

Annual Report 2005-2006



# Warming up to energy independence

**A poll released last year found that Americans are nearly unanimous in the belief that dependence on imported oil is a serious problem and we must develop alternative energy sources, including wind and solar power. Forging this clean energy future may be the greatest challenge this generation faces.**

Galvanizing and engaging those most impacted by our reliance on fossil fuels is the first step in redefining our consumption habits. Throughout the northern Pacific Rim, we are supporting communities that are taking on powerful energy companies and indifferent governments to defend their rights to clean water, fresh air and a decent living.

The second step is compelling policy makers and corporations to actively embrace the energy ideas of the future, not those of the past. So from our home state of California to the halls of Congress, Pacific Environment is demanding expanded investments in renewable energy technologies.

In a year in which the repercussions of our fossil fuel addiction became startlingly clear, we pushed an agenda of innovation and progress to bring our clean energy future more closely into view. This annual report shares some of our stories, highlights the supporters who make our work possible and shows once again that even though we're a small organization, we're having a big impact.

## Dear Friends,

Pacific Environment's trust in the knowledge and courage of local people to protect their own environment has always been somewhat of an anomaly among conservation organizations. Not many groups give away over 1/4 of their budget to other environmental organizations. But this past year, we saw our approach pay off in a big way when Russian President Vladimir Putin agreed with requests from us and our grassroots partners to reroute the Siberia-Pacific pipeline.

This exemplifies that the influence and clout of our partners and of Pacific Environment is growing from Beijing to Siberia to Anchorage to San Francisco. Supporters like you are a big reason for our enhanced ability to protect the Pacific Rim's wild places and wild life.

This annual report highlights some of our accomplishments over the last year. For all of us at Pacific Environment, a big thanks to the friends, colleagues and supporters that made these achievements possible.

Sincerely,  
David Gordon  
*Executive Director*

## Alaska Program

Our Alaska Program is partnering with diverse stakeholders to fend off oil and mining company efforts to wreak havoc in America's last frontier. In December of 2005, we opened an Anchorage office to deepen our collaboration with environmentalists, fisherpeople, Native Alaskans and government officials. With these partners, we won designation of 92,500 square kilometers as critical habitat for the endangered eastern stock of North Pacific right whales, of which only about 100 remain! We campaigned to stop federal government plans to launch new offshore oil and gas development in Bristol Bay-home to America's largest salmon run-and the Beaufort and Chukchi Seas in America's Arctic. We also worked to prevent the proposed Pebble Mine in the head waters of Bristol Bay. Another major focus has been working to improve shipping safety along the 'Great Circle Route.' Along with our partners in the Shipping

Safety Partnership, we created and published a GIS map detailing a history of oil spills in the Alaska Maritime National Wildlife Refuge to highlight the need for stronger shipping standards.



## California Program



California is poised to become a global leader in renewable energy development, but Big Oil isn't going down without a

fight. This year, our California campaign continued efforts to turn back proposals to import liquefied natural gas (LNG) for the first time. Imported LNG will increase our greenhouse gas emissions and derail California's commitment to becoming a leader in the fight against global warming. Working closely with local, state and national organizations we helped introduce legislation that mandates a statewide needs assessment for LNG in California. We also provided strong support to local groups in southern California and Oregon who are doing everything in their power to organize community opposition to terminals they don't want or need. Finally, we promoted alternative energy development to drive down the demand for natural gas and to move us off our fossil fuel addiction.



***Pacific Environment protects the living environment of the Pacific Rim by promoting grassroots activism, strengthening communities and reforming international policies.***



## **China Program**

When a petrochemical company factory released 100 tons of benzene and nitrobenzene into China's Songhua River in November 2005, we knew the event would be a watershed moment for that country's emerging environmental movement. It was, and increasing international attention to China's environmental problems enabled Pacific Environment to greatly expand our support for this movement in the past year. We hired a new China Program Associate and kicked off a major campaign on water pollution. We've provided grants to three leading regional groups in China to hire water pollution organizers which will enable these groups to advocate to the government and companies for pollution controls, clean-up and compensation for villagers. We also conducted an extensive investigation on the illegal trade of sea turtles and coral products in Southern China and created two regional resources centers in Lanzhou, Gansu Province, and Harbin, Heilongjiang Province, as a base for offering support to local NGOs.

## **Responsible Finance Campaign**

Our Responsible Finance Campaign holds private and public banks accountable to communities and the environment. This year a major focus of the campaign continued to be Shell's Sakhalin II oil and gas project, which threatens pristine salmon spawning rivers, the habitat of the endangered Western Pacific Gray Whale, and the island's fishing economy. With clever ads, intense media campaigns, and galvanizing public actions we kept up a drumbeat of public opposition to public funding of Shell's destructive project. We conducted an extensive on-site investigation of the pipeline being built down the spine of the island, revealing countless violations of environmental standards and serious threats for the future. We advocated for better environmental and social standards to government and bank officials in Europe, the US and Russia. And for the fourth year in a row, the public banks, including the European Bank for Reconstruction and Development, withheld billions of dollars in funding for the project!

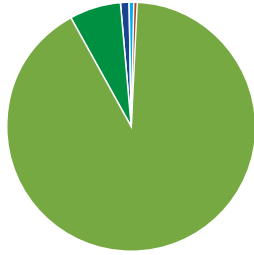
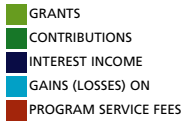


## **Russia Program**

Two years of action alerts, public outcry and media attention generated by Pacific Environment and our partners finally paid off this year when Russian President Vladimir Putin and the Russian pipeline company Transneft agreed to reroute the Siberia-Pacific Pipeline away from Lake Baikal and to relocate the pipeline's terminus! This incredible victory ensures the protection of the world's oldest and deepest lake, the only remaining natural habitat of the world's most endangered big cat—the Amur leopard—and Russia's only marine protected area! This victory also illustrates the increasing value of supporting local initiatives to protect the environment. That's why our Russian program provided over \$350,000 in funding to over 20 environmental groups this year. We're working with grassroots organizations from Kamchatka to Primorye to Altai to protect salmon, conserve wild lands, and build sustainable local economies.

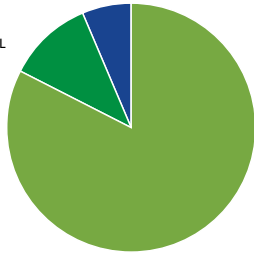
# 2005-2006 FINANCIAL STATEMENT

## STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS



### SUPPORT AND REVENUE:

Grants	\$1,271,584
Contributions	\$91,141
Interest Income	\$15,192
Gains (Losses) on Investments	\$(3050)
Program Service Fees	\$605
<b>TOTAL</b>	<b>\$1,375,472</b>



### EXPENSES:

Program Services	\$1,002,255
Support: Management and General	\$133,416
Support: Development	\$76,350
<b>TOTAL</b>	<b>\$1,212,021</b>

### FOUNDATION, CORPORATE AND GOVERNMENT SUPPORT:

Alaska Conservation Foundation  
 Anonymus (2)  
 Catholic Relief Services  
 Cisco Systems employee matching gifts  
 Earth Share of California  
 Foundation for Russian American  
 Economic Cooperation  
 Global Greengrants Fund  
 Grassroots Foundation  
 ISAR  
 Lawrence Foundation  
 Marisla Foundation  
 Gordon & Betty Moore Foundation  
 Charles Stewart Mott Foundation  
 Rockefeller Brothers Fund  
 Sigrid Rausing Trust  
 Oak Foundation  
 Ocean Foundation  
 Trust for Mutual Understanding  
 Wallace Global Fund  
 Weeden Foundation  
 WestWind Foundation

### INDIVIDUAL SUPPORTERS:

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 Elani Aquino  
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 Marjorie and Harley Balzer  
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 Phil and Carla Berry  
 Peter Bosshard  
 Kathleen Braden  
 Amanda Bradford  
 Natalie Brandon  
 Erik Breilid  
 Helena Brykarz  
 Vladimir and Valentina Burkanov  
 Juliet Carr  
 Hank Cauley  
 Deborah Chapman  
 BJ Chisholm  
 Robert Cohen  
 Robert Cole  
 Sandra and Michael Coleman  
 Brigitta Cook  
 Judy and Bill Cottle  
 John Courtney  
 Fred and Ruth Cox  
 Rory Cox and Krista Brown  
 Pamela Creason  
 Stephen Croluis  
 Harriett Crosby  
 Clifford Diver  
 Kate Dunham  
 Elizabeth Economy  
 Gillian Edgelow  
 Jane Edsall  
 Robert J. Ellis  
 Tom Eng  
 Gordon Firestein

Michael Fischer and Jane Rogers  
 David and Natalie Fisher  
 Mortimer Fleishhacker  
 Stephen Fowler  
 Tony Ganttner  
 Howard Garrett  
 Keith Gayler  
 Ivan Gayler  
 Mark M. Giese  
 Thomas Gold and Lucy Harris  
 Michael Goldstein  
 Randy Goldstein  
 Robert Goodland  
 Ingrid Gordon  
 David Gordon  
 Jesse Gore  
 James E. Graham  
 Leanne Grossman  
 John Gussman  
 Alan Harper and Carol Baird  
 Edward Hasbrouck  
 Eric Hassman  
 Theresa Hathaway  
 Marcel Hawiger  
 Pete Hendrickson  
 Melinda Herrold and Nick Menzies  
 Donald Heyneman  
 Nathan and Alicia Hirsch  
 Gregory Hoogkamp  
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 Karen Hoy  
 Alfred and Clarice Hoy  
 David Hunter and Margaret Bowman  
 Jessie Jones  
 Cynthia Josayma  
 Larry Kane  
 Stuart Kaplan  
 Melinda Klayman  
 Eliza Klose  
 Carl and Marilyn Kocher  
 Steven Kohl  
 Melinda Kramer  
 Laura Kurre and Michael O'Heaney  
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 Edwin Lee  
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 Susan Lees  
 George Leeson  
 Jon Leo  
 Kristi Littleton  
 Diane Livia  
 Li Miao Lovett  
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 Loretta Lynch and John Davis  
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 Jeremy Madsen and Sarah Gilman  
 Edward and Jocelyne Mainland  
 Kim Malcolm  
 Suzanne Marcy  
 Katharine Maroney  
 Olga McAllister  
 Gavin McAuliffe  
 Doug McConnell and Kathleen Taft  
 Patrick McCully  
 Shawn and Nora McGrath  
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Katie and Steven Messick  
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 Viola Moore  
 David and Nancy Moore  
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 Alexander Mouldovan  
 Michael and Mary Murphy  
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 Michael and Heather O'Heaney  
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 Paul Pidlick  
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 Subramanya Sastry  
 Enid Schreibman  
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 Kingston and Liz Schwerer Duffie  
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 Dan Silver  
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 Greg Smith  
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 Ray and Lauren Steele  
 Mary Strauss  
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 Steve Taber  
 Deborah Teason  
 Eric Thompson and Cynthia Campbell  
 Steve Tidrick and Laurie Littlepage  
 Jesse Tieger  
 Alan Tracy  
 Lisa Tracy  
 Jim Walker  
 Stan and Carl Weidert  
 Mary Weinmann  
 Harriet Wentz  
 Eleanor Wentz  
 David Wimpfheimer  
 Bess Woodworth  
 Susan and Masatoshi Yamanaka  
 Roy Young  
 Donna Youngberg  
 Fiona Yung  
 Lee and Peggy Zeigler  
 Jessica Zufolo

### Staff:

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*Policy Director*

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*California Program Director*

**Wen Bo**  
*China Program Director*

**Whit Sheard**  
*Alaska Program Director*

**Michael O'Heaney**  
*Development Director*

**Amy Metzendorf**  
*Operations Director*

**Sarah Kagan**  
*Development and Communications Associate*

**Sibyl Diver**  
*Russia Program Associate*

**Misha Jones**  
*Russia Program Specialist*

**Sara Moore**  
*Russia Program Associate*

**Daniela Salaverry**  
*China Program Associate*

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