Fiscal 2004 generated notable successes in nearly every facet of the WECC operation. Among them:

This year’s Change-a-Light campaign produced a record number of compact fluorescent lightbulb purchases in Wisconsin, solidifying the state’s leadership status.

Our 2004 efforts were recognized by respected peers in the industry, as WECC was honored by ACEEE as one of five Champions of Energy Efficiency award recipients.

WECC’s representation on the Governor’s Task Force on Energy Efficiency and Renewables further established our position as a leading voice in policy and program development.
Awards & Accolades

2004 was a year for WECC to be recognized for our labors by national organizations. During the past year, WECC programs were independently honored on three separate occasions including:

- Last spring, the American Council for an Energy-Efficient Economy (ACEEE) feted WECC and its ENERGY STAR® qualified clothes washer promotion as an exemplary program for delivering substantial natural gas savings.

- In addition, the ACEEE recognized WECC’s Apartment & Condo Efficiency Services Program, funded by Focus on Energy, as exemplary for its outstanding natural gas energy efficiency program.

- WECC’s suite of ENERGY STAR® Programs, funded by Focus on Energy, received an ENERGY STAR Leadership in Energy Efficiency Award from the US Environmental Protection Agency. The program was honored for its statewide success in reducing greenhouse gas emissions by promoting homes and home products that use less energy.

- Finally in the fall, ACEEE honored WECC as a Champion of Energy Efficiency for “leadership and outstanding achievement in the field of energy and energy efficiency.”

Our Mission

Wisconsin Energy Conservation Corporation is dedicated to promoting sound energy policy, and designing and delivering innovative energy efficiency services that:

- Provide affordable solutions to consumers’ energy needs, especially for consumers with limited incomes;
- Maximize the comfort, safety, durability, and energy efficiency of buildings;
- Educate consumers on options for making energy efficient choices;
- Reduce the environmental impacts of energy use, and;
- Promote economic development by increasing profitable opportunities for energy efficiency and renewable energy.

(Pictured left to right) Janet Brandt, WECC; Sara Van de Graaf, WECC; Kathleen Hogan, Environmental Protection Agency; Cheryl Rezabek, Wisconsin Division of Energy and Lynn Clement. WECC are shown here at the ENERGY STAR® Leadership in Energy Efficiency Award ceremony.
Dear Friends,

No year in recent memory has produced more validation for the WECC mission than 2004. Not only did we continue to prove the value of energy efficiency within the friendly confines of our tested and true programs, but we earned opportunities to expand our influence in vital new ways.

At the end of the fiscal year, WECC won the competitive bid to administer Focus on Energy’s Business Programs – proof that our ongoing efforts in the Residential Programs have paid big dividends for both our sponsors and our communities. The opportunity to work with commercial, industrial and agricultural customers, with the same unwavering determination as we show their residential counterparts, is one we have not taken lightly. Never resting on the status quo, our program management team will seek out, test and refine marked improvements to the Business Programs as the next year progresses.

Wisconsin Governor Jim Doyle’s Task Force on Energy Efficiency and Renewables represented another opportunity to participate in vital matters of long-term planning and industry advocacy. As a representative of WECC, George Edgar provided a unique perspective to the task force, whose recommendations may well guide state energy policy for years to come. Please join us in thanking George for his continued leadership and expertise!

In June, we were notified that WECC would be honored as an ACEEE Champion of Energy Efficiency – fitting testimony that we continue to solidify our place in the energy efficiency community outside Wisconsin. “WECC’s work over the years has made energy efficiency a part of the Wisconsin landscape,” ACEEE proclaimed, “helping make the state an efficiency beacon for the Midwest and beyond.”

As we’ve continued to prove the value and universal transferability of solid program design and administration, we are gaining a clearer glimpse into the opportunities of the future. More and more every day, we’re showing that effective program designs can work anywhere – both in Wisconsin and throughout the country. WECC remains dedicated to developing innovative program models that are the benchmark for measuring success.

Here’s to a smart, prosperous 2005!

Janet Brandt
Executive Director

Carol Fisk
President of Board
**Financial Statement**

**REVENUE**

<table>
<thead>
<tr>
<th>PROGRAM TITLE</th>
<th>$</th>
</tr>
</thead>
<tbody>
<tr>
<td>Focus on Energy Residential Program</td>
<td>19,575,045</td>
</tr>
<tr>
<td>Energy Finance Solutions</td>
<td>14,563,998</td>
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<tr>
<td>Focus on Energy Renewable Energy Program</td>
<td>2,265,411</td>
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<tr>
<td>Other Energy Efficiency Programs</td>
<td>1,814,451</td>
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<tr>
<td>Low Income Programs and Services</td>
<td>1,224,399</td>
</tr>
<tr>
<td>Other Consulting and Miscellaneous</td>
<td>598,339</td>
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**TOTAL REVENUE** .................................................. 40,041,644

**EXPENSES**

<table>
<thead>
<tr>
<th>EXPENSE</th>
<th>$</th>
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</thead>
<tbody>
<tr>
<td>Salaries and Fringe</td>
<td>3,264,545</td>
</tr>
<tr>
<td>Indirect Costs</td>
<td>791,822</td>
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<tr>
<td>Direct Costs</td>
<td>841,912</td>
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<tr>
<td>Marketing</td>
<td>2,072,226</td>
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<tr>
<td>Subcontracts</td>
<td>5,854,463</td>
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<tr>
<td>Participant Rewards, Ally Incentives</td>
<td>13,095,359</td>
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<tr>
<td>Energy Finance Solutions Loan Transactions</td>
<td>14,036,143</td>
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**TOTAL EXPENSES** .................................................. 39,956,470

Increase in Net Assets ........................................... 85,174

**NET ASSETS**

<table>
<thead>
<tr>
<th>NET ASSETS: June 30, 2004</th>
<th>$</th>
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<tbody>
<tr>
<td></td>
<td>3,485,835</td>
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**ENERGY SAVINGS** *

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<tr>
<th>PROGRAM TITLE</th>
<th>kWh</th>
<th>kW</th>
<th>Therms</th>
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</thead>
<tbody>
<tr>
<td>Apartment &amp; Condo Efficiency Services</td>
<td>9,896,869</td>
<td>4,768</td>
<td>499,767</td>
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<tr>
<td>Energy Finance Solutions</td>
<td>1,133,639</td>
<td>635</td>
<td>181,790</td>
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<tr>
<td>ENERGY STAR Products</td>
<td>186,380,113</td>
<td>7,137</td>
<td>731,086</td>
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<tr>
<td>Home Performance with ENERGY STAR</td>
<td>12,703,207</td>
<td>8,445</td>
<td>552,389</td>
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<tr>
<td>Renewable Energy Program</td>
<td>417,635</td>
<td>222</td>
<td>194,015</td>
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<tr>
<td>Targeted Home Performance with ENERGY STAR</td>
<td>498,965</td>
<td>88</td>
<td>140,582</td>
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<tr>
<td>Wisconsin ENERGY STAR Homes</td>
<td>2,326,409</td>
<td>773</td>
<td>186,812</td>
</tr>
<tr>
<td>Other Commitment to Community Programs</td>
<td>16,927,451</td>
<td>5,585</td>
<td>84,563</td>
</tr>
<tr>
<td><strong>Total Across All Programs</strong></td>
<td>230,284,288</td>
<td>27,654</td>
<td>2,571,004</td>
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</tbody>
</table>

*Numbers include all programs administered and run by WECC.*
Cost of Conserved Energy

<table>
<thead>
<tr>
<th>COST OF CONSERVED ENERGY</th>
</tr>
</thead>
<tbody>
<tr>
<td>kWh..........................</td>
</tr>
<tr>
<td>kW...........................</td>
</tr>
<tr>
<td>Therms......................</td>
</tr>
</tbody>
</table>


Calculating the cost of conserved energy enables us to compare efficiency programs to the alternative of producing additional energy. The costs shown above reflect only WECC’s Residential Programs funded by Focus on Energy; the costs are calculated using verified gross annual savings divided by program costs.

Market Providers

In 2004, WECC partnered with these organizations to deliver energy efficient goods and services:

50 renewable product and service providers who specify and install renewable energy technologies.
43 consultants who improve energy efficiency in homes and multifamily units through the Home Performance with ENERGY STAR Program.
353 home builders who construct Wisconsin ENERGY STAR Homes.
863 retailers who sell ENERGY STAR qualified products such as lighting and appliances.
1,071 heating, ventilation and air conditioning contractors who sell and install energy efficient heating and cooling equipment.
Education/Outreach

From residential programs to renewables, mass outreach to one-on-one education, fiscal 2004 was a year for the record books at WECC. We touched more people, inside Wisconsin and out, than ever before.

Our continuing emphasis on education was evident throughout the year. Participating in the WE Energies Energy Park at the 2003 State Fair in Milwaukee provided an opportunity to talk directly to consumers about energy efficiency benefits. Farther north, we conducted workshops and fielded questions in the Focus on Energy tent at the Midwest Renewable Energy and Sustainable Living Fair, near Stevens Point.

Our relationships with market providers flourished in 2004. The Better Buildings, Better Business Conference brought together over 500 builders, contractors, consultants and manufacturers, providing WECC with a forum to mentor design and building strategies for high-performance residential buildings. Builders Associations across Wisconsin—including the Fox Valley and Milwaukee associations—have recognized the value of building science education and performance testing as a vital component in better business practices.

While staff delivered a variety of presentations to market providers and consumers, we also remain committed to one-on-one conversations about energy. To that end, the Information Center fielded nearly 42,000 phone calls in the last fiscal year. That’s an average of over 160 calls each business day!

Programs

Consumers and market providers alike responded to our programs and promotions in record-setting numbers this year. Consider:

- Over 11,000 ENERGY STAR qualified clothes washers were sold in Wisconsin, making the Start The Savings Cycle promotion a resounding success;
- About 17,500 Wisconsin consumers participated in the Home Performance with ENERGY STAR Program in fiscal ’04. This included efficient heating, ventilation and air conditioning equipment, insulation and other energy improvements;
- Wisconsin’s Change a Light, Change the World campaign resulted in Cash-Back Rewards on over 1.3 million compact fluorescent lightbulbs—three times the rest of the Midwest, combined! That’s one reward for every four Wisconsin residents, making Wisconsin’s effort the most successful in the nation.

Twenty-five years into our mission, WECC’s low-income services continue to reach new milestones. The Targeted Home Performance with ENERGY STAR Program—a program delivered through private contractors and State weatherization agencies—provided home energy efficiency improvements for 305 families, more than a 100% increase over 2003!

From emergency furnace and water heater replacements, to whole-house energy efficiency projects, this program changed hundreds of lives for the better. WECC also continued to support the State’s Low Income Energy Service Programs with technical assistance and training and, beginning in 2004, quality assurance services.

For their part, Wisconsin builders continued to promote the value of Wisconsin ENERGY STAR Homes certification to new homeowners. Small and large-volume builders alike combined to build 1,522 Wisconsin ENERGY STAR Homes throughout the state—a hefty increase over fiscal ’03’s total of 883.

Energy Finance Solutions continued to help qualified homeowners in Wisconsin and ten other states, of all income levels, obtain assistance for eligible energy efficient improvements. During the last year, Energy Finance Solutions, through assistance with financing and/or funding of low-income grants, helped 2,238 homeowners install over $16,700,00 of energy efficient improvements.

Renewable Energy

As part of the Focus on Energy Renewable Energy Program WECC helped in the development of a new company—Solar Mining Company, which created their own solar panel manufacturing facility in Green Bay. Solar Mining has already secured a variety of contracts, including a half dozen state-owned facilities and numerous private sites.

The Apartment & Condo Efficiency Services Program continues to capture the attention of developers, building owners and managers. Four solar domestic water heating installations were completed in 2004, setting the stage for an even better 2005.

Please join us in congratulating the dedicated WECC staff on these and the numerous other milestones achieved in the recent fiscal year!
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Assistant Director for Administration

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Retired-Environmental and
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WECC Communications Manager

Copywriting: Scott Rippe, Rippe Keane Marketing

Graphic Design: Nicole Lystad, Rippe Keane Marketing

Printing: Park Printing
“What’s Inside”

• THE YEAR IN REVIEW
• AWARDS AND ACCOLADES
• BIG SAVINGS