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# Highlights

The Environmental and Energy Study Institute (EESI) is a not-for-profit, 501(c)(3) organization established in cooperation with the leaders of the Congressional Environmental and Energy Study Conference (EESC), Congress' largest legislative service organization. EESI is the nation's only independent organization set up by Congressional leaders to promote better informed national debate on environmental and energy issues and generate innovative policy responses.

1989 marked another year of accomplishment and steady growth for EESI. It demonstrated once again the power of credible information and ideas, combined with a strategic position with policymakers.

Whatever EESI was able to achieve would not have been possible without a dedicated and hard-working staff, a willing and involved Board of Directors, a loyal group of financial supporters and a large number of friends in Congress and other organizations involved in the making of public policy.

EESI continued major educational and policy analysis programs in 1989 in the following areas: groundwater quality, agriculture, energy efficiency and renewable energy, waste management, global climate change, and international environment and development.

In addition, we launched three new initiatives: water conservation and efficiency, "Sustainability Begins at Home" and "EARTHTECH 90." As part of the sustainability initiative, EESI's Board and staff re-evaluated all of the Institute's programs to assure that they are oriented toward environmentally sustainable development.

International environmental issues came of age in 1989, and we organized a series of special educational programs to stimulate needed Congressional action. Many of the year's successful policy initiatives had their origins in these programs and follow-up activities. One example: the U.S. Agency for International Development (AID) received a doubled budget for promoting energy efficiency and renewable energy in developing countries.

Domestically, the energy policy statement developed by the EESI Board in 1988 began to produce concrete results. Conservation and renewables were integrated into the acid rain title of the Clean Air Act, and tougher automobile fuel economy standards began moving forward. Energy issues generally rose to new highs on the national agenda.

In waste management, EESI turned solid waste policy strongly in the direction of recycling and source reduction and helped Congress develop its own internal recycling programs. We also were the catalyst for a much-needed, broad-based review of the federal hazardous waste cleanup "superfund."

Another aggressive policymaker education program established clear linkages between current federal farm programs and groundwater contamination, laying the foundation for needed reform in the 1990 farm bill.

EESI used a variety of tools and strategies: briefings and seminars for Congressional staff, working groups of governmental and non-governmental people to develop ideas, analytical reports, blue-ribbon task forces, educational lunches and dinners for Members of Congress, and Congressional testimony and provision of information and technical assistance.

All helped EESI create the knowledge and commitment, and sound and well-balanced policy options, necessary for action.

In total in 1989, EESI organized more than 75 educational sessions with an attendance of more than 4500. They featured a wide variety of viewpoints, from university researchers to farmers, from business leaders to concerned individuals and environmental activists. Many of them were sponsored in cooperation with the Congressional Study Conference.

These sessions played an instrumental role in informing national policymakers about the issues and alternative solutions. But just as importantly, they provided scores of people and organizations working at the state and local level the chance to provide input into the national policy process. As one Midwestern activist and participant in

our groundwater workshops wrote, "you are providing [us] opportunities...to present our perspectives and policy options to a large and influential audience...."

EESI also provided a wide range of written information and analysis to more than 6,000 key people at the local and state level and in Washington to help them participate in the national policy process. EESI published more than a dozen reports in 1989. It also served as the publisher of the Study Conference's weekly legislative bulletin and other reports outside Congress. Overall, we distributed more than 60,000 copies of these reports with timely and useable information on the most important environmental and energy topics of the year.

(The Study Conference was founded in 1975 to provide objective information to Congress on environmental and energy legislation. Over its 15-year history, the Conference has grown into the largest legislative service organization in Congress. It currently has a membership of 90 Senators and 290 Representatives from both sides of the aisle and across the political spectrum.)

# Groundwater Protection/Farm Policy

EESI began its groundwater program in 1985 to develop information and analysis on ways to strengthen federal policies and programs to prevent contamination of groundwater quality. Many of the recommendations developed in the course of the early efforts, relating to research, technical assistance, technology transfer and federal-state prevention programs, have been incorporated into numerous bills moving through the 101st Congress.

In anticipation of the new farm bill in 1990, EESI's 1989 work focused on connections among groundwater quality, agricultural practices and federal farm programs and on possible changes in the farm bill.

EESI's Groundwater Program Director Judy Campbell Bird and Assistant Janet Edmond (a former intern made good) organized a carefully structured series of Congressional educational sessions, carried out extensive research and analysis and ran a groundwater/farm policy working group that met regularly throughout the year.

In all, EESI organized six workshops and briefings for Congress in Washington, held two fact-finding meetings in St. Paul and prepared for a major conference in Iowa for early in 1990. In addition, we republished a report on groundwater and agriculture.

EESI had some success in bridging the gaps between environmental and farm groups and built considerable consensus on the linkages among contamination, farm practices and federal policy. Federal commodity programs are now widely recognized as major obstacles preventing farmers from shifting to what's variously called "sustainable" or "low-input" agriculture. That recognition, coupled with the potential for holding federal farm spending steady and maintaining farm incomes while making the shift, made it politically possible to discuss needed environmental reforms in the commodity programs. EESI ended 1989 well positioned to help frame the issues in the debate on the 1990 farm bill.

## Energy

The EESI Board of Directors, sensing new opportunity in 1988 to elevate energy issues generally, and energy efficiency specifically, on the national policy agenda, drafted a consensus statement containing specific policy recommendations. 1989 saw several of these proposals move forward.

In a May 8 letter to President George Bush, EESI Board Chair Roger Sant, Vice Chair Gus Speth and Director Russell Train wrote, "In the near term, energy efficiency is the cheapest way to meet the multiple objectives of increasing energy security and international competitiveness, while reducing conventional air pollution, greenhouse gas emissions and our balance of payments deficit." Board members and staff subsequently had follow-up meetings with key administration officials.

Proposals to build efficiency into acid rain controls were embraced by the White House and Congress. Renewable energy also was added to the control mix. As Roger Sant testified before the House Energy and Commerce Committee, the advantage of these strategies over conventional controls is they can save money and reduce both air

The Programs

pollution and greenhouse gases. To support this effort, EESI carried out research and analysis, held briefings for Congressional staff and chaired an efficiency/acid rain working group that met regularly to develop information and analysis.

The EESI statement also called for increased automobile fuel economy. Spurred by concern over global warming, legislation to boost fuel economy came to life in the U.S. Senate in 1989. Again, we initiated a working group of key people to develop information and analysis in support of improved fuel economy.

Even beyond acid rain and global warming, energy efficiency and renewables were increasingly seen as a way of preventing other environmental problems, as well as meeting economic concerns and protecting national security. The Energy Program's record number of 16 educational sessions for Members of Congress and staff helped develop this emerging consensus.

Program Director Carol Werner considered any session attended by fewer than 50 people "a bad day." As a Midwest utility executive wrote, "around Washington last week, you were described more than once to us as being a very credible source on these issues...."

## Waste Management

Soon after the odyssey of the "Garbage Barge" catapulted solid waste high onto the national agenda, EESI surveyed Congress to see what EESI could do to help. The response was clear: Congress needed more and better information to deal with what had been a non-issue. Over the course of the year, EESI set up more than a dozen educational sessions to help Congress catch up. Attendance broke all records, running in excess of 100 each time. Virtually every Congressional office participated in one or more.

Workshops were held on landfills, incineration, source reduction, plastics, "garbology," state and local programs, recycling markets, recycling and a Congressional Office of Technology Assessment study. EESI hosted a recycling fair and helped Congress set up its own recycling program. Some 85 Congressional staffers participated in two field trips, one to a

state-of-the-art landfill in Maryland and a municipal incinerator in Virginia, and the other to an advanced waste reclamation facility in Delaware. A series of solid waste "issues and options" papers was prepared and distributed widely inside and outside Washington. An EESI working group of about 25 Congressional staffers met monthly throughout 1989 to examine the range of solid waste issues in depth and to develop policy options.

Our efforts are widely recognized as having moved the Congressional agenda toward waste prevention and recycling. A number of legislative proposals conceived during the EESI sessions moved toward passage during the year.

Program Director Patricia Raymond was startled by her own success. With a relatively modest \$50,000 budget, EESI became one of Congress' three top sources of credible information and advice on solid waste issues, according to an independent survey. The other two were Congress' own research arm and its committees' staff.

EESI also served as the catalyst for a project to improve implementation of the highly politicized and controversial federal "Superfund" waste cleanup program, which accounts for more than 60 percent of federal environmental dollars. We were fortunate to be able to launch this effort, where many others had failed before, because of our credibility and special relationship with Congress.

### **International Environment**

During 1989, EESI's well-established international program built on its earlier efforts, with continued briefings, workshops and policy development. In 1989, global environmental issues, especially climate change, took center stage, and EESI was there to help Members of Congress and their staff take action.

In early 1989, EESI and the World Resources Institute (WRI) (with plenty of help from WRI's Gus Speth and Donna Wise, both EESI directors) co-hosted three private educational dinners for key Members of Congress. The dinners focused on global warming, agriculture and forestry, and population. They featured Sir Crispin Tickell, the British ambassador to the

United Nations; Henry Muller, managing editor of Time Magazine; Col. Jim Buchli, a NASA astronaut with earth photos taken from the shuttle Discovery; and former Congressman Barber Conable, president of the World Bank. On average, 25 Members attended. Senators John Heinz (R-Pa.) and Al Gore (D-Tenn.) and Representative John Porter (R-Ill.) sent invitations to their colleagues.

The dinners provided a timely opportunity for Congress to begin formulating policies and legislation on global environmental issues, especially in the areas of foreign assistance and lending. They led to many of the successful policy initiatives coming later in the year. The doubling of AID's budget for energy efficiency was an important one. Another was the passage of proposals developed by Senator Heinz (an EESI director) requiring multilateral lending institutions, such as the World Bank and the Inter-American Development Bank, to support only environmentally sustainable projects.

Jon Clark, who directed the international program through its first five years, won considerable respect both for himself and for EESI. At the end of the year, Jon left to join a family venture in Pennsylvania dedicated to promoting "ecoentrepreneuring."

## Climate Change

EESI's energy and international programs worked together on global climate change. Amid growing Congressional concern about climate change, EESI attempted to reduce the considerable confusion arising out of the scientific, as opposed to political, controversy. In addition to several briefings, we co-sponsored with WRI three full-day Congressional staff seminars on the state of the science and climate-related agriculture, forestry and electric utility issues and policy options.

# Water Efficiency

In the summer of 1989, EESI launched a new project to increase the efficiency of water use in the United States and to seek to place the matter on the national policy agenda. In many ways, efficiency in water use is like efficiency in energy use: it is a promising way to meet environmental and

economic needs. The water efficiency project will seek to use such tools as "demand management" and "least-cost" analysis developed during the energy debates of the 1970s.

Planning began for a conference on water use and water efficiency concepts, to be held jointly by the Institute and the Environmental Protection Agency (EPA), and funded by the agency, in the spring of 1990. Joseph Raeder, formerly of the Congressional Study Conference editorial staff, came aboard to manage the water efficiency project.

## Sustainable Development

EESI's new, cross-cutting project, "Sustainability Begins at Home," is aimed at highlighting ways in which the American economy can improve the efficiency of its use of all natural resources and, as a result, avoid some of the pollution burden the nation now imposes on itself and on the world. Greater efficiency also can boost economic competitiveness and enable businesses to avoid costly cleanups. Underlying the Institute's effort is the belief that in a context of increasing concern about the world's environment, the United States bears a significant responsibility to "get its own house in order."

A subcommittee of the Board of Directors, chaired by Gilbert Gude, worked to develop a framework for addressing within the U.S. economy the concepts of sustainability articulated by the UN's World Commission on Environment and Development. The subcommittee found that all of EESI's current programs are inherently oriented toward environmentally sustainable development; and all emphasize pollution avoidance and resource efficiency.

Staffed by consultant Nancy Mathews, the sustainability initiative is exploring other ways in which domestic economic activity — providing the goods and services American society seeks — can be carried out in a more environmentally benign and sustainable fashion. EESI began assembling an unlikely task force of individuals representing widely divergent interests, including investment banking, industry, grantmakers, academics, grassroots activists and environmental groups. The task force's mission was to help EESI refine the concept

of sustainability for discussions of domestic sustainability and to help with planning for a series of workshops. Among other things, we are attempting to determine how tools like least-cost analysis might be applied to other sectors of the economy, such as housing and transportation.

#### **EARTHTECH 90**

During the last quarter of 1989, EESI began an intensive effort to organize a major project on the Mall in Washington, timed to coincide with the 20th anniversary celebration of Earth Day, to showcase before national policymakers environmentally sustainable technologies, products and strategies.

EESI organized a committee of sponsors and started lining up a hoped-for group of innovators to exhibit everything from solar ovens and wind turbines to oil spill cleanup equipment and highly efficient manufacturing techniques. Joseph Raeder and Executive Director Ken Murphy led this project.

## Leadership Development

On March 8, 1989, the Institute held the fourth in its series of annual dinners honoring key Members of Congress for their achievements on behalf of sound environmental policy. The 1989 dinner honored Congressman John D. Dingell (D-Mich.), chairman of the House Committee on Energy and Commerce, for his leading role in the passage of the National Environmental Policy Act (NEPA). In addition to his leadership on NEPA, Chairman Dingell also was instrumental in gaining passage of such statutes as the Coastal Zone Management Act, the Endangered Species Act and a host of other environmental laws.

Co-chairs of the Dinner were Congressmen Henry Waxman (D-Calif.) and Norman F. Lent (R-N.Y.). Joining them and EESI in honoring Dingell were some 500 guests from inside and outside Congress. Proceeds went to the Institute's Leadership Development Program, which supports special educational programs to activate new, farsighted Congressional leadership on emerging environmental policy issues. Executive Assistant Julie Foster organized the dinner.

#### **Publications**

Publishing activities increased significantly in 1989, thanks to the initiative and hard work of Program Coordinator Michael Witt and Marketing Assistant Mike Fallon. Not only did we get publications to many more people, we also developed several new educational products.

#### Interns

During 1989, EESI was fortunate to have the assistance of a number of interns and fellows. They invariably bring an excitement and curiosity that is energizing to full-time staff, not to mention an eagerness to help on everything EESI does — from setting up a Congressional briefing to taking notes at a hearing or press conference, and the 1989 group was no exception. Interns have even figured out how to make light of the much more mundane but no less important business of stuffing envelopes.

# 1989 Grants and Contributions

We are especially grateful to the following sources of support of more than \$1,000. All corporate support was unrestricted.

Amoco Foundation ARCO Foundation William Bingham Foundation Chadbourne & Parke Congressional Leadership Dinner Dow Chemical U.S.A. E.I. du Pont de Nemours & Company **EARTHTECH 90** Eastman Kodak Educational Foundation of America **FMC** Foundation John A. Harris, IV William and Flora Hewlett Foundation **Joyce Foundation** Joyce Mertz-Gilmore Foundation

George G. Montgomery Charles Stewart Mott Foundation Jessie Smith Noyes Foundation Ottinger Foundation Richard L. Ottinger Pew Charitable Trusts L. Richardson Preyer Alida Rockefeller Rockefeller Brothers Fund Roger W. Sant Town Creek Foundation U.S. Environmental Protection Agency United Steelworkers of America Robert B. Wallace Waste Management, Inc. World Resources Institute

We also are grateful to the many other people and organizations who made contributions or subscribed to publications in 1989.

#### BOYARSKY, SILBERT AND SILVERMAN, P.A. Cortified Public Accountants

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MEMBER
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MAX BOYARSKY, C.P.A. JOEL SILBERT, C.P.A. ROBERT S. SILVERMAN, C.P.A. BEVERLY PASTERNAK, C.P.A. T. VAS, C.P.A.

VICTOR SILBERT, C.P.A.

Board of Directors Environmental and Energy Study Institute

122 C Street, N.W., Suite 700 Washington, D.C. 20001

We have audited the accompanying Balance Sheet of the Environmental and Energy Study Institute as of December 31, 1989 and the related Statements of Income, and Cash Flows for the year then ended. These financial statements are the responsibility of the Institute's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing Those standards require that we plan and perform the standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Environmental and Energy Study Institute as of December 31, 1989, and the results of its operations and its cash flows for the year then ended in conformity with generally accepted accounting principles.

Very truly yours,

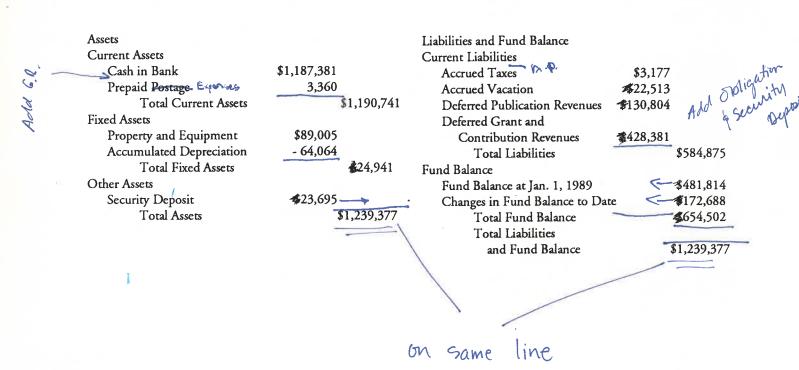
February 5, 1990

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# STATEMENT OF INCOMES AND EXPENSES FOR THE YEAR ENDED DEC. 31, 1989

	Op	perating Revenues			
		Publications and Subscriptions	\$221,130	279.388	
		Grants and Contributions	708,789	1,944,719	
		Total Operating Revenues	\$929,9	19	2224,107
	Ex	penses			
409,524		Salaries and Fringe Benefits	\$529,111	546,619	
		Other Direct Expenses	311,381	1,453,607	
		Indirect Expenses	_51,197		
137,093		Total Expenses	891,689 80,545		2,080,831
		Commence with the property of the second			
	Other Income				143,276
		Interest	\$93,458	117.558	
	Rental	Office Lease Buyout	\$41,000	117,558	131,858
		Total Other Income	<b>\$134,4</b>	58	
		Excess of Revenues Over Expense	s \$172,68	88	275,134
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# **BALANCE SHEET—DEC. 31, 1989**



# 1989 Board of Directors

Roger W. Sant, Chairman \* James Gustave Speth, Vice Chairman \* Carleton D. Burtt, Secretary-Treasurer \* Joan Z. Bernstein Lester R. Brown John H. Chafee William Patrick Collins Gerald Decker Carol E. Dinkins Thomas B. Evans, Jr. \* Joseph L. Fisher \* S. David Freeman Robert W. Fri Slade Gorton Gilbert Gude John Heinz James M. Jeffords Thomas C. Jorling C. Payne Lucas

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\* Executive Committee

# 1989 Staff

Ken Murphy, Executive Director Juanita Belachew, Office Assistant Judy Campbell Bird, Program Director Jon Clark, Program Director Janet Edmond, Program Assistant Mike Fallon, Marketing Assistant Julia Foster, Executive Assistant Ann James, Program Assistant Nancy Mathews, Consultant Anne Metcalf, Program Assistant Beth Nalker, Program Assistant Joseph Raeder, Program Director Patricia Raymond, Program Director Ken Sharp, Printer Carol Werner, Program Director Michael Witt, Program Coordinator

Selected 1989
Congressional
Environmental
and Energy
Study
Conference
Reports
Published by
EESI

FY 1990: The Final Reagan Budget, Jan. 12, 1989

Briefing Book on Environmental, Energy and Natural Resources Issues, February 1989

Environmental, Energy and Natural Resources Budget Primer, April 19, 1989

Sham Recycling and the Marine Shale Case, May 1989

Endangered Species Law, May 1989

Alaska Oil Spill Boosts Chances for Legislation, May 2, 1989

Jurisdictions of Congressional Committees and Subcommittees, June 1989

Bush Clean Air Proposal May Speed Action, June 19, 1989

Tongass Timber Reform Act, July 11, 1989

Acid Rain: Science and Control Issues, July 12, 1989

Environment, Energy and Natural Resources Status Report for the 101st Congress,

Aug. 4, 1989

Clean Coal Technologies: A Key Clean Air Issue, Oct. 31, 1989

Environment, Energy and Natural Resources Status Report for the 1st Session,

101st Congress, Nov. 27, 1989

Cars and Ozone Pollution: Congress Weighs New Fuels, Stricter Standards, Dec. 22, 1989

Environmental, Energy and Natural Resource Issue Papers, Dec. 22, 1989

# Selected 1989 EESI Educational Programs and Reports

Environmental Developments in the Soviet Union, Jan. 18, 1989

Municipal Refuse: Are Misconceptions Misleading Policymakers?, Feb. 22, 1989

Lester Brown Discusses "State of the World 1989," Feb. 27, 1989

The U.S. Role in Tropical Forest Research, March 13, 1989 \*

The Search for Clean Energy: Is Wind Power the Answer?, March 15, 1989

Solar Energy: Its Present and Future, March 20, 1989 \*

Managing Solid Waste: A View from the State, County and Local Levels, March 30, 1989 \*

Global Warming and Sustainable Development, April 4, 1989

Biomass Energy Update: Completing the Cycle, April 13, 1989 \*

District Heating/Cooling Systems and Cogeneration: An Energy Strategy to Meet Environmental Goals?, April 26, 1989 \*

Pesticide and Fertilizer Contamination in Groundwater, April 28, 1989

Photos from the Space Shuttle Discovery May 2, 1989 \*

Global Environment and the Needs of Developing Countries, May 2, 1989

Current Farm Policies and Agricultural Practices and Chemical Use Levels, May 5, 1989

Report on the UNEP Governing Council Meeting, May 9, 1989 \*

The Impact of Global Warming on Biological Diversity, May 9, 1989 \*

Chemical Inputs, Farm Profits and Groundwater, May 12, 1989

Options for Farm Policy Changes to Protect Groundwater, May 19, 1989

Plastics in the Municipal Waste Stream, May 22, 1989 \*

National Least-cost Energy Planning: Is it an Effective Strategy for Slowing Global Warming?, June 2, 1989 Groundwater Quality from Farmers' Perspective, June 2, 1989

Population, Health and the Global Environment, June 6, 1989

Earth Day 1990, June 16, 1989

OTA's Municipal Solid Waste Study, June 29, 1989 \*

"Drive for Clean Air:" An Alternative Fuels Report, June 29, 1989 \*

Recycling Information Fair, July 20, 1989

"Power Surge:" A New Study on the Nearterm Potential of Renewable Energy Technologies, July 31, 1989

Permaculture: An Approach to Ecologically Sustainable Farming, Aug. 30, 1989 \*

Discussion with CNN Environmental Editor, Sept. 15, 1989

The Potential of Geothermal Energy, Sept. 25, 1989 \*

Creating Recycling Markets: What Congress Can Do To Help, Sept. 29, 1989 \*

The "Social Costs" of Energy Consumption, Oct. 2, 1989

Third World Debt, Oct. 5, 1989 \*

"Crisis in the Atmosphere:" Reception and Premiere Screening, Nov. 8, 1989 \*

Globescope Conference Follow-up, Nov. 11, 1989

"Alternative Agriculture:" A Report by the National Research Council, Nov. 17, 1989 \*

"Energy Policy in the Greenhouse:" A New Report on Global Warming, Nov. 11, 1989 \*

Biomass Energy: Is it an Environmental Necessity?, Nov. 11, 1989

Natural Gas: How Much Expanded Use Is Feasible?, Dec. 1, 1989

\* Sponsored in cooperation with the Congressional Environmental and Energy Study Conference



### **ENVIRONMENTAL AND ENERGY STUDY INSTITUTE**

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