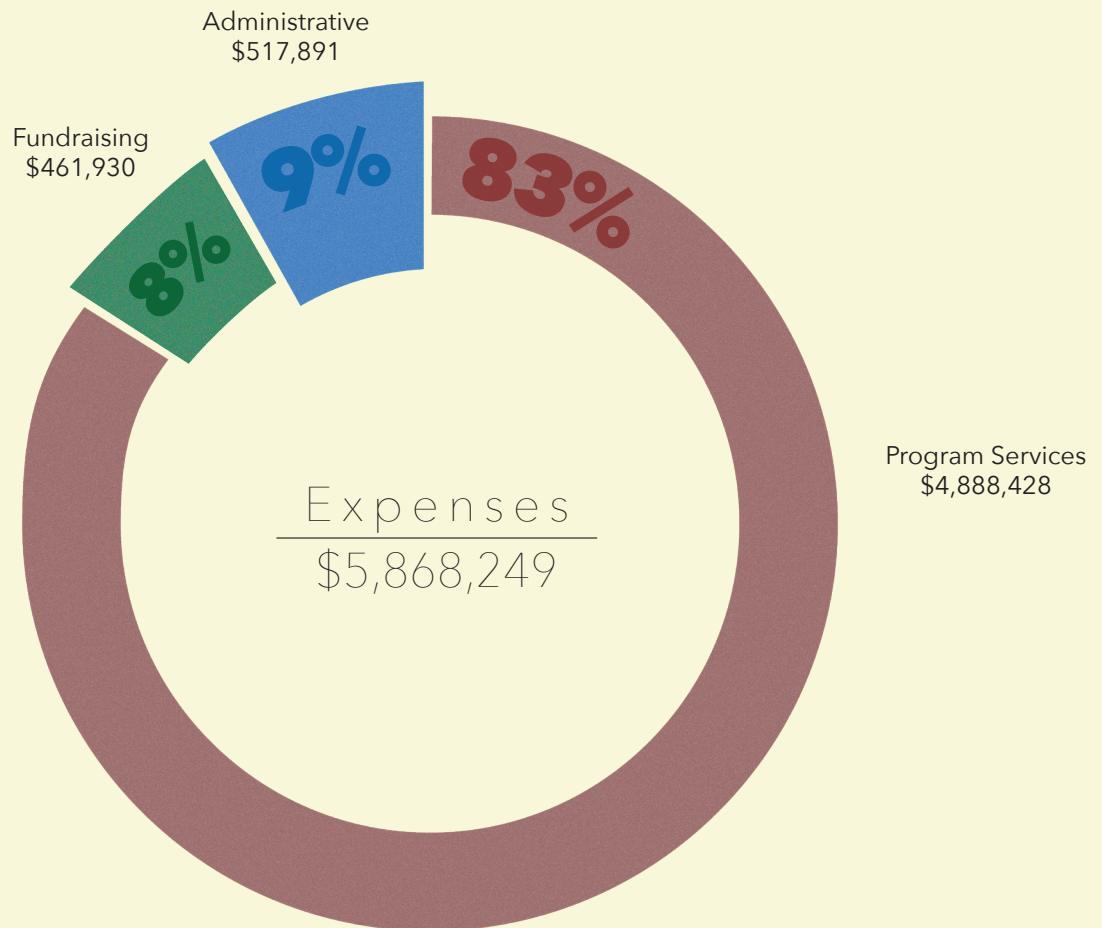
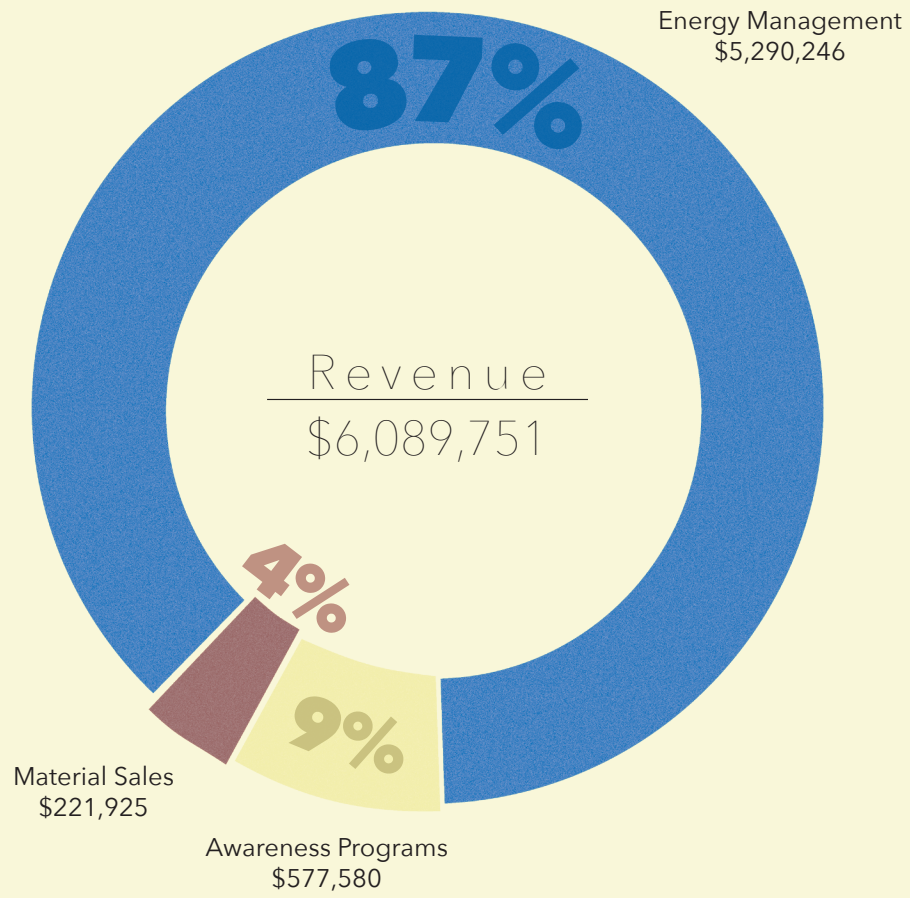


STATEMENT OF FINANCIAL POSITION

ITEM	FY2012	FY2013
ASSETS		
Current Assets		
Cash and cash equivalents	1,965,644	1,864,981
Accounts receivable	454,786	662,750
Inventory	125,823	111,497
Investment in mutual funds	485,536	505,359
Other current assets	21,031	14,628
Total current assets	3,052,820	3,159,215
Property and equipment:		
Office equipment	239,474	290,672
Less accumulated depreciation	(85,905)	(154,225)
Property and equipment (net)	153,569	136,447
Deferred compensation plan (Note 3)	156,555	230,351
Total assets	3,362,944	3,526,013
LIABILITIES AND NET ASSETS		
Current liabilities:		
Accounts payable and accrued liabilities	278,098	324,312
Deferred revenue	630,202	616,307
Total current liabilities	908,300	940,619
Deferred compensation plan	93,748	55,484
Total liabilities	1,002,048	996,103
Net assets:		
Unrestricted	2,360,501	2,529,910
Restricted	395	-
Total net assets	2,360,896	2,529,910
Total liabilities and net assets	3,362,944	3,526,013

STATEMENT OF ACTIVITIES

ITEM	FY2012	FY2013
Revenue and support:		
Materials distribution	559,598	221,925
Less cost of materials	210,040	79,396
Gross margin	349,558	142,529
Program sponsors	6,173,429	5,867,826
Contributions	6,500	-
Miscellaneous revenue	17,221	7,073
Non-materials revenue and support	6,197,150	5,874,899
Total revenue and support	6,546,708	6,017,428
Expenses:		
Program services:		
Awareness	677,154	488,461
Energy management education	3,899,039	4,169,944
Materials, development & sales	151,402	230,023
Total program services	4,727,595	4,888,428
Support services:		
Fundraising	320,900	461,930
Administrative	556,619	517,891
Total support services	877,519	979,821
Total expenses	5,605,114	5,868,249
Other income:		
Unrealized gain (loss) on investments	(16,770)	19,835
Change in unrestricted net assets	924,824	169,014
Change in net assets	924,824	169,014
Net assets, beginning of year	1,436,072	2,360,896
Net assets, end of year	2,360,896	2,529,910



MATERIALS DEVELOPMENT

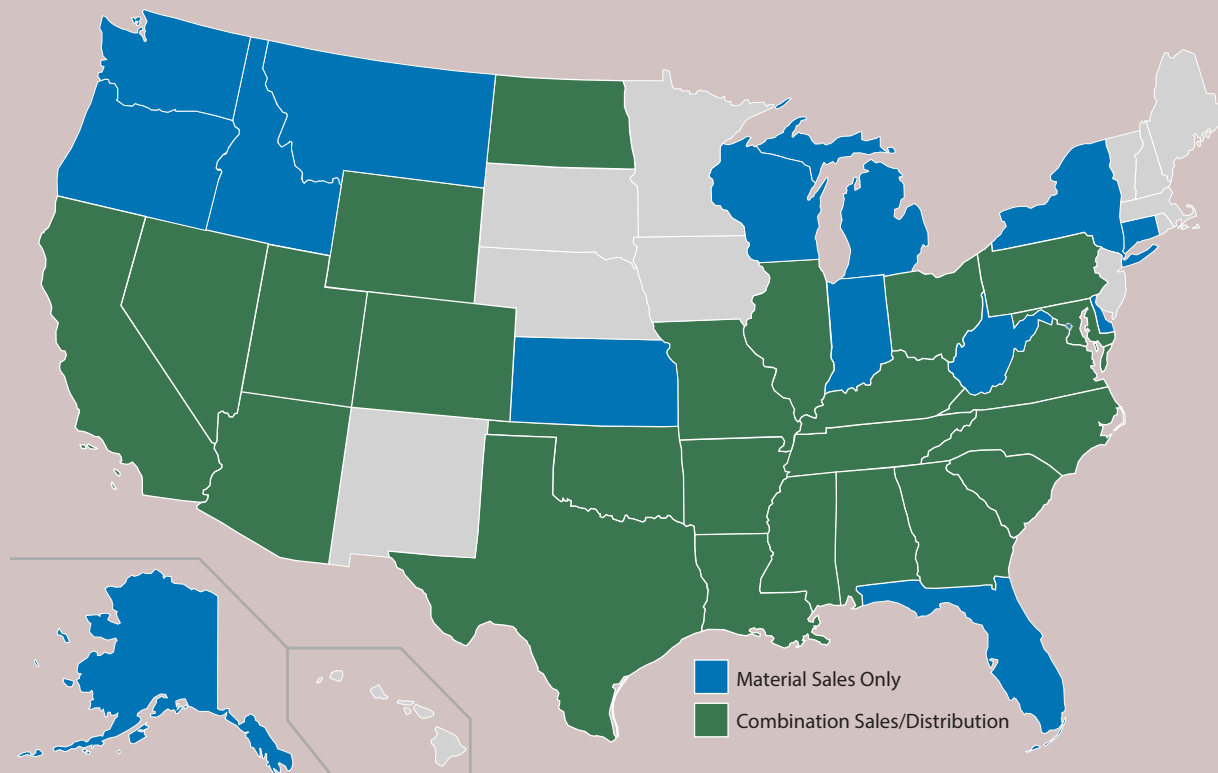
Materials development has contributed to NEF's standard of excellence in energy education for 37 years. New materials and materials revisions are produced every year to keep students, teachers and parents current and informed on energy related issues. In fiscal year 2012 - 2013 the following materials were created or revised:

- Electrical Safety Poster
- Energy Safe Kids Booklet
- Gas Dash, The Energy Safe Kids Video Game
- Energy Safe Kids Website



MATERIALS DISTRIBUTION

Materials sales and distribution help NEF promote energy literacy by making energy curriculum available to anyone and everyone. Materials sales also contribute to the financial wellbeing of NEF by providing a consistent source of revenue. Materials are sold and distributed through NEF programs and catalogs in addition to the online store at www.NEF1.org/store.



NATURAL GAS DISTRIBUTION

Materials distribution programs provide teachers with high-quality NEF instructional materials focusing on energy, environment and natural resources. Sponsoring utilities make it possible for these materials to be used in classrooms free of charge in order to bolster science, technology, engineering and math. Areas of implementation are targeted geographically to align with sponsor service territories and regions. Materials distribution programs and sponsors for fiscal year 2012 – 2013 were:

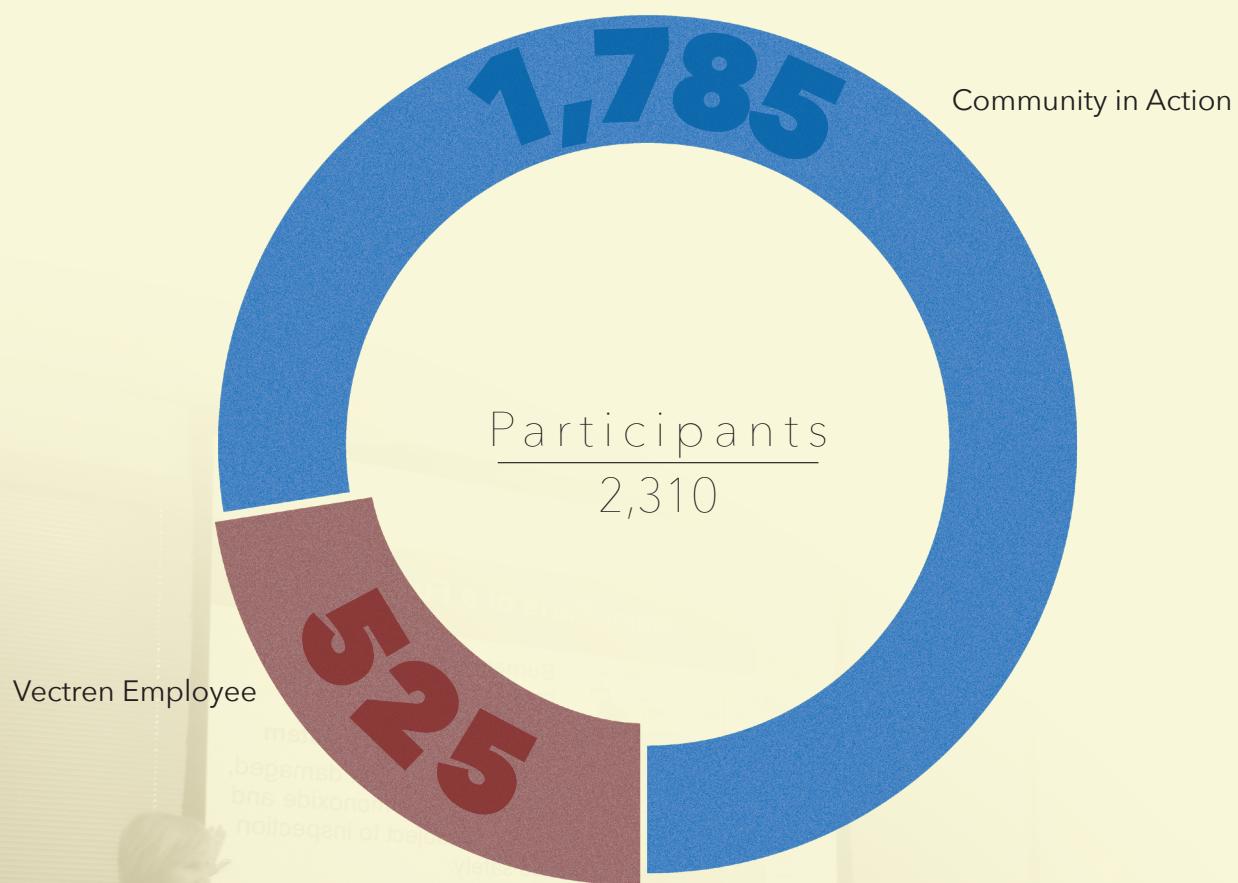
The Academy of Natural Gas Education

- 16 natural gas utilities
- 24 states coast to coast

ADULT ENERGY EDUCATION PROGRAMS

Adult energy efficiency programs address energy use in the home, workplace and community. Curriculum is centered around available technologies and wise behaviors to increase energy efficiency. NEF adult programs stress the impact energy use and natural resources have on the environment. These programs are a great complement to sustainability goals for organizations and LEED certification requirements. The adult programs and sponsoring organizations for fiscal year 2012 - 2013 were:

- Vectren C² ThinkTwice Employee Program, Indiana
- PPL E-power Community in Action, Pennsylvania
- Consumers Energy Community in Action Forum, Michigan



COLLABORATION

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 2012 - 2013 worked closely with:

- American Counsel for an Energy-Efficient Economy
- American Gas Association
- Association of Energy Service Professionals
- Behavior Energy and Climate Conference
- Center for Energy Workforce Development
- Common Ground Alliance
- E-Source
- Edison Electric Institute
- Independent Oil and Gas Association of West Virginia
- Independent Petroleum Association of America
- Indiana State Teachers Association
- International Technology and Engineering Educators Association
- Interstate Oil Gas Compact Commission
- Michigan Department of Education
- Midwest Energy Efficiency Alliance
- National Association of State Energy Officials
- Northwest Energy Efficiency Partnership
- Nuclear Energy Institute
- Pennsylvania Department of Education
- Pipeline and Hazardous Materials Safety Administration
- Rocky Mountain Power
- Southwest Gas
- Southwest Utah Renewable Energy Center
- Triangle Coalition for STEM Education
- Uintah Basin Energy Summit
- University of Utah Game Forge
- Utah Education Association
- Utah Governor's Energy Summit

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 public relations and marketing opportunities. NEF administered, coordinated and/or conducted the following competitions in fiscal year 2012 - 2013:

- Citizens Gas Energy Savers Poster Contest, Indiana
- Igniting Creative Energy, Nationwide
- Utah Student Debate Program, Utah

LETTER FROM THE CHAIRMAN OF THE BOARD



During Fiscal Year 2013, National Energy Foundation (NEF) continued its extraordinary productivity and innovation in implementing programs and producing products that educate both our nation's teachers and their students on all aspects of America's energy resources and infrastructure. As policy makers across our nation advocate and discuss

the value of an "all of the above" energy strategy, what is essential is that our teachers, children and the general public at large understand and appreciate the value of energy to America's economy and its quality of life.

American innovation is more evident than ever in the fields of developing oil and gas resources as a result of hydraulic fracturing, horizontal drilling and three-dimensional geologic characterization. Our electricity sector is benefiting enormously from advances in energy efficiency, renewable resources development and advanced nuclear

energy systems. Research and development on carbon capture and sequestration will be essential to allow America and the world to benefit from our abundant coal resources and other fossil resources while still meeting all necessary environmental goals and standards.

In parallel with the wonderful benefits that these innovations in energy exploration, development and conservation are bringing us, is the need to continue to innovate in how we educate the public on the value of energy and the responsibility that we all have to use it wisely. That education is most effective and most sustainable when it starts with our teachers and our children. NEF is in the forefront of fulfilling this mission and all of us on the Board of Directors are proud to be part of this organization. I encourage you to read the details contained in this Annual Report. The Board thanks you for your past support of NEF and encourages your continued support.

Marvin S. Fertel
Nuclear Energy Institute
Chairman of the Board

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