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ANNUAL REPORT 2011-2012

Letter from the President

The Clean Water Act turned 40 on October 18, 2012. What a remarkable record of accomplishment, both for this law and for our organization!

I remember back in the 1960s when Lake Erie was declared dead, the Cuyahoga River caught on fire, and many of our rivers were so full of toxic chemicals that they'd eat the paint right off boats. I remember being told not to eat the fish from Lake Ontario or to swim at the beach near my neighborhood. Today, the Clean Water Act and the work of Clean Water Fund have fixed many of those problems.

The Great Lakes are much healthier and cleaner. Rivers in Philadelphia, Providence, San Antonio, Washington DC and many other communities are now tourist attractions. Fishing, boating and water-based recreation are huge job-creators and sources of income for communities. We've made incredible progress cleaning up our rivers, lakes and streams, and our communities are healthier and more vibrant for it.

Celebrating
Four Decades
of Progress

Clean Water Fund has played an important role in that transformation, helping implement, enforce and protect the Clean Water Act. We've stopped illegal pollution by dischargers in dozens of states, protecting local waterways and our drinking water. We've helped states and local governments find new ways to reduce pollution from runoff by managing rainwater wisely. We've promoted upstream solutions to stop pollution at the source, keeping toxic chemicals out of our water in the first place.

As you read about Clean Water Fund's most recent activities and accomplishments in this report, please know that your support is helping bring the way we use and manage our water into the 21st Century:

- Preventing pollution and using our water more wisely,
- Putting drinking water first, and
- Looking at all of our activities in terms of their impact on our water.

You are the reason for our success... and with your continued support, we'll make even greater progress in the next 40 years, too.

Robert Wendelgass President & CEO

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About Clean Water Fund

Our Mission

Clean Water Fund's mission is to develop strong grassroots environmental leadership and to bring together diverse constituencies to work cooperatively for changes that improve their lives, focused on health, consumer, environmental and community problems.

Founded in 1974, Clean Water Fund helps people campaign successfully for cleaner and safer water, cleaner air, and protection from toxic pollution in our homes, neighborhoods and workplaces. Organizations and coalitions formed and assisted by Clean Water Fund have worked together to improve environmental conditions, prevent or clean up health-threatening pollution in hundreds of communities and strengthen policies locally and nationally.

Clean Water Fund's programs build on and complement those of Clean Water Action, a 1 million member national organization which has helped develop, pass, strengthen and defend the nation's major water and toxics laws such as the Clean Water Act, Safe Drinking Water Act, Superfund and others, including their state-level counterparts.

Clean Water Fund is a national nonprofit corporation under section 501(c)(3) of the U.S. Internal Revenue Code. As a research and education organization, Clean Water Fund promotes the public interest on issues relating to water, energy, toxics and environmental health. Clean Water Fund's research, technical assistance, training, outreach and educational programs increase understanding of environmental issues and promote environmentally sound policies.



Board of Directors

Clean Water Fund is governed by a dedicated volunteer Board of Directors who are elected to three-year terms of service. Clean Water Fund's professional staff members serve as corporate officers and assist the Board of Directors as needed.

Clean Water Fund protects water and health, from watershed to water tap – now and for the future.

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Protecting Water and Health

Clean water issues are central to Clean Water Fund's mission. Today, many of the nation's rivers, lakes, streams, wetlands and coastal areas at risk, endangered by recent court decisions and other actions that have called into question which water resources should receive Clean Water Act protections. The resources at risk include drinking water sources serving more than 117 million Americans.

Restoring these protections — and restoring the nation's historic commitment to cleaning up and protecting water for fishing, swimming and drinking — remain Clean Water Fund's highest priorities.

Until these challenges are met, critical water resources and people's health remain vulnerable to pollution and development. Clean Water Fund and allies have brought hundreds of thousands of new voices — people who care about their water — to this debate, building public and official support at every level.

Clean Water Fund is also working directly with states and communities to improve protection and conservation of critical waterways and drinking water sources. Clean Water Fund is committed to protecting and restoring major water bodies including the Great Lakes, the Chesapeake Bay, Delaware Bay, Narragansett Bay, San Francisco Bay, the Everglades and many more, plus all of the tributaries which feed them. But the smaller waterways, including the "special water places" and favorite vacation spots familiar to so many are equally important in Clean Water Fund's programs.

Clean Water Fund continues to advance practical solutions that protect and promote clean water and healthy communities:

"Upstream" pollution prevention approaches that keep toxic and polluting ingredients out of consumer products and drinking water sources. Massachusetts, Connecticut, California, Minnesota, Michigan and New Jersey are among the places where Clean Water Fund is leading the way to protect water and health by reducing the use of dangerous toxins. California just recently joined the list of states banning the toxic chemical BPA from products for infants and small children, and Connecticut added a ban on its use in cash register receipts to its existing ban on products for babies.

Smarter and cleaner energy choices that protect and do not further degrade our water. Clean Water Fund is fighting to stop pollution from drilling and fracking for natural gas in California, Colorado, Pennsylvania, Michigan, Maryland, New Jersey, Virginia, Texas and other states; leading the push in Michigan, Massachusetts and in other states to switch from dirty coal to job-creating wind and solar power; and, advancing development of clean renewable energy in New Jersey, Florida, Maryland, Minnesota, Michigan and Texas to reduce reliance on dangerous, waterguzzling nuclear power plants and polluting fossil fuels.

Controls on pollution washing into water from farms, city streets and lawns. New Jersey's



groundbreaking law to protect **Barnegat Bay, Pennsylvania**'s stream buffers program and **California**'s plan to protect groundwater from farm pollution are exciting examples of what can and must be done. Continuing progress in New Jersey to reduce pesticide use on playgrounds, parks and other public spaces is protecting children's health, keeping more pollution out of the water and leading the way for other states. Clean Water Fund's *Taking out the Trash* program in California is receiving national attention for tackling the problem of the disposable "foam" convenience food containers and single-use plastic bags clogging streams and harming marine life.

Smarter systems for treating and delivering water.

New 21st-century water management approaches mimic natural systems to reduce waste, use less energy, improve water quality and give consumers and taxpayers more bang for the buck. Clean Water Fund is showing communities how this can be done in Massachusetts, California, Texas, Florida, Maryland, Pennsylvania and other states.

Improving drinking water protection and treatment.

Clean Water Fund is actively engaged in state and federal rule-making processes to protect drinking water sources and make sure water testing and treatment technologies are keeping pace with health protection needs. The organization is also working to bring environmentalists and public health advocates together with water utility owners and operators to identify common ground and increase collaboration. These efforts are yielding results on contaminants such as perchlorate, hexavalent chromium, biological pathogens such as Coliform bacteria, problems from lead in water systems and plumbing, and pollution coming pesticides and fertilizers used in industrial agriculture.





TAKING OUT THE TRASH:

Clean Water Fund volunteers researching sources of trash impacting Northern California waterways found in their survey of Bay area streets that take-out food and drink packaging makes up 67% of the problem, fingering major national fast food and coffee chains as the biggest culprits The solution? Get rid of single-use "foam", and switch to reusable containers.

Celebrating the Clean Water Act at 40

The Clean Water Act, one of America's most successful environmental laws, turned 40 this October. Clean Water Fund's early leaders were central to the law's passage in 1972, and the organization has worked to defend and strengthen clean water protections ever since. Much remains to be done, but there is also much worth celebrating.

No More Polluters' Free-for-All: Most pollution used to be unregulated. Factories discharged directly into rivers, lakes and streams. Now state and federal enforcers use permit systems to limit the pollutions. No more direct dumping into the water.

No More "Pollution Shopping": The law set uniform national standards that keep polluters from moving where controls are weakest.

Waterways Restored: From the Great Lakes and the Chesapeake Bay, from San Francisco Bay to Barnegat Bay, to the Everglades, the Potomac River and the Cuyahoga (which once caught fire), to Boston Harbor and the Jersey Shore — rivers, lakes, streams, ponds and coastal areas everywhere have seen improvements. Just about everyone has seen a once-polluted waterway improved, thanks to the Clean Water Act — chances are, you have, too!

Wetlands & Drinking Water Sources Protected: Wetlands provide fish and wildlife habitat, buffer against storms and floods, recharge underground water supplies and filter pollution. Now Clean Water Act permits protect wetlands against destruction and development, at the same time protecting drinking water sources for millions of Americans.

Beaches, **Beaches**, **Beaches**: New Jersey's shoreline was once as famous for its sewage spills as for its beaches. Today, those same beaches and other freshwater and oceanfront resources across the country are much healthier, providing recreation and sustaining jobs that could not exist without clean water.

Clean Water Future: The Act's inspiring goals—ending water pollution, delivering fishable, swimmable, drinkable water for all Americans—remain a vibrant call to action today. Our challenge is to reaffirm the nation's commitment to these goals and jump-start further progress toward them so that future generations may enjoy clean water.



Building a Clean Water-Clean Energy Future

Water and energy issues are closely connected. Some of the most immediate impacts from energy use are on our water, and inefficient water-related systems are among the biggest energy users.

Clean Water Fund has been active on these issues from the beginning, and plays an increasingly important role as momentum builds for transitioning to a clean energy economy. Choices made in this transition directly impact water quality and quantity. Climate change is having a huge negative impact on water resources, making many existing water problems worse. People's concern for their water can be a significant factor in building public support for reducing the pollution that causes global warming.

Clean Water Fund's years of clean water-clean energy experience and expertise make the organization central to current energy debates, including those on:

- power plant pollution
- greenhouse gas reduction policies
- transportation, vehicle fuel efficiency, and sustainable development policy
- · energy efficiency and renewable energy development

Clean Water Fund is helping states and communities reduce their use of dirty fossil fuels, substituting clean renewable energy and reducing energy use through greater efficiency.

Clean Water Fund is leading the effort to phase out the use of coal in **Massachusetts**, organizing a new coalition to promote energy efficiency and renewable energy alternatives.

In **Michigan**, Clean Water Fund helped stop new coal plants proposed by Consumers Energy, will likely stop a new coal plant from being built in Holland, and is pressing to phase out dirty coal plants near Lansing and others owned by Detroit Edison.

Clean Water Fund has been a leader organizing consumer-owned electric cooperatives and municipal utilities in **Texas** to adopt more sustainable energy practices, changing policies at the Pedernales Electric Coop, the nation's largest member-owned utility.

Diesel pollution prevention coalitions in New England, New Jersey, Pennsylvania, Michigan, and Minnesota have helped reduce health

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COAL'S DIRTY BACKSIDE: Coal mining pollutes water and causes blighted landscapes. Burning coal for electricity spews out mercury and other contaminants that degrade water and make fish unsafe to eat. These and other "front end" impacts from coal are now well known. But the toxic ash left behind by coal burning also impacts people's water and health. Laden with arsenic, lead, hexavalent chromium and selenium, toxic coal ash is one of the nation's largest

industrial waste streams. Billions of tons have been dumped in more than one thousand ponds, pits and landfills where it threatens drinking water supplies. Disastrous recent spills into Lake Michigan and other waterways have gotten national media attention. Clean Water Fund is helping to lead a national coalition for tougher federal safety standards and controls on toxic coal ash to protect water quality.

Building a Clean Water-Clean Energy Future continued from page 7

threatening pollution from diesel equipment and vehicles.

Clean Water Fund is also helping community groups in **Florida**, **Minnesota** and **New Jersey** oppose proposals for development and expansion of nuclear power plants and encourage renewable energy alternatives.

Clean Water Fund has led coalitions and campaigns concerned about water impacts from drilling and "fracking" for natural gas and oil development in California, Colorado, Pennsylvania, Michigan, Maryland, New Jersey, Texas, Virginia and other states.

Clean Water Fund continues to bring water issues and concerns to bear in energy policy debates around the country, working nationally and in **Florida**, **Michigan** and **Colorado** to require stricter standards for the disposal of coal ash.



NEIGHBOR-TO-NEIGHBOR ENERGY

CHALLENGE: Staff and volunteers gathered in Connecticut for the March 2011 launch of an innovative grassroots efficiency campaign organized by Clean Water Fund with residents from fourteen Connecticut towns. This nationally-significant model will yield more than \$150 million in lifetime energy cost savings available to strengthen local economies across the state.



FRACKING: Clean Water Fund's unique expertise is proving invaluable as a new "rush to drill" raises serious concerns about pollution and health dangers from the oil and gas industry's "fracking" techniques. Above: Drilling operations in southwestern Pennsylvania.

Healthy, Safer Families and Communities

This is common sense: prevent pollution at its source *before* it can harm people's health or cause environmental damage.

Current protections under the law are inadequate because they often fail to require — or even to allow — action until environmental and health harm has been well documented. Meanwhile the pollutants that cause harm are in widespread use. Many are persistent and build up in the environment and in people's bodies over time.

It should come as no surprise that cancers, learning and developmental disabilities, asthma and other chronic illnesses are increasingly linked to pollution exposures. Some of our most vulnerable people — infants, small children and adolescents, pregnant women, residents of lower income and minority communities — all bear an unjust portion of this burden.

The solution is to re-orient environmental health protections in favor of preventing harm. The public must be

involved in decisions on which chemicals are allowed in the marketplace. Where safer alternatives can replace toxic ingredients or polluting practices, bans or phaseouts should be mandatory.

Clean Water Fund is a national leader in making this happen, helping consumers, local and state officials, businesses, workers and public health professionals tackle the worst of these problems while building momentum for comprehensive, economy-wide reforms. For example, the Coalition for a Safe & Healthy Connecticut, organized with Clean Water Fund's leadership, bring concerned citizens, public health professionals, parents and teachers, faith communities, environmental justice groups, labor organizations, scientists, businesses and others together with environmentalists to advance such reforms. Already, this diverse coalition has reshaped policies in the state. Its accomplishments to date include strengthening protections from BPA,

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EXTENDED PRODUCER RESPONSIBILITY: Clean Water Fund has long championed policies and strategies that reduce the volume and toxicity of the waste stream. This means supporting recycling, waste reduction and reuse over costly and polluting landfills and incinerators. It also means using safer alternatives to replace toxic product ingredients and manufacturing processes that pollute. Making manufacturers responsible for producing



safer products more cleanly — and also for reducing packaging waste — is proving among the most effective ways to advance these goals. Extended Producer Responsibility (EPR) campaigns have already transformed the computer and electronics industry's practices, making e-waste "take-back" standard practice for many companies — and the law in several states. In Rhode Island and other states, Clean Water Fund is now building support for EPR that will further reduce packaging wastes.



LEAD IN LIPSTICK: A February 2012 Food and Drug Administration (FDA) study found lead in hundreds of lipsticks. Earlier testing by the Campaign for Safe Cosmetics (2007) and the FDA (2009) found lead in most sampled lipsticks. Lead is unsafe at any level, and preventable exposures are linked to learning, developmental, language and behavioral problems, including lowered IQ. Clean Water Fund and allies are calling on

the FDA to limit the amount allowed in lipsticks.

Healthy, Safer Families and Communities continued from page 9

establishing a new Chemical Innovations Institute at the University of Connecticut, and leading discussions on a statewide framework for toxic chemical substitution.

In New England, California and the Upper Midwest, Clean Water Fund has helped lead the way in phasing out the use of toxic mercury in consumer products. Clean Water Fund has helped expose the dangers of the now-controversial plastic hardener, Bisphenol A (BPA), used in water bottles, children's toys, cash register receipts, linings for canned foods and juices, and other consumer products. BPA is now banned in the European Union and Canada, and several states have taken action restricting its use to protect children's health.

State and national chemical policy, toxics and environmental health reform coalitions featuring Clean Water Fund's leadership include:

- Alliance for a Safe & Healthy Tomorrow (Mass.)
- Californians for a Healthy & Green Economy (CHANGE)
- Coalition for a Safe & Healthy Connecticut
- Healthy Legacy (Minnesota)
- Michigan Network for Children's Environmental Health
- SAFER, a network of state based chemical policy reform coalitions
- The Campaign for Safe Cosmetics
- Safer Chemicals, Healthy Families federal policy reform effort

PREVENTING HARM FROM LEAD AND MERCURY: Clean Water

Fund often collaborates in publicizing research findings on preventable toxic exposures. The increased awareness can empower people to protect their own health and also to add their voices to those calling for bans or phase-outs of the worst substances. In the past year, Clean Water Fund has helped to expose problems with lead in lipsticks marketed to women, teens and girls, mercury used in dental fillings and canned tuna served in schools.





PROTECTING HEALTH: In May 2012, Clean Water Fund and Clean Water Action participated in the National Stroller Brigade in Washington DC to demonstrate support for reforming chemical policies. Clean Water Fund's Elizabeth Saunders (Massachusetts), and Susan Eastwood (Connecticut) represented New England. Moms, kids and advocates from thirty states rolled into Washington DC and right up to the Capi-

tol to let Congress know that people are serious about protecting their families from "toxic trespass."

Moms and others participating in the event demanded a new approach that requires:

Proof of safety: To bring new chemicals into the marketplace or keep using existing ones, industry should be required to develop and provide information on their chemicals' safety and health impacts. Chemicals without this information would be prohibited in products and workplaces. Where data indicate potential environmental health concerns, chemicals must be proven safe before entering commerce.

Immediate action on the worst chemicals: Federal action should be required to reduce exposure to toxic chemicals that do not degrade in the environment and are concentrated as they move up the food chain, such as lead, mercury, flame retardants and other toxics that build up in people's bodies.

Making Democracy Work

Clean Water Fund's programs involve people in decisions affecting their lives, their families, their communities, their health and their environment.

Polls consistently show that people want clean air, clean water and healthy communities.

However, people's environmental concerns are often not matched by their actions as citizens and voters. Many Americans are simply unaware of pervasive assaults on their health and welfare. They lack information on the roles they and their representatives may play in causing — or solving — these problems. A December 2011 survey conducted on Clean Water Fund's behalf confirmed people's deep concern for their water — in all parts of the country and across all demographic groups — and their eagerness to get involved when given information on problems and how they can make a difference.

Fixing these disconnects so that more people are able become fuller participants in public debates and policy decisions on today's most pressing environmental challenges is central to Clean Water Fund's mission and strategy. All of Clean Water Fund's programs rely on nonpartisan research, training, education, organizing and publicizing to engage people

and their communities on the issues they care about most. Clean Water Fund does this by:

- Increasing the skills, organization and effectiveness of community leaders, volunteers and organizations with environmental concerns.
- Building alliances between diverse constituencies.
- Reaching beyond the staff and members of environmental/conservation groups to involve a broader public.

Clean Water Fund builds consensus between people and organizations of all types with a shared stake in a clean environment. Each year, Clean Water Fund educates and engages people one-on-one, person-to-person and communicates timely information about environmental issues and about needs and opportunities for getting involved.

People care about their water. When they learn what is happening, they want to get involved.





Offices

Based in Washington, D.C., Clean Water Fund operates locally-staffed environmental programs serving communities in more than 25 states. Through regional programs with 20 offices in 12 states and the District of Columbia, Clean Water Fund supports community-based groups with scientific and technical assistance and training. Clean Water Fund helps local volunteers and their organizations become effective advocates for their concerns and join with others to promote environmental solutions at statewide, regional and national levels. Through Clean Water Fund's regional and national programs, the organization addresses environmental problems and works with local groups in many additional states beyond those with Clean Water Fund offices.

NATIONAL

1010 Vermont Avenue NW, Suite 400 Washington, DC 20005 202.895.0432

California

111 New Montgomery Street, Suite 600 San Francisco, CA 94105 415.369.9160

Colorado

1536 Wynkoop Street, Suite B-400 Denver, CO 80202 303.405.6755

Connecticut

645 Farmington Avenue, 3rd Floor Hartford, CT 06105 860.232.6232

Florida

7300 N. Federal Highway, Suite 200 Boca Raton, FL 33487 561.672.7638

Maryland

711 West 40th Street, Suite 209 Baltimore. MD 21211 410.235.8808

Massachusetts

262 Washington Street, Room 601 Boston, MA 02108 617.338.9637

160 Main Street, Suite 6 Northampton, MA 01060 413.584.9830

Michigan

320 Miller Avenue, Suite 180 Ann Arbor, MI 48103 734.222.6347

23885 Denton Street, Suite B Clinton Township, MI 48036 586.783.3277

1200 Michigan Avenue, Suite C East Lansing, MI 48823 517.203.0754

Minnesota

308 East Hennepin Avenue Minneapolis, MN 55414 612.623.3666

New Jersey

1002 Ocean Avenue Belmar, NJ 07719 732.280.8988

559 Bloomfield Avenue Montclair, NJ 07042 973.744.3005

Pennsylvania

115 Pine Street, 1st Floor Harrisburg, PA 17101 717.233.1801

1315 Walnut Street, Suite 1650 Philadelphia, PA 19107 215.545.0250

100 5th Avenue, Suite 1108 Pittsburgh, PA 15222 412.765.3053

Rhode Island

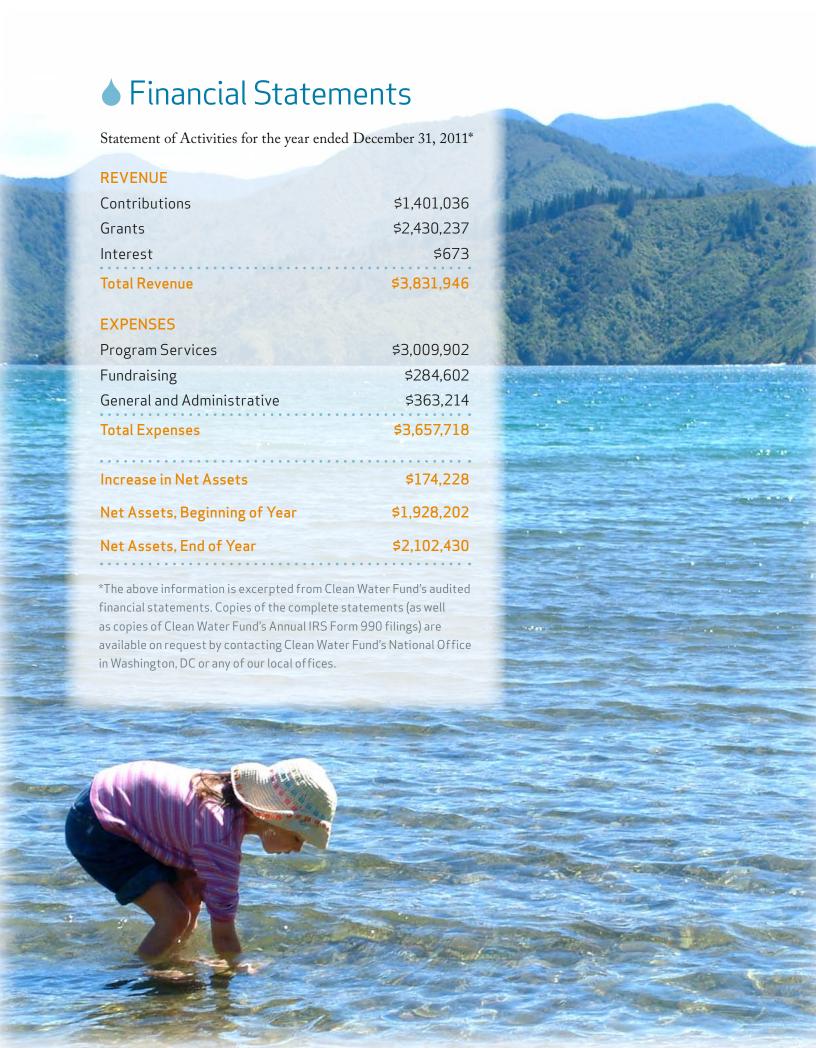
741 Westminster Street Providence, RI 02903 401.331.6972

Texas

600 West 28th Street, Suite 202 Austin, TX 78705 512.474.2046

Virginia

1010 Vermont Avenue NW, Suite 400 Washington, DC 20005 202.895.0432





Thank You for Your Support

Clean Water Fund's programs are made possible through your generous support.

We appreciate the generous, ongoing support of so many individual contributors. By sponsoring and attending Clean Water Fund events, responding to our personal appeals, and giving through workplace campaigns, you are contributing to the health and vitality of our unique community-oriented environmental programs.

Clean Water Fund gratefully acknowledges the support received from charitable foundations in the form of gifts and grants, both for general purposes and for the support of specific projects. Clean Water Fund also accepts contributions from businesses and receives grants from government sources.

Support Clean Water Fund at Work



Clean Water Fund is a proud member of EarthShare, a federation that represents the nation's most respected environmental and conservation charities in hundreds of workplace giving campaigns across the country. EarthShare's payroll contribution program allows donors to direct their contribution to Clean Water Fund; to any combination of EarthShare's members; or to all of them

through one general gift to EarthShare. Contact us to find out more about how you and your workplace can support Clean Water Fund through an EarthShare program.

The Promise of Clean Water: Now and for the Future

The task of assuring abundant, clean, safe and affordable water begins with sound planning. When you make Clean Water Fund part of your estate plans, you are helping to protect and promote clean water for generations to come.

Now is the perfect time to leave a Clean Water Legacy by making Clean Water Fund part of your own long-term plans. It can be as easy as remembering Clean Water Fund in your will or naming Clean Water Fund as a beneficiary of your living trust, life insurance or qualified retirement plan.

If you are interested in supporting Clean Water Fund, please visit our web site at www.CleanWaterFund.org or contact us directly at:

CLEAN WATER FUND

1010 Vermont Avenue, NW, Suite 400 | Washington, DC 20005 202.895.0432 | development@CleanWater.org

www.CleanWaterFund.org