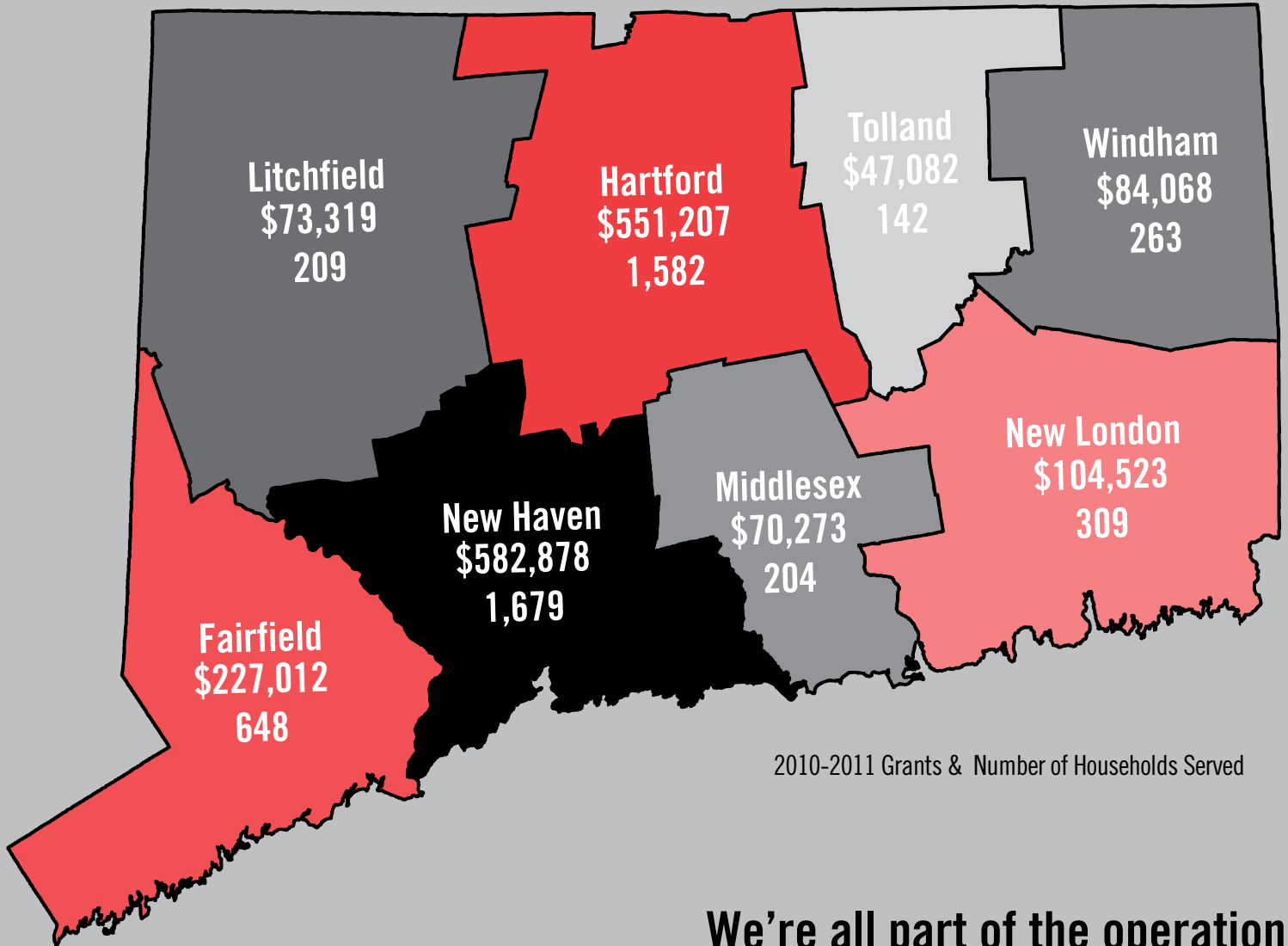




Operation Fuel | Annual Report 2011



2010-2011 Grants & Number of Households Served

We're all part of the operation

Operation Fuel Staff

Patricia J. Wrice

Executive Director

Mary E. Calkins

Finance Director

Lynn S. McDonald

Director of Development

Brenda Watson

Director of Community Programs

Robert Slate

Small Business Advocate

Nadia de la Puente

Case Management Coordinator

Regina Pelrine

Finance Assistant

2010-2011 Board of Directors

Mark Berns, Chairman

Palace Fireplace, Pool & Spa

Daniel Canavan, Vice Chairman

Northeast Utilities

Carlene Taylor, Secretary

State of CT. Dept. of Social Services

Richard Schauster, Treasurer

Empire Industries

Nancy Bulkeley

Dominion Nuclear Connecticut

Sharon Coffey

Cooper Surgical, Inc.

Jenny Comerford

Hartford Investment Management Company

Robert Earley

Comcast Cable

Michael Lagosh

Hartford Investment Management Company

John Larkin

JC Larkin Company

Michelle Lawson

CNG/SCG

Lynn Vasquez

Connecticut Light & Power

Ronald Walsh

Walsh, Merrill & Brousseau, PC

Rick Weiner

Greenwich Dept. of Social Services

Hillel Weisel

Inland Fuel Terminals



Operation Fuel, Inc.

WE'RE ALL PART OF THE OPERATION.

Over the past year, Connecticut struggled to recover from the severe national recession. Too many state residents faced unemployment, underemployment, foreclosure, and loss of public services due to the state budget crisis. Nearly 100,000 Connecticut children lived in poverty.

So it's no surprise that thousands of low-income Connecticut families strained even harder to pay their rising energy bills.

Operation Fuel's mission is to partner with communities, businesses, government and individuals to ensure that people in need have access to year-round energy assistance. Last year, thousands of Connecticut residents found themselves facing energy emergencies – many for the first time. And we responded with everything we had. To help keep homes warm and lights on, our 100+ fuel banks across the state worked tirelessly to distribute every available emergency energy assistance dollar.

All told, Operation Fuel provided \$1.75 million in emergency energy assistance to more than 5,000 households and 17,000 individuals.

But there were many more households needing energy assistance that we could not help. From Hartford to New London, from to Glastonbury to Greenwich, the sheer number of inquiries we received about energy assistance broke every record. Eventually, our funding was exhausted and Operation Fuel was forced to temporarily shut down the program.

Executive Letter

Without the help of our generous supporters, Operation Fuel could not have reopened in time to provide emergency assistance to families who now faced shut-offs of their electricity. Those desperate calls for help would have gone unanswered. For that, from the bottoms of our hearts, we thank you.

Looking forward, all the forecasts for this coming winter paint a grim picture for Connecticut's low-income families. Federal funding for energy assistance is projected to be reduced 50% from last year. With the potential cuts, more pressure will be put on Operation Fuel to make up the financial difference. While we understand that cuts have to be made, we believe that those cuts should not be made at the expense of families struggling to keep their homes heated and their lights on.

Operation Fuel does its part to ensure that donations to our organization are used wisely to maximize our assistance to families in need. We pride ourselves on doing our work well and with great accountability. And with your help, Operation Fuel can provide assistance to more people looking for help this coming year.

Patricia Wrice

Executive Director, Operation Fuel

Mark Berns

Chair, Operation Fuel Board of Directors

Dominion and PSEG Give to Help Small Businesses

Operation Fuel is developing a pilot program for small businesses that will provide energy grants and energy conservation training to Connecticut businesses in distressed communities. It primarily will target women and minority-owned small businesses. The program, which will be the first of its kind in the nation, is being funded by a \$1 million grant from Dominion and \$150,000 from PSEG (Public Service Enterprise Group).

This one-year pilot program will provide grants of up to \$1,000 to help pay for electricity bills for small businesses in Hartford, Bridgeport, Waterbury, New London and New Haven. Bob Slate, small business advocate for Operation Fuel, also will conduct education seminars designed to teach business owners how to conserve energy and lower their bills.

Small businesses play a vital role in the communities in which they operate, creating jobs and making many local purchases. Helping the owners succeed is good for them, their customers and their neighbors.

Dominion, one of the nation's largest producers and transporters of energy, owns and operates the Millstone Power Station in Waterford, Conn. PSEG is the parent company of PSEG Power LLC, which owns and operates the Bridgeport Harbor and New Haven Harbor Generating Stations.



Generous Donations Allow Operation Fuel to Assist Over 5,000 Households

This past year, Connecticut faced one of the hardest winters on record; fuel prices increased dramatically, and the need for energy assistance was far greater than expected. Thanks to the generosity of our individual donors, foundations and corporate funders, Operation Fuel was able to give more than \$1.7 million in emergency energy assistance to over 5,000 Connecticut households, many with young children or elderly residents

Long Term Solutions

Operation Fuel has recognized the need to develop long-term solutions that will ease the energy burden that affects low-income residents in Connecticut. Energy assistance grants are a band aid on the wound of energy affordability. This year great strides were made toward developing programs that will help to address the energy affordability crisis



Burn Calories For Fuel 5K and Walk

Operation Fuel held its second annual Burn Calories for Fuel 5K on Saturday, April 9, 2011 at the Metropolitan Learning Center in Bloomfield. Sponsored by Aetna, Dominion, Northeast Utilities, Clear Channel Radio, NBC 30 and Burtons Grill, the event raised more than \$16,000.

Discounted Utility Rate For Low Income Families

Operation Fuel has been a strong advocate for an affordable energy rate for low-income families and elderly residents since 2007. Connecticut is one step closer to making a low-income energy rate a reality.

The state legislature recently passed a bill to conduct a study on the implementation of a discounted utility rate for low-income households. Connecticut is currently the only New England state without a discounted rate. The state's annual home energy affordability gap is \$480 million according to Operation Fuel's 2010 energy affordability study. This means that Connecticut's lower-income households face a home energy affordability gap of over \$2,000 per household, which is the difference between what households can afford and what they actually owe for their annual energy bills.

Implementing a discounted rate will help to make energy more affordable for lower-income households while reducing the utility companies' collection costs and working capital expenses as well as uncollectable debt.

Education on Energy Usage and Behavioral Change

As the result of a grant from the Hartford Foundation for Public Giving, Operation Fuel began working with Action Research, a behavioral research and marketing firm in North San Diego County, to develop an innovative educational program that will help low-income consumers change their behavior toward energy use. This program will identify the barriers to desired behavior and provide support for sustainable behavior change. Changing the behavior of consumers regarding energy use can help to increase energy conservation measures and ultimately reduce utility and fuel bills.

Statement of Financial Position

For the year ended June 30, 2011

| ASSETS | |
|---|------------------|
| Cash and cash equivalents | 1,565,653 |
| Certificates of Deposit | 247,278 |
| Grants and other Receivables | 175,762 |
| Total Current Assets | 1,988,693 |
| OTHER ASSETS | |
| Property & Equipment (Net of depreciation) | 34,152 |
| Total Assets | 2,022,845 |

Liabilities and Net Assets

2010-2011

| LIABILITIES | |
|---|------------------|
| Accounts Payable | 41,630 |
| Accrued Liabilities | 24,733 |
| Deferred Revenue | 1,126,272 |
| Total Current Liabilities | 1,192,635 |
| NET ASSETS | |
| Unrestricted | 797,219 |
| Temporarily Restricted | 32,991 |
| Total net assets | 830,210 |
| Total Liabilities & Net Assets | 2,022,845 |

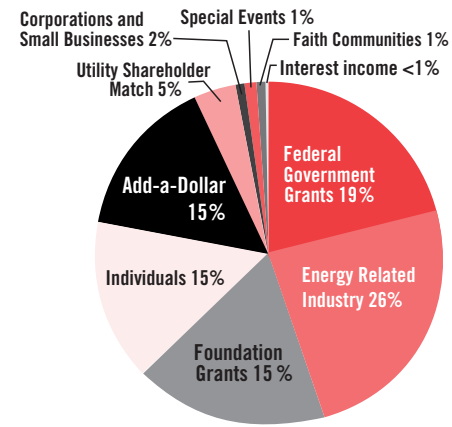
WE'RE ALL PART OF THE OPERATION.

Revenue and Expenses

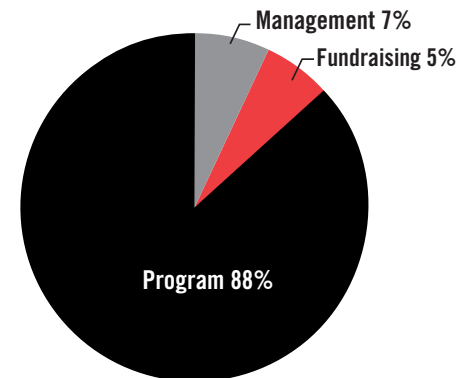
For the Year Ended June 30, 2011

| REVENUES AND SUPPORT FOR RESIDENTIAL PROGRAMS | |
|---|------------------|
| Energy Related Industry | 646,426 |
| Governmental Grants - Federal | 495,019 |
| Add-a-Dollar | 394,842 |
| Foundation Grants | 391,678 |
| Individuals | 381,841 |
| Utility Shareholder Match | 120,500 |
| Corporations and Small Businesses | 38,669 |
| Faith Communities | 34,512 |
| Special Events | 21,207 |
| Interest Income | 6,704 |
| Total Support for Residential Programs | 2,561,398 |
| Support for Small Businesses Pilot Program | 1,150,000* |
| Grand Total Revenues and Support | 3,711,398 |

*\$1,126,272 of this grant was deferred to FY12



| EXPENSES | |
|--------------------------|------------------|
| Fuel Assistance Programs | 2,214,939 |
| Management | 178,748 |
| Fundraising | 117,748 |
| Total Expenses | 2,511,080 |



Community Partners

| | | | |
|--|--|---|--|
| The Church of Saint Dunstan | Ensworth Charitable Foundation | The First Church of Christ, Ladies Home Missionary Society, New Haven | St. Anthony's Roman Catholic Corp. |
| Aetna Foundation | The Episcopal Diocese of Connecticut | Lincoln Financial Group Foundation | St. James Church, Farmington |
| Allied World Assurance Company | The Fairfield County Community Foundation, Inc. | Linford & Mildred White Foundation | St. James Episcopal Church, West Hartford |
| Altria Matching Gifts Foundation | First Baptist Church, Meriden | Marion Isabell Coe Fund | St. John's Church, West Hartford |
| American Savings Foundation | First Church Congregational, Fairfield | MassMutual Financial Group Employee Matching Gifts Center | St. Mary's Church, Coventry |
| Amica Companies Foundation | First Congregational Church, Portland | MasterCard International Employee Matching Gifts Program | St. Mary's Church, Unionville |
| Archdiocese of Hartford | First Congregational Church of Canton Center | Maximilian E. & Marion O. Hoffman Foundation | St. Matthew Roman Catholic Church, Tolland |
| Asylum Hill Congregational Church | First Congregational Church of Cheshire | Memorial United Methodist Church, Avon | St. Paul's Evangelical Lutheran Church, Wethersfield |
| The Auerbach Schiro Foundation | First Congregational Church, East Hartford | Michael Weber Computer Consulting | St. Stephen's Episcopal Church, East Haddam |
| Baker Family Fund | First Congregational Church, East Haven | Middlefield Federated Church | St. Thomas of Villanova Church, Goshen |
| Beatrice Fox Auerbach Foundation | First Congregational Church, Waterbury | Monroe Congregational Church | The Stanley Black & Decker, Inc. Employee Matching Gifts Program |
| Bernard Blum Fund | First Presbyterian Church, Hartford | Naugatuck Savings Bank Foundation | Stanton Telecommunications |
| Bloomfield Civitan Club | FirstLight Power - Helping Hand Fund | Newman's Own Foundation | Starion Energy |
| Edith Baldinger Charitable Trust | Fisher Foundation, Inc | Northeast Utilities | Sun Life Financial |
| BrownRudnick LLP | Founders Congregational Church, Harwinton | Northeast Utilities, Customer Service Center | The Church of St. Timothy, West Hartford |
| Cardinal Health Foundation | The Franklin Conklin Foundation | Northeast Utilities Credit Center | Thomas Atkins Memorial Trust |
| Carling Technologies, Inc. | Fuller Family Charitable Trust | Northeast Utilities Customer Experience Center | Tittmann & Maybank Family Fund |
| Chubb Group of Insurance Companies | Greater Hartford Jaycees Foundation | Notheast Utilites Foundation | Trinity Episcopal Church, Seymour |
| Church of Christ Congregational, Newington | Growell, Inc. | Norwich Public Utilities | True Vine Missionary |
| Church of the Redeemer, New Haven | The Gryphon Fund | O & W Heat Treat, Inc | UBS Employee Matching Gifts Program |
| CIGNA Healthcare | Half Century Club | Our Lady of Grace, Bantam | Union Baptist Church, Stamford |
| The Clare T. Murphy Trust | Hartford Aircraft Lodge No. 743 | Our Lady Of Sorrows, Hartford | Unitarian Universalist Society, East Manchester |
| Clayman, Tapper & Baram, LLC | Hartford Investment Management Company | Oxford United Church of Christ | United Church of Christ, West Hartford |
| CLSJ Foundation, Inc. | HCC Global Financial Products | Ampersand Consulting | United Covenant Church, Wilton |
| Cora E. Scott Missionary Society | Hearthstone Apartments, LLC | Pfizer Foundation Employee Matching Gifts Program | United Illuminating |
| Competitive Resources, Inc. | Holy Trinity Roman Catholic Church, Sherman | Pitney Bowes Employee Involvement Fund | United Illuminating Employee Matching Gifts Program |
| Congregation Beth Shalom, Chester | Hometown Heating, LLC. | Prudential Foundation Employee Matching Gifts Program | United Technologies Corporation Employee Matching Gifts Program |
| The Connecticut Credit Union Charitable Foundation | Huntington Congregational Church, Women's Fellowship | PSEG | United Health Group |
| Connecticut Pool & Spa Association | Illinois Tool Works Foundation | Pullman & Comley, LLC. | Unity Church of Greater Hartford, Inc., South Windsor |
| Connecticut Power & Energy Society | Immaculate Conception Church, Canaan | R. S. Gernon Trust | Valley Presbyterian Church, Brookfield |
| Covidien Employee Matching Gift Program | ING Community Employee Matching Gifts Foundation | Rocky Hill Congregational Church | Wal-Mart of Rocky Hill |
| Connecticut Chapter of the American College of Health Care | Irmar Foundation | Saint Andrews Society ofr Connecticut | Webster Bank |
| Day Design | J.H. Cohn | Saint Joseph's Church, Canaan | Westinghouse Electric Company, Windsor |
| Dime Bank Foundation | James H. Napier Foundation | Saint Mary Magdalen Church, Oakville | Westminster Presbyterian Church, West Hartford |
| The Dominican Nuns of the Monastery of Our Lady of Grace | Jewish Community Endowment Foundation | Science Engineering Associates , Inc. | Windsor C.A.R.E.S. |
| Dominion Foundation | Jewish Federation of Greater Hartford | Simsbury Granby Rotary Club, Inc. | Wiremold Legrand |
| Dominion Foundation Employee Matching Gifts Foundation | Joe's Gift Shop | Sisters of Mercy of Connecticut, Inc. | X9 Interative LLC |
| The Dornam Foundation | Katherine Matthies Foundation | Sisters of Notre Dame, Enfield | XL Specialty Company |
| The Elizabeth Colt Circle | | Sisters of St. Joseph, Hartford | |
| Eli Elizabeth Raymond Ambler Trust | | Spark Modern Fires, LLC | |
| Empire Industries | | | |
| Enfield Congregational Church | | | |

Our Fuel Banks

Barkhamsted Fuel Bank Bethel Fuel Fund Bloomfield Social and Youth Services Branford Fuel Bank Bristol Fuel Bank Brookfield Emergency Fuel Fund Canaan Fuel Bank Cheshire Fuel Bank Christian Community Action, New Haven Colchester Fuel Bank Colebrook Fuel Bank Community Action Committee of Danbury Fuel Bank Community Fuel Bank of New Milford Community Renewal Team, Inc., Hartford Cornwall Fuel Fund Coventry Human Services/Coventry Clergy Fuel Bank Cromwell Human Services CTE of Stamford Danielson Methodist Church Fuel Fund Deep River Fuel Bank East Granby Emergency Fuel Bank East Hampton Volunteer Fuel Bank East Windsor Emergency Fuel Bank Emergency Aid Association Fuel Bank, Suffield Enfield Neighborhood Services First Baptist Church, Bridgeport Fuel Bank Gifts Of Love, Avon Granby Emergency Fuel Bank Greater New Haven Community Fuel Bank Greenwich Fuel Bank Groton Social Services Guilford Social Services Hartland Fuel Bank Hebron Social Services Kent Fuel Bank Killingworth Fuel Bank Madison Senior Center Fuel Bank Madison Social Services Fuel Bank Manchester Area Conference of Churches Marlborough Fuel Bank Mary Knowles Memorial Fuel Bank, New Britain Middlebury Social Services Monroe Senior Center Montville Senior & Social Services New Fairfield Fuel Bank New Opportunities of Greater Meriden New Opportunities, Inc., Waterbury Newington Dept. of Human Services Newtown Fuel Bank Norfolk Fuel Bank North Branford Fuel Bank North Canaan Fuel Bank Northwest Corner Fuel Bank, Assistance Program Norwich **WE'RE ALL PART OF THE OPERATION.** Sharon Norwalk Energy Catholic Charities Fuel Bank Norwich Human Services Old Saybrook Fuel Bank Orange Emergency Fuel Assistance Program Pawcatuck Neighborhood Center Plymouth Social Services Fuel Bank Ridgefield Dept. of Social Services Roxbury Fuel Bank Russell Mercier Senior Center, Hebron Salisbury Fuel Bank Salvation Army of Bridgeport Fuel Bank Salvation Army of Hartford Fuel Bank Somers Fuel Bank South Windsor Food & Fuel Bank St. Vincent DePaul Place, Middletown Stonington Human Services Fuel Bank Stratford Senior Services Fuel Bank TEAM, Inc., Derby Thames Valley Council for Community Action, New London Three Angels Adventist Fuel Bank, Hartford Thompson Ecumenical Empowerment Group Tolland Fuel Bank Torrington Chapter of FISH, Inc. Town of Chester Emergency Fuel Bank Town of Durham Fuel Bank Town of East Hartford Fuel Bank Town of Glastonbury Fuel Bank Town of Rocky Hill Human Services Town of Sherman Fuel Bank Town of Stafford Fuel Bank Town of West Hartford Dept of Human Services Tri-Town Fuel Bank, Vernon Trumbull Fuel Bank Wallingford Fuel Bank Warm Hearts, Lebanon Warren Fuel Bank Washington Fuel Bank Watertown Social Services Fuel Bank Weston Fuel Bank Westport Human Services Fuel Bank Wethersfield Emergency Fuel Bank Wilton Fuel Bank Winchester Fuel Bank Windham Area Interfaith Ministry Windsor Fuel Bank Windsor Locks Social Services Woodbury Fuel Bank

