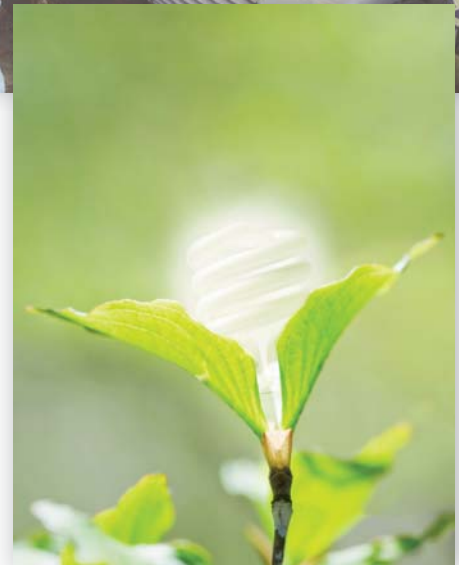


2010 Annual Report



2010-2011

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SPOTLIGHT: 2010 Case Studies **How MEEA is Advancing Energy Efficiency**

Illinoisans Clean Up with Appliance Rebates

Illinois' State Energy Office chose MEEA to design and manage its \$13 million ARRA-funded appliance rebate program.

MEEA leveraged existing resources, offered maximum benefit to both the public and participating companies, and allowed for rapid and efficient deployment of funds.

- \$12.5 million in rebates for HVAC, water heaters and white goods
- Almost \$100 million worth of sales in the midst of one of the most difficult economic times in recent history
- Appliance sales under the program generated \$5.3 million in state sales tax revenue

HVAC System Adjustment & Verified Efficiency

In 2010, MEEA launched HVAC System Adjustment & Verified Efficiency (SAVE)—a certification program that trains contractors to maximize the energy efficiency of heating and air-conditioning systems—along with Energy Stewards International and the National Comfort Institute. For information visit www.HVACSAVE.com.

The two-day program gives contractors the skills they need to verify a system is installed correctly and efficiently, and quantify the resulting energy savings.

Early achievements include:

- 70 HVAC contractors trained in less than two months
- \$300,000+ awarded in federal grants for program delivery and evaluation
- Program sponsorship from three investor-owned utility partners in Iowa

SPOTLIGHT: Indiana Appliance Recycling Program

In a bid to pull old, inefficient “beer and deer” refrigerators out of garages and off the grid permanently, MEEA partnered with Hoosier Energy, Wabash Valley Power Association and JACO Environmental to launch Indiana's first residential fridge and freezer recycling program in 2010.

Participating consumers were paid a bounty to turn in their old appliances, which were then recycled to reclaim salvageable materials and dispose of hazardous components responsibly.



The appliance recycling program exceeded the goals of all sponsors, and has returned in 2011 with several new partners.

In 2010, MEEA and its appliance recycling partners achieved the following:

- Participation of 23 electric cooperatives across Indiana, Illinois and Missouri
- 3,073 appliances collected and recycled
- Nearly 3.3 million kWh saved over the lifetime of the appliances

A MESSAGE FROM MEEA

Riding the crest of the American Recovery and Reinvestment Act (ARRA), MEEA and its members succeeded on many fronts in 2010. In keeping with our mission, our energy efficiency programs and policies saved consumers money, generated energy savings and boosted local, regional and state economies. Our membership continued to grow, increasing by more than 10 percent in 2010 as MEEA strengthened our regional leadership and continued to bridge the gap between evolving policy initiatives and program opportunities.

Energy efficiency investment in the Midwest grew to more than \$1 billion annually in 2010. This investment was complemented by nearly \$3 billion in ARRA funding. MEEA estimates that \$1.29 billion in ratepayer dollars will be spent yearly by 2015 after ARRA funding has ended.

MEEA's program efforts focused on supporting state energy offices, municipalities and utilities, and the core need in the market, including training, industrial, evaluation support and emerging programs. MEEA's milestone successes last year included the Illinois appliance rebate program and the Iowa HVAC training program. Working with Illinois officials to design and administer the ARRA-funded appliance rebates, MEEA helped secure more than \$12.5 million in state rebates for Illinois residents.

In Iowa, the three main investor-owned utilities used MEEA's expertise and resources to develop and deploy a statewide, multi-utility HVAC certification program, HVAC SAVE. The first professionals were certified by the MEEA-National Comfort Institute certification in October with the utilities jointly offering training rebates.

Our policy efforts continued to expand. Working to implement federal reinvestment act requirements to update state building codes, MEEA has become a recognized regional leader in the advancement of residential and commercial codes. MEEA and our members are growing our network and positioning the organization as energy efficiency experts with key stakeholders to ensure efficiency remains the first resource

tapped to meet energy demand. We have been developing state-specific campaigns and events throughout the region that bring together coalitions to better understand and support energy efficiency.

In January 2011, we hosted the 9th Annual Midwest Energy Solutions conference. *Seizing the Momentum* brought together more than 400 leaders from the energy efficiency community. Keynote speakers and panelists from all sectors spoke about the needs and successes of the region and key areas where MEEA can play a leadership role. The 7th Annual *Inspiring Efficiency Awards* recognized the region's leaders from 2010 in advancing energy efficiency.

All of these achievements are only possible because of our members and their work and support. We look forward to 2011 and our continued collaboration with members to ensure efficiency remains the most economic means to meet the region's energy demands.

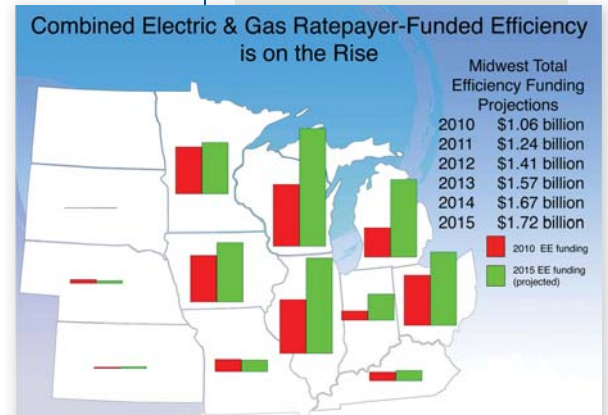
Together, we are building a better future!



Greg Lovett, Ameren Missouri
Board Chair



Jay Wrobel, MEEA
Executive Director



In 2010, more than \$1 billion ratepayer dollars will be invested in Energy Efficiency from 12 states in the Midwest.

"MEEA was an outstanding partner on Illinois' SEEARP program. Their depth of knowledge regarding energy efficiency is unparalleled in the industry. Their work on this program showed that they are creative and always one step ahead of the curve. Illinois' rebate program was arguably the best in the nation with customers forming lines around the block to take advantage of the savings on energy efficient appliances."

— David F. Vite
President & CEO - Illinois Retail Merchants Association

Technical Assistance Program for ARRA Recipients

Through the U.S. Department of Energy's Technical Assistance Program, MEEA provided key support to recipients of American Reinvestment and Recovery Act-funded (ARRA) programs and Energy Efficiency Conservation Block Grants.

MEEA's work ranged from program design and implementation to organizing regional workshops and gathering

and disseminating best practices. MEEA's in-house expertise in areas such as building codes, solid state lighting and industrial technology made us a valuable resource to recipients.

In 2010, MEEA provided direct technical assistance to 15 grant recipients, ranging from non-profits and small municipalities to major regional centers.

Lighting the Way with LEDs

MEEA's work with solid-state lighting in 2010 cemented our reputation as the region's leading voice on LED lighting and emerging energy efficiency technology.

In the past year, MEEA played a role in many lighting efforts by:

- Partnering with the U.S. Department of Energy and Chicago's Merchandise Mart in field testing and evaluating the first candidate for the L Prize, a multi-million dollar award for the first practical LED replacement for the 60-watt incandescent lamp
- Assisting the Chicago Park District and the Field Museum for a plasma lighting retrofit of the museum's parking lot
- Launching a solid-state lighting blog

Illinois Home Performance

MEEA designed a statewide Home Performance with ENERGY STAR® program that improves the comfort, safety, and energy efficiency of Illinois homes while also supporting local businesses.

As statewide coordinator, MEEA shepherded this complex program to pass utilities' required cost-benefit tests while also reducing market confusion for consumers.

In 2010, MEEA's program:

- Trained 63 contractors in three months
- Engaged four investor-owned utilities in a unique partnership with the Illinois Energy Office
- Launched the IllinoisHomePerformance.org website

Building Operator Certification

MEEA administers the nationally recognized Building Operator Certification (BOC) program in seven Midwestern states for more than 25 regional utility and state government partners.



BOC, a professional certification for building operations and maintenance staff, is proven to reduce energy usage in facilities and improve indoor air quality for occupants at low- to no-cost.

In 2010, MEEA's longstanding BOC program:

- Trained more than 450 building operators
- Saved 60 million kWh of energy
- Saved nearly 1.5 million Therms of energy

MEEA also launched BOC program activity in Michigan, and performed a full-scale program evaluation in Minnesota. For more information, visit www.boccentral.org

Youth-based Programs

MEEA's youth-based programs expanded this year, with the launch of the Schools Energy Education Program in the Indiana territory of Indiana Michigan Power.

Program participants attended an educational presentation on energy conservation and received an efficiency kit containing a CFL bulb, an LED nightlight, a faucet aerator and other efficiency hardware.

In Illinois, Lights for Learning™ continued to serve as both a great educational and fundraising program. Notable 2010 achievements included:

- Nearly 220 presentations in 165 schools
- Sale or distribution of 28,000+ efficiency products
- \$57,574 raised for organizations by 2,527 fundraisers
- Special Recognition in the 2011 ENERGY STAR® awards



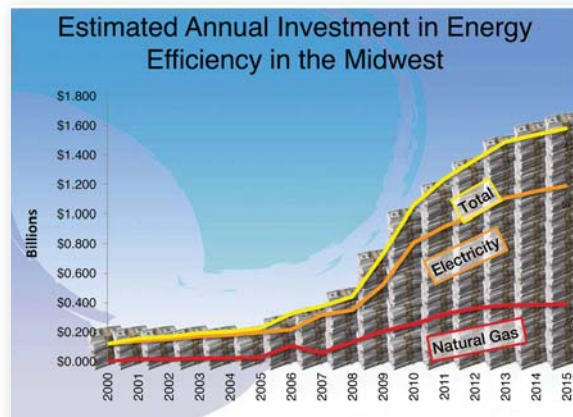
Technical Webinars

In 2010 MEEA hosted seven webinars in conjunction with the following members:

- **Rinnai**—Tankless Hot Water Heaters
- **Northwest Energy Efficiency Alliance** - Heat Pump Water Heater
- **Rheem**—Heat Pump Water Heaters
- **General Electric**—Heat Pump Water Heater
- **Owens Corning**—Energy Complete System
- **Mitsubishi Electric**—Ductless Heat Pumps
- **Building Sciences Energy Services**—Contractor Outreach and Training Best Practices

Energy Efficiency Investments Growing

MEEA estimates that energy efficiency funding in our membership region will increase from about \$1 billion in 2010 to \$1.29 billion in 2015.



Educating Lawmakers, Regulators and Stakeholders

In 2010, MEEA was instrumental in monitoring stakeholder processes in Illinois, Michigan and Ohio. These



collaborative groups review electricity, natural gas and energy efficiency program proposals.

With the support of the Joyce Foundation, MEEA is conducting energy efficiency education and outreach campaigns targeted at State Commissions and consumer advocacy organizations. The activities include webinars and case studies of best practices.

Before the fall 2010 elections, MEEA worked with advocates in Michigan to educate 380 state legislative candidates about current energy laws and the impact of increasing energy efficiency standards.

Also in the fall, MEEA testified at the Illinois Senate Energy Committee on Renewable Generation and Energy Planning Issues. Officials discussed the benefits of efficiency in terms of lowering energy bills, helping utilities manage energy load, benefiting the environment and creating jobs.

Building Codes Make a Leap

MEEA believes that the adoption of updated, stringent building codes is key to improving energy efficiency in new buildings and renovations.

- MEEA has been actively involved in promoting adoption of the new Indiana Residential Energy Code (the 2009 International Residential Code with amendment to make it equivalent to the 2009 International Energy Conservation Code) through the provision of timely and factual information, assisting officials in writing the code and coalition formation and management. MEEA has also helped defend the 2009 Indiana Commercial Code (ASHRAE 90.1-2007) against efforts to introduce loopholes.
- In Wisconsin, MEEA was instrumental in testifying and building support for a new commercial building code.
- MEEA actively participated in a coalition in Michigan that succeeded in achieving the adoption of the 2009 IECC/ASHRAE 90.1-2007. MEEA provided technical information to the adoption committee in support of the effort.



New codes also call for new compliance efforts, and MEEA has partnered with Wisconsin and Iowa officials to monitor how well a U.S. Department of Energy-designed protocol measures compliance.

In Illinois, our efforts are focused on evaluating code enforcement in the Chicago metropolitan area.

On the heels of our successful first Regional Midwest Building Energy Codes Conference in September, MEEA will continue as a forum for advocates and representatives from a wide range of stakeholders including utility representatives, state and national energy code advocates, DOE officials and building industry representatives. MEEA will continue to share practices and solutions through quarterly teleconferences.

MEEA is also at the forefront of developing a process for crediting utilities for the changes they make in code adoption and implementation. Regulators continue to develop a framework that will measure savings derived from these efforts.

Election Recap Webinar – The New Political Landscape for EE

The November 2010 election brought great political change to the Midwest. There are nine new governors in the region and more than 1,000 new state legislators. With a substantial increase in the number of Republican administrations, MEEA completed state-by-state analysis on the expected impact on EE.

More than 200 government leaders, utilities, businesses, advocates and funders participated in the webinar on MEEA's predictions for 2011.

Roundtables Generate Ideas

MEEA conducted Thought Leadership Roundtables to bring members together with leading stakeholders to identify programs and policies to increase energy efficiency.

Madison, WI – May 2010

- More than 50 leaders in energy efficiency attended
- Presentations covered: Impact of ARRA funding for EE programs; clean energy jobs bill; analysis of state accomplishments in energy efficiency; and opportunities for EE in the future.

Minneapolis, MN – August 2010

- More than 60 energy stakeholders attended
- Presentations covered: State regulatory reform; meeting annual energy savings goals; and financial mechanisms available for EE.

Ann Arbor, MI – October 2010

- More than 50 leaders in energy efficiency attended
- Presentations covered: Why EE is a top priority policy issue; capturing opportunities in EE; and the home energy loan program and the expected impact of the November elections on EE in the state.



2011 Midwest Energy Solutions Conference: Seizing the Momentum

The January meetings attracted more than 400 regional leaders from utilities, state and local government, consultants, academics, manufacturers, retailers and nonprofit organizations.

- More than 40 speakers shared their expertise
- A record high 48 companies exhibited EE products and services



This year's Midwest Energy Solutions Conference was MEEA's largest to date for total attendees and exhibitors.



Monica Martinez of the Michigan Public Service Commission (left), accepts the Leadership Award from Jan Patrick of the Bureau of Energy Systems, Michigan Department of Energy, Labor and Economic Growth.

7th Annual Inspiring Efficiency Awards

January 13, 2011

In conjunction with the Midwest Energy Solutions conference, MEEA recognized Midwest leaders who delivered groundbreaking advancements in energy efficiency. The 2011 winners are:

Leadership Award

Commissioner Monica Martinez, Michigan Public Service Commission

Education Award

Energy Center of Wisconsin

Impact Award

Commonwealth Edison

Innovation Award

- DTE Energy
- Missouri Dept. of Natural Resources
- Shaw Environmental

Marketing Award

- Prairie Power, Inc.
- Xcel Energy

Chairman Award

David Eijadi, The Weidt Group

2010 Leadership in Tenant Excellence Award Winner

MEEA formed a Green Team and earned a Tenant Excellence Award in the Chicago Green Office Challenge.

MEEA staffers installed an electronics recycling box in the copy room, audited office energy use, implemented a kitchen composting system and tuned up the office's motion sensor lighting. MEEA is sharing its Green Office Policy with other Chicago businesses interested in reducing water use, waste and energy use.



"The Building Operator Certification program is a tremendous value to the state of Minnesota. Improving the operation of a building is a key component of significant energy savings achievements. The MEEA BOC program has been successfully implemented through the Minnesota Utilities as a complement to their existing equipment incentives." — Jeff Haase Demand Efficiency Program Supervisor, Minnesota Department of Commerce

"MEEA's Midwest Energy Solutions Conference affords RSG the opportunity to network with all of the area energy efficiency professionals in one place. We look forward to next year's conference where we will be able to share regional issues, help to create solutions and connect with fellow stakeholders."

— Dave Backen Vice President, Utility Solutions, Lighting and Products, Resource Solutions Group

FINANCIAL OVERVIEW 2010

Midwest Energy Efficiency Alliance

Statement of Activities for the Years Ended June 30, 2010 and June 30, 2009

	2010	2009		2010	2009
Support and Revenue			Assets		
Program	\$13,826,555	\$2,327,501	<i>Current Assets</i>		
Policy	351,222	841,503	Cash and Cash Equivalents	\$668,877	\$356,315
Conference and Workshop Income	299,379	266,373	Accounts Receivable	1,070,496	938,057
Membership	435,398	368,815	Prepaid Expenses	15,534	32,080
Other	11,380	16,066	Training Materials in Inventory	17,696	13,840
<i>Total Support</i>	<i>\$14,923,934</i>	<i>\$3,820,258</i>	<i>Total Current Assets</i>	<i>\$1,772,603</i>	<i>\$1,566,850</i>
Expenses			Other Assets		
Program and Policy	\$14,764,989	\$3,002,350	Certificate of Deposit	\$58,602	\$57,548
Management and General	141,879	280,194	Equipment and Furniture - Net	44,102	28,684
Fundraising	8,955	20,718	Leasehold Improvements - Net		20,810
<i>Total Expenses</i>	<i>\$14,915,823</i>	<i>\$3,303,262</i>	Total Other Assets	\$102,704	\$107,042
			<i>Total Assets</i>	<i>\$1,875,307</i>	<i>\$1,673,892</i>
Change in Net Assets	\$8,111	\$516,996	Liabilities and Fund Balance		
Net Assets - Beginning of Year	982,943	465,947	Current Liabilities		
Net Assets - End of Year	991,054	982,943	Accounts Payable	\$739,192	\$400,406
			Grants/Dues Received in Advance	100,204	192,283
			Grants Payable as Fiscal Agent for Donor Organizations	-	47,500
Gross Revenue/Funding Diversity			<i>Total Current Liabilities</i>	<i>\$839,396</i>	<i>\$640,189</i>
Program	93%	61%	Deferred Rent Payable	44,857	42,348
Policy	2%	22%	<i>Total Liabilities</i>	<i>\$884,253</i>	<i>\$682,537</i>
Conference and Workshop Income	2%	7%			
Membership	3%	10%	Net Assets		
			Unrestricted	\$602,631	\$353,335
			Unrestricted-Program Designated	\$147,322	
			Temporarily Restricted	241,101	629,608
			<i>Total Net Assets</i>	<i>\$991,054</i>	<i>\$982,943</i>
			Total Liabilities and Net Assets	\$1,875,307	\$1,665,480

MIDWEST ENERGY EFFICIENCY ALLIANCE MEMBERS

AEP	Commonwealth Edison Company	KEMA, Inc.	QDI Strategies, Inc.
AEP Ohio*	Conservation Services Group	Kentucky Governor's Office of Energy Policy	Renovate America*
Alliance to Save Energy	Consumers Energy	Kentucky Power Company	Resource Solutions Group
Alliant Energy	Dayton Power & Light*	KO Solutions, LLC	Rexorce Thermionics, Inc.*
Ameren Illinois Utilities	DTE Energy	Maxlite	Rinnai*
Ameren UE	Duke Energy	Michigan Department of Energy, Labor and Economic Growth	R.W. Beck
American Council for an Energy-Efficient Economy	E Source*	Michigan Electric Cooperatives Association	Schools for Energy Efficiency - a division of Hallberg Engineering, Inc.
American Electric Power	Ecos Consulting	MidAmerican Energy Company	Serious Materials
APOGEE Interactive, Inc.*	Edison Electric Institute	Minnesota Department of Commerce	Service Concepts
Applied Proactive Technologies, Inc.	Efficiency 2.0	Minnesota Energy Resources	Shaw Environmental & Infrastructure*
ARCA	Electric & Gas Industries Association	Minnesota Power, Inc.	Sieben Energy Associates
Argonne National Laboratory	Electric Power Research Institute*	Missouri Botanical Garden's EarthWays Center	Southern Minnesota Municipal Power Agency
Association of Illinois Electric Cooperatives	Energy Center of Wisconsin	Missouri Department of Natural Resources	Staples Energy Marketing & Services
Association of Professional Energy Consultants	Energy Education Council	Mitsubishi Electric Cooling and Heating Systems	Suez Energy Resources NA
Bass & Company Management Consultants	Energy Efficiency Programs, Inc.	Morgan Marketing Partners*	Technical Consumer Products, Inc.
Beta LED , A division of Ruud Lighting	Energy Federation Incorporated	Mountain Association of Community Economic Development*	Tetra Tech
BlueStar Energy Services	Energy Marketing Consulting Group	National Energy Education Development Project	United Financial Services, Inc.*
Brickfield Burchette Ritts & Stone, P.C.	EnerNoc	National Fenestration Ratings Council	University of Illinois at Chicago Energy Resources Center
Building Science Energy Services	Environmental Law & Policy Center	Navigant Consulting, Inc.*	Utilivate Technologies*
BulbStar*	Fluid Market Strategies*	Nexant	Vectren Energy Delivery
Cardinal Glass Industries	Franklin Energy Services	Niagara Conservation Corporation	Wabash Valley Power Association
Cedar Falls Utilities	Future Energy Enterprises, LLC	Nicor Services	WE Energies*
Cenergy, LLC	GDS Associates*	North American Insulation Manufacturers Association	The Weidt Group
Center for Energy and Environment	GoodCents	Office of Ohio Consumers' Counsel	Wisconsin Energy Conservation Corporation
CenterPoint Energy*	Green Dream Group, LLC	Ohio Department of Development	Wisconsin Public Service
Chicago Park District	Green Energy Improvements	Opinion Dynamics Corporation	Xcel Energy
Chicago Regional Council of Carpenters	Green Marketing Solutions, Inc.	OPOWER*	
Citizens Energy Group	Guardian Industries Corporation	OSRAM Sylvania*	
City of Chicago	H. Gil Peach & Associates	Outsourced Innovations, LLC	
City Utilities of Springfield, Missouri	Honeywell Utility Solutions	Owens Corning	
City Water, Light & Power - Springfield, Illinois	Hoosier Energy	Portland Energy Conservation, Inc.	
Clearly Compliant	ICF International	Putnam Price Group, Inc.	
Code Red, LLC*	Illinois Dept of Commerce and Economic Opportunity		
Columbia Gas of Ohio	Illinois Power Agency		
Columbia Water and Light	Indiana-Michigan Power		
	Indianapolis Power & Light		
	Itron, Inc.*		
	JACO Environmental, Inc.		

* Joined in 2010



MEEA is a recipient of an ENERGY STAR Award for "Special Recognition - Outstanding Contributions Improving the Quality of Efficient Lighting."

MEEA's previous offices at 645 N. Michigan, Chicago, earned the certification "Leadership in Energy and Environmental Design for Commercial Interior" (LEED-CI) from the U.S. Green Building Council for energy efficiency, materials selection and indoor environment.

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Midwest Energy Efficiency Alliance

Midwest Energy Efficiency Alliance | 20 N. Wacker Drive, Suite 1301 Chicago, IL 60606 www.mwalliance.org