

2009 Annual Report



ENVIRONMENT
NORTH CAROLINA

Clean air. Clean water. Open spaces.



From our staff



Elizabeth Ouzts
State Director



Margaret Hartzell
Global Warming
Advocate



Kassidee Fisher
Field Associate



John Carroll
Southeast
Field Associate

Dear Environment North Carolina member,

The new year marked an important milestone: the deadline for the state of North Carolina to reach the goal, established 10 years ago, of preserving an additional 1 million acres of forests, farmlands and other open spaces for future generations.

In the last two years, lawmakers increased funding for conservation to help the state meet the million-acre promise. Environment North Carolina and our allies at Land for Tomorrow lobbied legislators, organized supporters like you to get involved, and armed the media and our activists with the facts by issuing reports such as “Losing Our Natural Heritage,” which documented the loss of forest and farmland in North Carolina.

This year, in the face of unprecedentedly tough budget times, these activities prevented severe cuts to our land conservation programs. And some of our most treasured and internationally recognized open spaces are on the roster for expanded acreage—Chimney Rock, Grandfather Mountain, and the Mountains to Sea Trail, to name a few.

But our work certainly isn’t over.

While the state has made progress in its million-acre initiative, it didn’t achieve its goal by the end of the year. And more than \$30 million worth of qualified projects, from expanding Grandfather Mountain State Park to protecting a rare stand of loblolly pines in the Sandhills, still hang in the balance.

As we advocate the fulfillment of the million-acre promise, and the continued preservation of the natural beauty that makes North Carolina so special, I’m thankful for all your support.

Sincerely,



Elizabeth Ouzts
State Director

Clean Air

Court ruling cleans up power plants

North Carolina is on the path to bluer skies and fresher air. Thanks to a March 5 decision from a federal court, power plants in 13 states must cut the air pollution traveling into our state—creating smog and soot—by more than 70 percent.

Under the Clean Air Act, a state can petition the federal government to force upwind pollution sources to reduce emissions. But the Environmental Protection Agency's response to North Carolina's petition allowed upwind power plants to continue polluting.

That's when the State of North Carolina and the Southern Environmental Law Center—representing Environment North Carolina and the Sierra Club—filed suit, prompting the court decision. We will continue working toward a cleaner, healthier environment for our state.



A federal court ordered power plants upwind of North Carolina to cut emissions.



Our Rivers, Lakes and Streams

Horsepasture River protected

Known for its spectacular waterfalls, the Horsepasture River is one of only four rivers in North Carolina nationally recognized as a Wild and Scenic River for its beauty. With its 125-foot drop, the river's Rainbow Falls draws hikers and sightseers, while trout and rare and endangered species attract ecologists and nature buffs.

State officials voted May 15 to classify the Horsepasture River as an Outstanding Resource Water, the state's most protective clean water designation.

Environment North Carolina petitioned state officials to give the Horsepasture the new classification, which will protect the river for future generations by limiting new sources of pollution and creating vegetative buffers along its banks.



In 2009, state officials voted to give Horsepasture River the state's most protective clean water designation.



Victory for Jordan lake

On June 30, Gov. Bev Perdue signed into law “Restore Water Quality in Jordan Lake Reservoir,” the long-overdue protection plan that will reduce nitrogen and phosphorous pollution in the lake by 35 percent, and help set the stage for the restoration of other drinking water lakes in the state.

The first of its kind in the state, the plan requires pollution reductions from existing subdivisions and strip malls—a major source of the lake’s troubles.

The Jordan Lake plan sets a precedent for restoration plans for other drinking water reservoirs in North Carolina.

Overdue cleanup measures

Jordan Lake is a popular recreation destination and provides drinking water to nearly 400,000 in the Triangle. But excess nutrients—largely from polluted runoff—plague the lake, and in 2002, the EPA added it to the list of polluted waters.

In 2008, regulators finalized their plan to reduce polluted runoff from development and other sources. Thanks in large part to the thousands of comments gathered by Environment North Carolina staff and volunteers, supporters of the plan outnumbered detractors 10 to one.

But when local government officials and developers balked at the protection plan, triggering legislative review, Environment North Carolina went to work. We activated our members, generated media attention around the issue, and met with opponents and power broker Rep. Lucy Allen (Franklin) to forge a compromise.



Clean Energy

Step forward for solar power

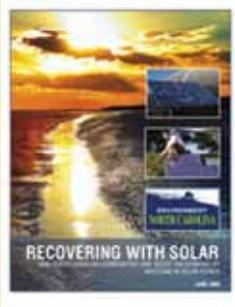
With plenty of technological know-how and twice as much sunshine as Germany, the world's solar leader, North Carolina is perfectly poised for a dramatic growth in solar power. In 2008, the state installed more solar panels than 40 other states, due in large part to a solar energy requirement adopted a year earlier. In 2009, lawmakers extended the state's generous solar-investment tax credits.

In a setback for wind power, state senators voted to ban commercial and community wind power projects on the state's mountains—a move that would close the door on pollution-free turbines that could power 200,000 homes. Environment North Carolina joined other environmental and clean energy groups to oppose the ban, advocating for a process to allow wind power on a limited portion of the state's ridges and coastal areas. In 2010, Environment North Carolina will urge House lawmakers to reject the Senate ban.



In 2009, State Director Elizabeth Ou兹ts backed the extension of the state's generous solar-investment tax credits.

Report: Recovering With Solar



How North Carolina Communities Can Use Recovery Funds to Boost the Economy by Investing in Solar Power

June 2009

In 2009, Durham, Mecklenburg County and dozens of other local communities across the state geared up for investments in solar hot water projects that would reduce pollution and save money, according to a report by Environment North Carolina Research & Policy Center.

President Obama's February economic recovery package, which allocated \$134 million to North Carolina cities and counties for clean energy and energy efficiency projects, could make the cities' planned investments a reality. Environment North Carolina and its national federation backed the recovery package in Congress.

Cities and counties may use funds from the American Recovery and Reinvestment Act to invest in solar photovoltaic panels, solar LED lighting and a range of other energy efficiency measures.

Environment North Carolina's report offered a preview of how Durham and other cities and counties around the state planned to use the Energy Efficiency and Conservation Block Grant Program to invest in solar technologies.

Global Warming

President adopts Clean Cars program

On May 19, President Obama announced that he would issue a national standard to cut global warming pollution from passenger cars and trucks—making them 30 percent cleaner.

The announcement capped years of advocacy and organizing by Environment North Carolina staff and supporters. Thousands of members and activists contacted their legislators, appeared at community forums and starred in our “video postcards” to raise awareness.

The organization’s staff spoke in favor of the program in the news media and worked with lawmakers, including Reps. Pricey Harrison (Guildford), Grier Martin (Wake) and Sen. Dan Clodfelter (Mecklenburg) to introduce Clean Cars legislation.



State Rep. Pricey Harrison of Greensboro (center) with Environment North Carolina's Margaret Hartzell (second from left) campaign for clean energy.



In January, the North Carolina Division of Air Quality released a study showing that the state could reduce global warming pollution from automobiles by 40 percent if it adopted the Clean Cars Program.

Environment North Carolina had backed a measure in the General Assembly in 2008 to require this analysis. The support built by Environment North Carolina for the Clean Cars program—along with similar efforts by the Environment America national federation in 14 other states—played a key role in the President’s announcement.

House approves landmark clean energy legislation

On June 26, the U.S. House narrowly approved legislation to re-power America with clean, renewable energy and slash global warming pollution by more than 80 percent. Despite its flaws, the American Clean Energy and Security Act represented a major milestone in global warming policy and followed months of hard work by Environment North Carolina.

Environment North Carolina organizers and interns signed on dozens of partners in favor of the policy—including the City of Laurinburg and the green business Sundance Power. Leading up to the vote, our staff also generated more than 160 calls to key Congressional targets.

Environment North Carolina will continue to work with its national federation to support strong energy and climate legislation in the Senate, where U.S. Sen. Kay Hagan could be a crucial vote.

At the same time, we’ll be working to fight attempts to weaken the EPA’s role in regulating global warming pollution.



Environment North Carolina Supporters

Citizen support is the cornerstone of Environment North Carolina and the Environment North Carolina Research & Policy Center. Thousands of North Carolina citizens supported Environment North Carolina by making membership contributions in fiscal year 2009.

The members listed below were particularly generous in backing the organization's research and advocacy. Names that appear in italics denote Monthly Supporters. These members provide stability to the organization's resources through our monthly giving program.

Development Committee — contributed \$500 or more.

Jeff Badgett • Kicab Castanedamendez • James Eakes • Tom Enmel • Lynn Kohn • Peter & Henrietta Ouzts • Douglas H. Phelps • Erik & Maxine Stein • Christianna Williams

Sponsors — contributed between \$240 and \$499.

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Foundation support

The Environment North Carolina Research & Policy Center is a 501(c)(3) organization and conducts research and public education on emerging environmental issues. Contributions to the Environment North Carolina Research & Policy Center are tax-deductible. To find out more, contact Elizabeth Ouzts at (919) 833-0015.

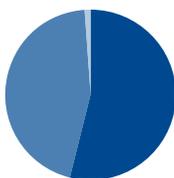
The Environment North Carolina Research & Policy Center would like to thank the following individuals and foundations for supporting our work in 2009:

Marcia Angle • Jennifer Trapani • Fred & Alice Stanback Fund of the Foundation for the Carolinas • Beldon Fund • Clean Air Task Force • Educational Foundation of America • Energy Foundation • Z. Smith Reynolds Foundation

Financial Information

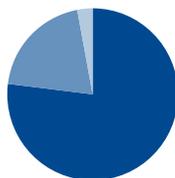
Charts reflect combined financial information for the work conducted by Environment North Carolina, the Environment North Carolina Research & Policy Center and Environment North Carolina's citizen outreach programs.

FY09 Income



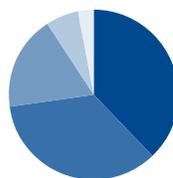
- ◆ Citizen Contributions **54%**
- ◆ Foundation Grants **45%**
- ◆ Other **1%**

FY09 Expenses



- ◆ Program **77%**
- ◆ Fundraising **20%**
- ◆ Administrative **3%**

FY09 Programs



- ◆ Clean Energy **38%**
- ◆ Global Warming and Clean Cars **35%**
- ◆ Carolina Rivers and Lakes **18%**
- ◆ Preservation **6%**
- ◆ Clean Air and other **3%**

Growing a greener North Carolina

Environment North Carolina gratefully accepts bequests and gifts of securities to support our work. Your gift will assure that we can continue to protect North Carolina's air, water and open spaces for future generations. For more information, call 1-800-841-7299 or e-mail plannedgiving@EnvironmentNorthCarolina.org.



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