Real Solutions for Transformative Change





Annual Report 2009

Dear Friends,

The year 2009 marked the 40th anniversary of Friends of the Earth U.S. Since our founding, Friends of the Earth has defined successful environmental advocacy by winning important victories like regulating the coal industry, fighting for an international agreement to eliminate the use of ozone depleting chemicals, as well as implementing the firstever regulations on global warming emissions in the state of California.

But our victories do not stop at the nation's borders. With member groups in 77 countries around the world, Friends of the Earth International has become the world's largest grassroots environmental network. On a daily basis, our network is fighting in Africa, South and Central America, Europe and Asia for the right to live in a healthy and just world.

With the impending threat of global climate chaos, it is going to take the entirety of our 40 years of advocacy knowledge as well as our international network to set the United States and the world on the right path to solve global warming. We believe that this will take nothing less than a fundamental shift and transformation in the way society contemplates, harnesses and uses energy. It will require rethinking everything from where we live and how we move around to the food that we eat. It requires eliminating the use of fossil fuels and false energy choices like biofuels and nuclear power, and encouraging the use of solar and wind energy, as well as simply using less...less "stuff," less energy, and less of the Earth's natural resources.

In this annual report, you will read about Friends of the Earth's success in helping usher in this transformation. Nationally, we are pushing Congress and the Obama administration to offer global warming solutions that represent a true and aggressive commitment to tackling the climate crisis. We have urged the Obama administration to utilize its authority and have opposed global warming bills in Congress that fail to aggressively move the United States to a



Erich Pica President

carbon-free economy. In California, we helped draft and pass the world's first law to reduce the carbon content of fuel and under President Obama the EPA has adopted this standard nationally. You will also read about Friends of the Earth's efforts to ensure that the economic stimulus bill creates jobs by increasing investments in our cash-starved public transportation systems, not in pollution-generating new roads. Our staff successfully fought the creation of a federally run nuclear reactor park in South Carolina, helped win a moratorium on burning coal in the Congressional Power Plant in Washington, DC, and for the first time, forced the federal government to account for its overseas global warming pollution.

While global warming is the issue of our generation, there are newer forms of pollution that we are fighting. Through our work on nanotechnology and advanced genetic engineering, we are working to prevent corporations from patenting and potentially polluting the very building blocks of life. This year, our work on nanotechnology led the European Union to implement the first-ever requirement to label nanoparticles in cosmetics. In our efforts to regulate pollution from ocean-going vessels and cruise ships we passed a ban on vessel sewage discharge in California waters, and helped to shepherd a joint United States and Canadian effort to reduce shipping air emissions.

Our 40th anniversary also marks an exciting leadership transition at Friends of the Earth. After 15 years of leading the organization and a lifetime of dedication to environmental causes, Brent Blackwelder has retired.

In the year ahead, you can expect the new leadership of Friends of the Earth to fight like hell to fulfill our mission "to champion a healthy and just world." Whether at the state, national or international level, we will continue to employ the type of aggressive advocacy that has been a trademark of Friends of the Earth since our founding. As one of the world's largest, most cutting-edge, progressive environmental organizations our advocacy can and will literally impact millions of lives today and tomorrow.



Arlie Schardt Chairman of the Board

Inspiring Energy & Climate Solutions

his year marked an invigorated debate over **U.S. climate legislation**, as well as intense activity at the global level leading up to the critical **United Nations climate** conference in Copenhagen, Denmark. Our campaigners working on both international and domestic climate and energy issues were there every step of the way to ensure that Congress passes legislation that dramatically reduces greenhouse gas pollution, hastens our transition to clean energy, supports climate adaptation and clean energy production in developing countries, and creates millions of green jobs. We were also out in force at international climate negotiating sessions from Bonn to Bangkok to Copenhagen, pushing the U.S. to lead the world in forging equitable solutions to the climate crisis. As the world's biggest historical global warming polluter, and as a wealthy nation with considerable resources, the United States has a special responsibility to step up and take strong climate actions. This year we:

 Pushed for real clean energy and pollution reduction solutions to be integrated into economic recovery legislation. Our "New Roads = New Pollution" campaign successfully shifted transportation investments in the economic recovery bill away from new road projects and toward smart transportation infrastructure, resulting in \$17 billion for public transportation and \$8 billion for high speed rail. We also stopped a Senate attempt to turn economic recovery

Michelle Chan, Senior International Policy Analyst, warns Congress that Wall Street could game a carbon trading system. **Cover Image:** Thousands of Friends of the Earth International campaigners and volunteers from more than 20 countries demand 'climate jusice' in a peaceful, colorful march during UN climate talks in Copenhagen. Photo credit: Christoffer Askman/FOEI

Congress Wants to Risk Billions on Nuclear Reactors

Our ad campaign against a nuclear industry bailout helped strip costly loan guarantees from economic recovery legislation.

legislation into a **bailout for the nuclear power industry**, helping to strip up to \$50 billion in loan guarantees for nuclear power from the bill. Our anti-nuclear ad campaign effectively pressured senators to cut out the nuclear pork.

- Advanced international development and human rights in the fight against global warming by securing international climate adaptation and clean technology funding in the climate and energy legislation that passed out of the House in June 2009 and in the draft Senate bill introduced in September 2009. We hosted key civil society representatives from the global south, such as Meena Raman of Friends of the Earth International, Martin Kohr of Third World Network and indigenous leader Vicky Tauli-Corpuz, in Washington, DC to advance equitable global solutions to climate change.
- **MEDIA:** From Bonn to Bangkok to Copenhagen, our international team blogged their way through international climate negotiations, keeping U.S. audiences up-to-date on the latest developments. Our videos from Bonn and Bangkok alone gave thousands of viewers the opportunity to get an insider's perspective on the atmosphere and stakes of the talks. You can check out our Copenhagen reports at: www.foe.org/copenhagen.
- Influenced the debate on climate change legislation by exposing the risk of Wall Street manipulation in a carbon trading system. Our report, Subprime Carbon? Re-thinking the world's largest new derivatives market (www.foe.org/subprimecarbon), coupled with Michelle Chan's testimony before Congress, helped ensure that the House climate bill, although weakened by loopholes and

Kate Horner, Climate Change and Energy Policy Analyst, reports from Bangkok at a protest for indigenous peoples' rights. giveaways to corporate polluters, took into account lessons learned from the financial crisis and the cautionary tale they tell for a proposed cap-and-trade plan.

- Sounded the alarm about how the House climate and energy bill passed in June would fail to deliver effective solutions to global warming and would actually take us backwards by gutting the Clean Air Act. We exposed the truth about the bill's massive loopholes and polluter giveaways — not to mention opportunities for Wall Street manipulation — through ad campaigns, testimony before Congress, our "Just the Energy Bill" animated video and activism tool, and media coverage in top national publications.
- Collaborated with other groups to build a powerful, diverse coalition of more than 300 social justice, human rights, faith and progressive organizations (www.foe.org/letter-senator-boxer) who know we can and urgently must do better than the climate and energy bill that passed the House. Our push for a stronger Senate bill resulted in a key victory: the bill that has advanced farthest to date in the Senate protects the Clean Air Act, the best existing tool we have to cut greenhouse gas pollution. We continue our fight to keep it that way.
- **MEDIA:** We reached out to members of Congress, important stakeholders and policy makers more than 32,000 times through online action alerts. George Will's op-ed denying climate

Our "Just the Energy Bill" video, inspired by Schoolhouse Rock!, educated the public about how corporate polluters undermined climate legislation in the House. Watch it at www.foe.org/school-senate-video.





Friends of the Earth ANNUAL REPORT 2009



We stood naked with Avaaz Action Factory to protest lobbyists at Bonner & Associates for their anti-climate letter forgery scandal this summer. Communications intern Kim Huynh third from right. Photo credit: Avaaz DC Climate Action Factory

change brought more than 7,000 letters to the Washington Post Ombudsman. Verizon Wireless's senseless sponsorship of a pro-coal, antienvironment rally sparked more than 4,500 people into sending messages to Verizon Wireless's CEO.

The international drive to substitute fossil fuels with **biofuels** is driven in large part by an assumption that bio-based energy is sustainable for the planet. However, biofuels can create significant environmental harm. Large-scale agricultural production of corn and other crops used for biofuels often involves massive fertilizer inputs, use of large quantities of water, and

The House climate bill would reward the dirty coal industry with billions of dollars in giveaways — and undermine our power to regulate its pollution under the Clean Air Act.



Activist draws attention to the biofuels threat at a climate justice mobilization during climate talks in Bangkok. Photo credit: Ronnie Hall

soil erosion. Also, rather than helping to curb global warming, the use of biofuels can actually exacerbate global warming by causing deforestation and the destruction of other natural ecosystems. We are providing specific policy recommendations that support only those biofuels that have a proven environmental benefit. This year we:

- Engaged thousands of e-activists who responded to our call to vote for the biggest biofool as a part of our inaugural "Biofools Day" (www.biofoolsday.org). Activists chose Hugh Grant of agriculture giant Monsanto for his insistence, despite evidence to the contrary, that biofuels are good for the environment.
- Released a report titled A Boon to Bad Biofuels (www.foe.org/energy/biofuels-subsidies) with

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Palm oil plantations cut up the Indonesian countryside, exacerbating deforestation and contributing to global warming.

Earthtrack, exposing the way that tax credits and the **Renewable Fuels Standard** subsidize the biofuels industry. We discovered that the biofuels industry will receive \$420 billion in subsidies between 2008 and 2022; this value could more than double, to <u>\$1 trillion</u>, if biofuels production continues to increase.

 Advocated in favor of including greenhouse gas emissions from deforestation and other forms of land use change caused indirectly by increased biofuels production in the life cycle accounting for biofuels. We stopped efforts to introduce or pass bad appropriations amendments that would have removed funding from EPA to assess and regulate these emissions. More than 9,000 of our eactivists responded to our call for help and wrote letters to demand that their senators support global warming and land protections in biofuels policy.

Now in its 14th year, the **DC Environmental Network** continues to spearhead campaigns to protect and restore Washington, DC's urban environment and transform the neighborhoods and communities of our nation's capital into models of sustainability. On the energy front we work with a coalition of more than 50 local and national organizations to build local infrastructure to shift the region towards greater energy efficiency and use of cleaner, renewable fuels. This year we: Won a key victory in a federal lawsuit forcing the U.S. Export-Import Bank (Ex-Im) and the Overseas Private Investment Corporation (OPIC) to address the global warming implications of their overseas financing activities. The suit, brought by Friends of the Earth, Greenpeace and several U.S. cities, claimed that the two U.S. agencies financed fossil fuel projects without assessing whether the projects contributed to global warming or impacted the U.S. environment, as they were required to do under the National Environmental Policy Act. Under the settlement, Ex-Im will begin taking greenhouse gas emissions into account in evaluating fossil fuel projects and create a carbon policy, and OPIC will reduce greenhouse gases associated with projects by 20 percent over the next ten years. Both agencies will provide more financing for renewable energy. The suit opened up the courthouse doors for the first time to victims injured by climate change.

- Passed legislation to limit the capital's impact on global warming by creating an Energy Efficiency Utility with the aim of reducing carbon dioxide emissions produced by buildings by 70 percent.
- Successfully opposed DC Mayor Adrian Fenty's first attempt to appoint unqualified candidates to the DC Public Services Commission, which plays a key role in addressing utility and energy issues.
- Brought together key Pentagon officials and regional stakeholders to launch a Solar Fuel Station project at the Pentagon.
- Launched a campaign to stop the burning of coal at the Congressional Power Plant and won a moratorium on coal burning at the plant for the rest of 2009 as the architect of the capitol works to convert one coal boiler to burn gas, a less dirty fuel. As part of this campaign we worked with the DC Council and Mayor Fenty to limit the coal plant permit to the burning of cleaner fuels.

The **Southeastern Nuclear Campaign** is leading the nationwide effort to oppose construction of new nuclear reactors, particularly those in South Carolina



Capitol Climate Action activists march past the Capitol Power Plant in Washington, DC, March 2, 2009. Photo credit: Mike Theiler/Greenpeace

and the southeastern region. We are also the sole watchdog over the Department of Energy's Savannah River Site (SRS), a key Department of Energy (DOE) nuclear and plutonium processing facility located on the South Carolina-Georgia border. We work closely with the Alliance for Nuclear Accountability, the umbrella organization working with groups monitoring DOE sites and campaigning on DOE issues in Washington, DC. This year we:

- Demanded that two new nuclear reactors proposed by South Carolina Electric & Gas include a plan for energy conservation and efficiency. The South Carolina Public Service Commission (PSC) ruled in favor of the project to build the reactors; however we continue to **fight at the state Supreme Court level**. Our appeal to the South Carolina Supreme Court asks that the court reverse the PSC decision to build the reactors and also rule against the Construction Work in Progress law, which essentially passes on construction costs to consumers.
- Rallied public interest groups in Maryland, South Carolina, Georgia and Texas to stop DOE from issuing loan guarantees that would subsidize

President Erich Pica and Greenpeace's Mary Sweeter on the *Bill Moyers Journal* in July talking about the flaws in the House climate and energy bill. Photo credit: Robin Holland



The Alliance for Nuclear Accountability recognized our Southeastern Nuclear Campaign Coordinator Tom Clements as "Grassroots Activist of the Year" for his leadership for more than 20 years on issues related to nuclear power and nuclear non-proliferation.

new reactor projects with up to \$18.5 billion in taxpayer money. Read the letters here: www.foe.org/energy/fighting-nuclear-reactors-southeast.

 Blocked dangerous nuclear parks at the Savannah River Site and in Portsmouth, OH, challenging the DOE's plans to construct nuclear reprocessing plants and spent fuel storage areas on public lands. We forced DOE to cancel the leasing of 2,700 acres on the South Carolina-Georgia border, and helped stop a giveaway of surplus land to Areva and Duke Energy for nuclear reactors at a Portsmouth, OH site.



Real Solutions for Transformative Change

Friends of the Earth's **Clean Cars Program** is leading vital efforts nationwide to achieve aggressive reductions in greenhouse gas pollution from vehicles by promoting sustainable, alternative fuels and vehicles, with an emphasis on plug-in electric vehicles and vehicle charging stations that use renewable energy. The state of California has historically been a model for cutting-edge environmental policies that are often adopted across the nation. Friends of the Earth is actively leveraging California's clout, leading the way in developing policies that will reduce greenhouse gas emissions from vehicles. This year we:

- Teamed up with coalition partners to pass the world's first Low Carbon Fuel Standard. This standard requires a 10 percent reduction in the carbon intensity of all fuels sold in California by 2010, which will prevent widespread use of the dirtiest fuels such as tar sands, oil shale, and coal-based fuels and will also increase the use of alternative, non-petroleum fuels. Our team went one step further to demand that these alternative fuels meet critical sustainability safeguards so that the charge to promote new fuels doesn't simply create a different set of environmental and social problems.
- After years of hard work drafting, passing, defending, and promoting the California Clean Cars Law (the world's first **law to reduce** greenhouse gas pollution from vehicles), the Obama administration's Environmental Protection Agency adopted California's law as a minimum standard for all U.S. cars and light duty trucks.

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- Drove millions in corporate and government investment towards promoting sustainable, alternative fuels through participation in California's **Alternative Fuel & Vehicle Funding Program**. The strong regulatory standards we helped draft ensure that public funds are used to foster the cleanest, most environmentally and socially sound alternative fuels.
- After a decade of intensive work to promote plugin electric vehicles, our effort has paid off – this year ten major car manufacturers announced plans to bring plug-ins to the market between 2010 and 2012. Our next step is to make Northern California the electric vehicle capital of the world by making it easier for government agencies and consumers to purchase and use plug-in electric cars.
- Launched the Bay Area Solar Fuel Station Initiative to promote solar fuel stations, which can produce reliable, domestically produced, renewable fuel for plug-in electric vehicles, with nearly zero lifecycle emissions. As a result, the California Public Utilities Commission and numerous municipalities are taking steps to install and promote favorable policies for solar fuel stations. We responded to growing demand for information on solar fuel stations by designing an easy-to-use calculator that provides municipalities and businesses with quick information on the benefits and costs of solar fuel stations, including the amount of greenhouse gas emissions avoided, gallons of gasoline displaced, total costs, and payback periods per station. It is available online at: www.foe.org/transportation/solar-fuel-stationcalculator.

Envision Solar's Solar Grove at Kyocera Headquarters, San Diego, CA.

Putting People Before Profits

ur **International Program** work on finance and trade is rooted in the belief that, for the poorest countries on our planet, the global economic system has been an underlying cause of environmental degradation and disruption of people's livelihoods. We work to change unjust global financial institutions and trade rules. This year we:

- Supported the Gabonese NGO Brainforest in rallying civil society opposition to the **Belinga mine project**, an environmentally and socially risky iron ore mine under development in one of the world's largest pristine tropical forests. The sole financier, the China Export-Import Bank, admitted that it was this opposition, and in particular a letter we helped Brainforest draft, that led it to put the project on hold pending verification of environmental impact assessments.
- Launched a campaign with Friends of the Earth International, Oil Change, and Platform London to hold Shell accountable for its human rights, climate, and gas flaring abuses in Nigeria. We produced ads exposing Shell's gas flaring and released a report proving that Shell is the world's most carbon-intensive oil company. Our activists

Former President and Special Advisor Brent Blackwelder gave a riveting speech about the Honduran coup that was posted on YouTube and viewed more than 450 times.



Friends of the Earth took part in a rally on the steps of a New York City courthouse to denounce Shell.

converged on New York City in June for a rally to denounce Shell's complicity in the murder of Ken Saro-Wiwa and eight other non-violent Nigerian activists in 1995. After 13 years of legal battles, the deaths of these activists who opposed Shell's gas flaring and environmental devastation of their homeland have been recompensed. Shell was forced to pay \$15.5 million, including \$5 million for

Adina Matisoff, China Sustainable Finance Campaigner, witnessed the impact of mining on people and the environment in Mongolia.







a trust to benefit communities in Ogoni territory in Nigeria, the homeland of the executed activists.

- Our China Sustainable Finance program continued to enhance the capacity of civil society activists to address the environmental and social impacts of investments by Chinese banks and oil companies in their countries. We developed financial advocacy training materials to help Chinese activists evaluate bank environmental policies, met with activists in Mongolia to report on the degradation caused by mining projects, and achieved the first meeting between a major Chinese corporation and civil society activists concerned about oil projects in Burma.
- Reported on the environmental degradation and socio-cultural issues arising from the expansion of mining in Mongolia. Campaigner Adina Matisoff traveled to Mongolia to meet with environmental activists and help them address concerns of Chinese investment in their country — read about it at http://action.foe.org/t/5852/content.jsp?content_KEY= 4702.
- **MEDIA:** We are connected to Friends of the Earth International, Friends of the Earth England, Wales and Northern Ireland, Milieudefensie (Friends of the Earth Netherlands) and Young Friends of the Earth Europe through our YouTube page, where we help each other extend our reach and visibility.
- Advanced a progressive vision for U.S. trade policy by working with coalition partners to support the Trade Reform, Accountability,

Friendsof the Earth

International

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Male



Former President and Special Advisor Brent Blackwelder helps to expose the World Bank's greenwashing ploy.

Development and Employment (TRADE) Act, which sets down principles for future trade agreements that promote sustainable development, worker and human rights, and corporate accountability. Meanwhile we stopped the destructive U.S. free trade agreements with Colombia and Panama from coming to a vote in Congress.

 Pressured the international finance institutions to stop subsidizing dirty fossil fuel projects. Our report released with Oil Change International, the Institute for Policy Studies, and Campagna per la Riforma della Banca Mondiale argued that the

Friends of the Earth International pushes rich countries to repay their climate debt at the Bangkok climate talks.

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World Bank's track record disqualifies it from managing clean technology transfer and climate adaptation funds — read the report at www.foe.org/Climate_Investment_Funds/DirtyIsNewCle anReport.pdf.

The **DC Environmental Network (DCEN)** strives to ensure that economic planning in the District of Columbia not only serves long-term goals of environmental sustainability, but also ensures access to basic human needs and good jobs for the city's poorest residents. This year we: Launched a Green Jobs Initiative in conjunction with groups such as Interfaith Power & Light, Service Employees International Union, Metro Labor Council, DC Fiscal Policy Institute and other stakeholders. DCEN is guiding discussions to develop a long-range initiative to improve existing workforce development programs and create a community college in DC that would lead the way in connecting the city's low-income residents to green jobs.

Keeping People Safe and Healthy

ur Health and Environment Campaigner lan Illuminato holds a position as a lead expert on nanotechnology worldwide, providing industry guidance on nanotech cosmetics issues, speaking to a global audience through BBC World Service Radio and other media about nanotechnology and safety, and organizing civil society's precautionary stance on the issue. Also as a part of our emerging technologies program, we work to promote a cautionary position on synthetic biology, genetic technologies and human cloning, because scientific research should benefit humanity, not put it at risk. This year we:

• Released a report warning of the threat to public health from **nano-silver**, an extreme germ killer that kills helpful as well as harmful bacteria, and published a follow-up report on **nanomaterials in sunscreens**. The reports can be found at: www.foe.org/healthy-people/nanosilver and: www.foe.org/healthy-people/nanotechnology-personal-care-products.

- Convened a second successful teach-in on **synthetic biology**, bringing together 80 participants from civil society groups to develop a plan for public engagement and policy work and a synthetic biology code of ethics for industry and research.
- Expanded the list of signers to the **Compact for Safe Cosmetics** to more than 1,000 companies that have agreed to remove carcinogens, reproductive toxins, and other chemicals of concern from their products, while adding nanomaterials to this list of unsafe ingredients.
- Released a list of more than **100 food products** and packaging — including Miller Lite beer bottles and ToddlerHealth, a nutritional drink powder for infants — that use nanoparticles in a report publicized via our international network in Europe, Australia and Germany. Subsequently we submitted more than 3,000 public comments to the FDA in favor of regulation of nanomaterials in food. The report, *Out of the Laboratory and On To Our Plates: Nanotechnology in Food and Agriculture*, is at www.foe.org/healthypeople/nanofood-and-nano-agriculture.

Protecting Our Air & Water

he **Clean Vessels Campaign** is cleaning up the cruise industry, protecting marine sanctuaries, and reducing air and water pollution from ocean-going vessels. Our team also works on a local level to reduce vessel pollution in the Pacific Northwest, including at the Port of Seattle. After all, the environment is for everyone, and a healthy and just world requires clean air and water. This year we:

- Demanded that the EPA update the Clean Water Act's 30-year-old standards governing sewage dumping from large ships. We asked EPA to revise the standards in light of the availability of modern sewage treatment systems.
- Ruffled cruise industry executives' feathers with the first-ever Cruise Ship Environmental Report Card (www.foe.org/cruisereportcard), which grades 10 cruise lines and 105 cruise ships operating in the U.S. on three criteria: sewage treatment technology, air pollution control, and water quality compliance in Alaska – the only state in the U.S. that monitors and reports on cruise ship discharges. This report card empowers cruisegoers to choose the cleanest cruise available, based on cruise lines' environmental records.
- Introduced national cruise ship legislation that would establish a ban on sewage, gray water, and oily bilge water discharges within 12 miles of U.S. shores and implement strong pollution limits for discharges beyond 12 miles.
- Nine years and two court battles after we first demanded that the EPA improve air pollution limits for large ships, in August the agency finally proposed cleaner air pollution standards for ocean-going vessels. If finalized, the rules will reduce harmful pollutants by 80 percent or more by 2030, preventing between 13,000 and 33,000 premature deaths.
- Secured a strong air pollution regulation requiring ships traveling within California waters (out to 24 nautical miles) to switch to cleaner fuel, eliminating 15 tons of diesel exhaust per day and achieving an 83 percent reduction in particulate emissions by 2012. This rule will reduce cancer



Garibaldi swim through a forest of kelp in the Channel Islands National Marine Sanctuary and National Park.

risk and prevent 3,600 premature deaths between 2009 and 2015.

- Helped pass International Maritime Organization (IMO) standards for ocean-going ships that will significantly reduce harmful air pollution emissions from foreign vessels using our waters. The rule was prompted in part by our success establishing strong state vessel air pollution standards and pushing for a strong national standard.
- Worked with EPA and other coalition partners to shepherd a joint U.S. and Canadian Emission
 Control Area (ECA) application through the IMO. If approved, in 2010 the ECA will jump-start protections against harmful vessel air pollution – starting in 2012, more than seven years earlier than the current general IMO regulations require.
- Initiated passage of a California law that will extend California's landmark ban on vessel sewage discharges from cruise ships in all state waters through 2014.
- Rescued California's National Marine Sanctuaries from pollution by pressuring the National Oceanic and Atmospheric Administration to ban cruise ship and other large vessel discharges of sewage and gray water within California Marine Sanctuaries.
- Stopped the Port of Seattle from releasing PCBladen dredge spoils into the Puget Sound, instead

convincing the Port to safely dispose of these harmful pollutants in upland facilities.

- Advocated installation of shore-side electrical power at a new \$120 million cruise terminal in the Port of Seattle. Certain cruise ships must now plug in to shore-side electricity or burn only cleaner fuel when in port to reduce serious port-side vessel air pollution.
- Convinced Washington State to pass a financial responsibility measure that would require industry to pay for maintenance of an important emergency response tug, ensuring that the Neah Bay tug continues to operate year-round in one of the busiest commercial shipping lanes on the U.S. west coast, aiding ships in distress and preventing numerous, disastrous oil spills and other emergencies.

The **DC Environmental Network (DCEN)** leads a variety of campaigns and projects aimed at improving the quality of air and water in the Washington metropolitan region to make it more livable for residents. We strive to promote public health and welfare by cleaning up the urban environment of our nation's capital city and restoring the region's many creeks, rivers and parks. This year we:

• Initiated a new restoration effort of the heavilypolluted Anacostia River to make it fishable and swimmable for people. DCEN helped secure passage of the Anacostia River Cleanup and Protection Act of 2009, which places a 5-cent fee on disposable carryout bags in order to curb their use and fund environmental cleanup, reclamation, and restoration efforts on the Anacostia River. The law targets plastic bags because these bags account for as much as 40 percent of the trash found in and around the river.

• Challenged appeals by the city's Water and Sewer Authority to undercut nitrogen limits designed to help restore area rivers and creeks, which in turn sparked the District's implementation of a stormwater enhancement package to **curb the amount of polluted stormwater that enters our rivers and creeks.**

- Stopped the Maryland Department of the Environment from giving out permits that would allow pollution discharges into the storm drain system that empties into area rivers. An alliance of environmental groups including Friends of the Earth used the courts to challenge these permits, which would disregard **Clean Water Act standards.**
- Achieved a key victory on the path to greening government with the resignation of Water and Sewer Authority General Manager Jerry N.
 Johnson in the face of continuing criticism of his agency's environmental record over the last decade by Friends of the Earth and others. Mr.
 Johnson, whose decisions Friends of the Earth had challenged successfully through litigation – and who faced increasing pressure after his poor handling of the excessive lead contamination in the city's tap water – had been a major obstacle in efforts to clean up the city's tainted drinking water and restore the Anacostia River.

Born in 1986, K 21 "Cappucino" passes by a Washington State Ferry on its way to Sidney British Columbia, underscoring the importance of working bilaterally with Friends of the Earth Canada — for whales and pollution do not abide by borders. Photo credit: © Fred Felleman

Real Solutions for Transformative Change

Thank You For Supporting Our 40th Anniversary

n October 1st, Friends of the Earth celebrated our 40th Anniversary, introduced Erich Pica as our new president, and honored Dr. Brent Blackwelder's retirement. More than 250 friends, supporters, and environmental pioneers gathered at House of Sweden in Georgetown to help us raise more than \$68,000 in honor of Brent Blackwelder's decades of leadership.

The evening included a cocktail reception and a presentation from the renowned artist John Alexander, who created a commemorative Friends of the Earth 40th Anniversary poster. The poster is available for purchase online at www.store.foe.org.

For information on upcoming events or ways in which you can support Friends of the Earth, please contact Hillary Blank at 1-866-217-8499 ext. 219 or e-mail hblank@foe.org. A gift to Friends of the Earth will support quick action to promote clean energy, advance solutions to global warming, protect people from toxic and new, potentially harmful technologies, and promote smarter, low-pollution transportation alternatives.

Brent Blackwelder with the artist John Alexander and Friends of the Earth board member and sponsor Jayni Chase.

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Friends of the Earth's new president, Erich Pica, speaks to the crowd at the event.

Sponsors

David E. Bonior Bracy Tucker Brown & Valanzano Jayni & Chevy Chase Lynne Cherry, Author & Filmmaker Harriett Crosby Ellen Dorsey and Richard Mott Louise Dunlap & Joe Browder Earthiustice Marion Edev Dan & Bunny Gabel Jeff Glueck Mike Herz Paul & Ellen Hoff

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In The Spotlight: Bonnie Raitt

ine-time Grammy Award winning singer and songwriter and Rock and Roll Hall of Fame inductee, Bonnie Raitt, is as known for her lifelong commitment to social activism as she is for her music.

She has long been involved with the environmental movement and has been especially active in promoting sustainable energy and utilizing her concerts to raise funds for national and grassroots non-profit groups. On her 2009 BonTaj Roulet Tour, in 34 concert dates, The BonTaj Collective Action Fund raised over \$200,000 to benefit groups working on Safe & Sustainable Energy, Environmental Protection, Social Justice & Human Rights. and Blues/Music Education. On her 2002 Summer Tour and going forward ever since, she initiated Green Highway, a traveling eco-village providing information to concert-goers about alternative energy solutions such as solar and wind power, in addition to coordinating green backstage activities including BioDiesel in the tour's trucks and buses.

Bonnie is a founding member of MUSE (Musicians United for Safe Energy), NukeFree.org, and the Rhythm & Blues Foundation. In 1995, she helped establish the Bonnie Raitt Guitar Program, which provides free guitar lessons to children in over 180 Boys and Girls Clubs around the world.

Bonnie supports Friends of the Earth, in part, for its uncompromising approach to activism, including a commitment to bring legal action against risky and costly nuclear reactors being pushed by electricity utilities in South Carolina, ground zero for new nuclear projects. In conjunction with those efforts against new reactors, Friends of the Earth is leading the push for development of policies in support of a clean energy future.

With the help of supporters like Bonnie Raitt, Friends of the Earth has achieved a number of successes in 2009, including an effort against the Department of



Energy's (DOE) behind-the-scenes initiative to pursue a subsidized nuclear "energy park" at the Savannah River Site in South Carolina and the Piketon site in southern Ohio. In August, because of unrelenting efforts by Friends of the Earth, DOE caved in to public pressure and canceled its plans to lease the land at the Savannah River Site. Friends of the Earth will remain vigilant to efforts by the nuclear industry to turn the facility into the nation's radioactive spent fuel storage and reprocessing site.

Financials

Balance Sheets

| | June 30, 2009 | | | June 30, 2008 | | |
|---|-----------------------------------|---------------------------|-------------------------------------|-----------------------------------|---------------------------|-------------------------------------|
| | Unrestricted Operating Fund | Temporarily Restricted | Total | Unrestricted Operating Fund | Temporarily Restricted | Total |
| Assets Current assets: Cash and cash equivalents Accounts receivable: | - | \$1,471,866 | \$1,471,866 | \$4,461 | \$796,391 | \$800,852 |
| Grants, contributions and bequests Other | \$266,463 36,152 | - | 266,463 36,152 | 89,839 77,519 | - | 89,839 77,519 |
| Total accounts receivable | 302,615 | - | 302,615 | 167,358 | - | 167,358 |
| Due from Friends of the Earth (Action), Inc Due (To) From Funds | . 59,403 (320,314) | - 320,314 | 59,403 | 45,860 | - | 45,860 |
| Promises to give, current portion Prepaid expenses and other assets | 97,057 | 430,510 | 430,510 97,057 | - 54,258 | 849,813 - | 849,813 54,258 |
| Total current assets | 138,761 | 2,222,690 | 2,361,451 | 271,937 | 1,646,204 | 1,918,141 |
| Fixed assets: Furniture and equipment Less accumulated depreciation and amortization | 809,822 712,759 | - | 809,822 712,759 | 741,709 662,167 | - | 741,709 662,167 |
| Total fixed assets | 97,063 | - | 97,063 | 79,542 | - | 79,542 |
| Other assets: Promises to give, net of current portion Pooled income fund, at market value Charitable gift annuity, at market value Deposits | 67,294 30,979 | 30,000 1,881 - - | 30,000 1,881 67,294 30,979 | 94,991 32,203 | 25,000 6,327 - - | 25,000 6,327 94,991 32,203 |
| Total other assets | 98,273 | 31,881 | 130,154 | 127,194 | 31,327 | 158,521 |
| Total assets | \$334,097 | \$2,254,571 | \$2,588,668 | \$478,673 | \$1,677,531 | \$2,156,204 |
| Liabilities and Net Assets Current liabilities: | | | | | | |
| Accounts payable and accrued expenses Accrued leave Capital lease obligation | \$114,575 116,490 10,428 | - | \$114,575 116,490 10,428 | \$162,218 100,329 - | : | \$162,218 100,329 - |
| Total current liabilities | 241,493 | | 241,493 | 262,547 | | 262,547 |
| Other liabilities: Capital lease obligation Deferred revenue - pooled income fund Deferred rent Charitable gift annuity liability | 29,893 - 7,682 42,563 | - 55 - - | 29,893 55 7,682 42,563 | - - 7,412 45,940 | 703 | - 703 7,412 45,940 |
| Total other liabilities | 80,138 | 55 | 80,193 | 53,352 | 703 | 54,055 |
| Total liabilities | 321,631 | 55 | 321,686 | 315,899 | 703 | 316,602 |
| Commitments Net assets: | | | | | | |
| Unrestricted Temporarily restricted: Operating fund | 12,466 | - 2,056,095 | 12,466 2,056,095 | 162,774 | - 1,478,407 | 162,774 1,478,407 |
| Reserve fund Endowment fund | - | 145,000 53,421 | 145,000 53,421 | - | 145,000 53,421 | 145,000 53,421 |
| Total net assets | 12,466 | 2,254,516 | 2,266,982 | 162,774 | 1,676,828 | 1,839,602 |
| Total liabilities and net assets | \$334,097 | \$2,254,571 | \$2,588,668 | \$478,673 | \$1,677,531 | \$2,156,204 |

Statements of Activities

| | For the Years E 2009 | | | Ended June 30, 2008 | | |
|--|--|---------------------------|--|---|---------------------------|--|
| | Unrestricted Operating Fund | Temporarily Restricted | Total | Unrestricted Operating Fund | Temporarily Restricted | Total |
| Revenue Grants, Bequests and Member Contributions Investment Income Rental Income Mailing list sales Administrative fees Other | \$ 1,387,548 (12,443) 56,921 6,785 37,575 146,743 | \$ 3,322,491 | \$ 4,710,039 (12,443) 56,921 6,785 37,575 146,743 | \$ 1,262,791 8,382 55,209 12,244 130,168 126,395 | \$ 2,472,718 | \$3,735,509 8,382 55,209 12,244 130,168 126,395 |
| Net Assets Released from Restrictions | 2,744,803 | (2,744,803) | - | 2,400,973 | (2,400,973) | - |
| Total Revenue | 4,367,932 | 577,688 | 4,945,620 | 3,996,162 | 71,745 | 4,067,907 |
| Expenses Program Expenses: | | | | | | |
| Domestic International Bluewater Network Outreach Membership | 1,204,874 927,165 653,241 925,871 96,981 | - | 1,204,874 927,165 653,241 925,871 96,981 | 986,713 880,609 582,495 829,475 83,366 | - | 986,713 880,609 582,495 829,475 83,366 |
| Total Program Expenses | 3,808,132 | | 3,808,132 | 3,362,659 | | 3,362,658 |
| Supporting Expenses: Management and General Fundraising | 337,941 372,167 | : | 337,941 372,167 | 350,806 292,143 | 1 | 350,806 292,143 |
| Total Supporting Expenses | 710,108 | - | 710,108 | 642,949 | - | 642,949 |
| Total Expenses | 4,518,240 | - | 4,518,240 | 4,005,608 | - | 4,005,608 |
| Change in Net Assets Net Assets - Beginning of Year | (150,308) 162,774 | 577,688 1,676,828 | 427,380 1,839,602 | (9,446) 172,220 | 71,745 1,605,083 | 62,299 1,777,303 |
| Net Assets - End of Year | \$ 12,466 | \$ 2,254,516 | \$ 2,266,982 | \$ 162,774 | \$ 1,676,828 | \$ 1,839,602 |
| | | | | | | |

For the year ended June 30, 2009:





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