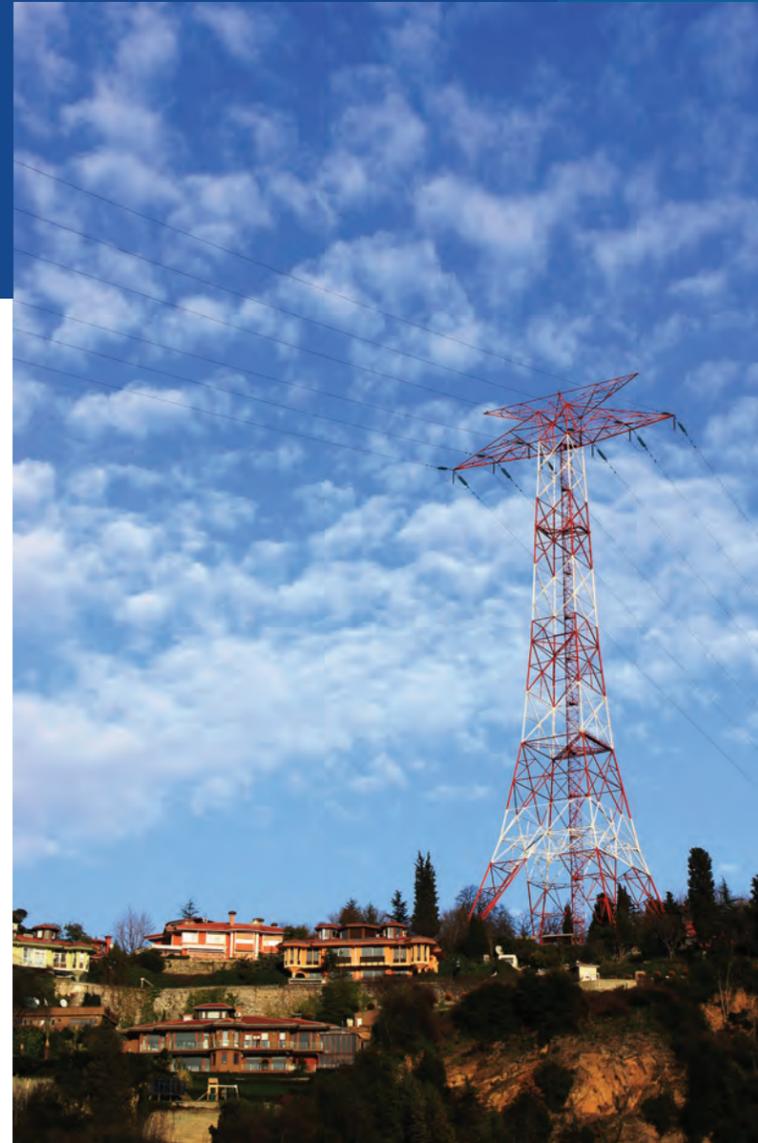


2011 ANNUAL REPORT

UNITED STATES ENERGY ASSOCIATION



1300 Pennsylvania Avenue, NW
Suite 550, Mailbox 142
Washington, DC 20004

www.usea.org



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FROM THE DESK OF OUR CHAIRMAN



April 24, 2012

Dear USEA Members & Friends,

It is with great pleasure and pride that I write this letter to summarize USEA's accomplishments in 2011. As the U.S. Member Committee of the World Energy Council, we provided leadership amongst several WEC committees and studies groups. In November 2011, we hosted over 250 senior energy executives from 12 countries at the Houston Business Forum, a WEC North America event. We also contributed to several flagship WEC projects, including the annual WEC Policy Assessment and the WEC Cleaner Fossil Fuels Systems Committee Secretariat. Stay tuned this year for forthcoming details about the 2013 World Energy Congress in Daegu, South Korea.

USEA remains a strong partner of the United States government regarding international energy cooperation. On behalf of our members, we are immensely grateful to the U.S. Department of Energy, U.S. Agency for International Development and U.S. Trade and Development Agency for the opportunity to advance the commercial, diplomatic and humanitarian objectives of U.S. energy companies and government agencies. In 2012, we look forward to continuing our programs across Europe, Southern Africa and South Asia.

Our informational programs in Washington, D.C. continue to expand. In 2011, USEA hosted four major forums at the National Press Club and 38 membership briefings in our executive conference room. These events provided members with opportunities to collect and share information on trends and developments across all sectors of the energy industry. We remain committed to this cause and welcome your feedback on issues to explore in the future.

Finally, USEA continues to be financially sound and once again we have managed our activities without raising membership dues. We thank you for your sustained support of USEA's activities and look forward to working with you in 2012.

Sincerely,

Jack E. Futcher
President – Oil, Gas & Chemicals
Bechtel Corporation



Counsel
Patricia Godley
Member
Van Ness Feldman



Secretary
Vicky Bailey
Principal
BHMM Energy Services, LLC



Treasurer
Sheila Hollis
Partner; Chair, Washington Office
Duane Morris, LLP

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President & CEO
American Petroleum Institute



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President & CEO
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Burns & Roe



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Vice President, Electric Power Division
Caterpillar, Inc.



Lydia Thomas
Ret. President & CEO
Noblis



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Executive Director
United States Energy Association



Daniel Yergin
Chairman
IHS Cambridge Energy Research Associates



Rhonda Zygocki
Executive Vice President, Policy and Planning
Chevron Corporation

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Cheniere Energy, Inc.
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CME Group

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Gee Strategies Group, LLC
GF Energy LLC
Global Development Opportunities, LLC
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Gridwise Alliance
Henneman Engineering, Inc.
Hunton and Williams

IBM Global Business Services
ICF International
IHS Cambridge Energy Research Associates
International Resources Group
Interstate National Gas Association of America
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Jordan Capital Management
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National Energy Education Development Project
National Energy Foundation
National Mining Association
National Rural Electric Cooperative Association
Natural Gas Supply Association
Nexant, Inc.
Niagra Conservation
Noblis
North American Electric Reliability Corporation
North Carolina Solar Center - NC State University
Northern California Power Agency
Nuclear Energy Institute
Oak Ridge National Laboratory
Oliver Wyman Consulting
Peabody Energy
Pearl Street, Inc.
Pennsylvania State University
Petco International LLC
Planning & Forecasting Consultants
Plug Power Inc.
PricewaterhouseCoopers, LLP

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Research Triangle Institute
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SMIDirect
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Vinson & Elkins LLP
West Financial Services, Inc.
Westinghouse Electric Company



Clean. Abundant. Affordable. Reliable.

Jobs. Economic growth. Domestic manufacturing. Shovel-ready projects. These buzz words were omnipresent in policy and business discussions throughout 2011. As America continues to claw its way back from the worst recession to hit its economy since the Great Depression, we continue to see green shoots of growth, many of which are emanating from the U.S. energy industry. For the first time in over two decades, U.S. crude oil production has sustained growth for the last four years. Abundant domestic natural gas resources have unlocked the potential for a revival in domestic manufacturing and possibly LNG exports. 2011 represented a banner year for the U.S. coal industry, which created 5,600 net new jobs and exported 107 million short tons of coal, the most in 20 years. It was equally successful for the U.S. solar industry, which added over a gigawatt of solar PV capacity in the first three quarters of 2011, as well as for the wind

industry, which grew by almost 17% from 2010. Even amid the tragic series of events following the Japanese earthquake and tsunami, as well as the devastating floods in the American Midwest, American nuclear plant operators and regulators reaffirmed their dedication to safety above all else at our nation's 104 reactors and confirmed their desire to build new plants. Growth in America's energy resource base, combined with our commitment to increase energy production and energy efficiency, will continue to fuel America's economic recovery. America's economic prowess was built upon our ability to procure abundant, affordable, reliable and increasingly clean energy supplies. The United States Energy Association endorses this vision with the full support of our membership and welcomes the opportunity to promote and enhance discussions surrounding our ongoing domestic energy revolution.

MAJOR EVENTS

7TH ANNUAL STATE OF THE ENERGY INDUSTRY FORUM

For the seventh year running, the State of the Energy Industry Forum convened leaders from the most influential and active energy trade associations to report on their major priorities:

“Electricity powers technology and the economy. At EEI, we are helping to ensure that policies and regulations are crafted in ways that benefit our nation and our customers, as well as our industry.”

~Thomas Kuhn, President & CEO, Edison Electric Institute

“The U.S. is an energy rich nation. We have the people, the technology, and the ability to access and develop those energy resources safely and responsibly to meet the rising energy demand of the future. With the right leadership and vision ... we can turn these challenges into a great national campaign that will make our country stronger.”

~Jack Gerard, President & CEO, American Petroleum Institute

4TH ANNUAL ENERGY SUPPLY FORUM

The 2011 Energy Supply Forum focused on the technological innovations that have prompted recent changes in domestic and international energy supplies:

“So much has changed in the world of energy...China, when The Prize came out, was an oil exporter and indeed had funded the first phase of its economic modernization by being an oil exporter...And then so much else has changed. Shale gas, oil going to \$147.27, and of course climate change, Fukushima, the consequences of the Arab Spring – all of these things have unfolded, many of them in the last 5 years.”

~Daniel Yergin, author of The Quest: Energy, Security and the Remaking of the Modern World

“In terms of electricity, there are two important approaches. The first is ‘All the arrows in the quiver.’ That’s new nuclear, 21st century coal, natural gas, renewables and energy efficiency. The second is the need for the U.S. to reinvest in proprietary, robust R&D. We need to continue to drive that strategy to develop solutions for the future. The American economy and the American energy industry should take a backseat to no one in that respect.”

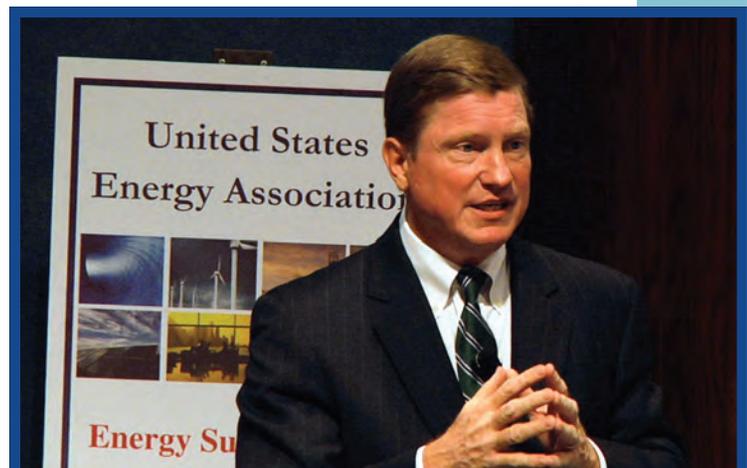
~Thomas Fanning, Chairman, President & CEO, Southern Company



Electric Power Panel Discussion



Thomas Kuhn, President & CEO, Edison Electric Institute



Thomas Fanning, Chairman, President & CEO, Southern Company

ENERGY EFFICIENCY FORUM 2011



“Energy is a vulnerability of ours. We have to take care of that vulnerability to be better warfighters. We have to take care of this to be the Navy and Marine Corps that we need to be.”

~Secretary of the Navy Ray Mabus

For the 22nd consecutive year, the Energy Efficiency Forum convened government and business leaders in energy efficiency to share accomplishments and propose ideas to advance efficiency goals at home and abroad. This year’s forum focused heavily on fiscally and physically ensuring energy security in the United States. Headlining the forum, Senate Energy and Natural Resources Committee Chairman Jeff Bingaman (D-NM) highlighted the federal government’s efforts to invest in efficient and clean energy technologies at government facilities as a means of saving taxpayer dollars. Bank of America Chairman Charles O. Holliday underscored the role that efficiency plays in boosting the competitiveness of American companies and products in global markets. While energy efficiency benefits the bottom lines of businesses and governments alike, it also saves lives. Navy Secretary Ray Mabus identified energy supply and cost as a major vulnerability and top priority of the U.S. Navy and Marine Corps as they seek to strengthen their operational effectiveness with fewer financial resources.



(c) Herman Farrer photography

Secretary of the Navy Ray Mabus discusses the vital role that energy plays in the Navy and Marine Corps’ operational effectiveness.



(c) Herman Farrer photography

Charles O. Holliday, Jr., Bank of America’s Chairman of the Board, touts the economic benefits to businesses that invest in energy efficiency.



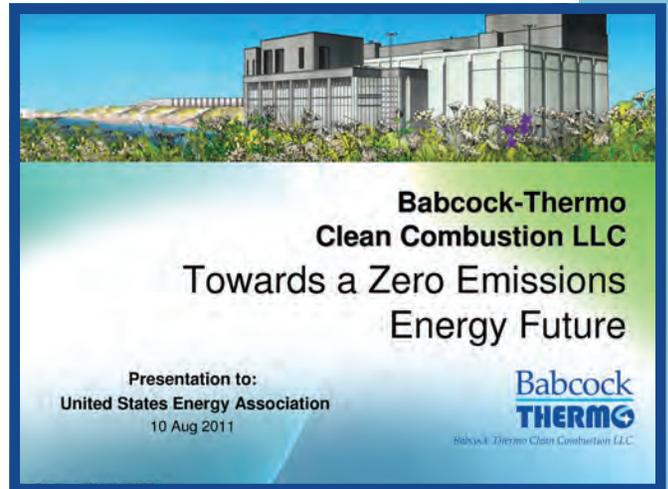
(c) Herman Farrer photography

Senator Jeff Bingaman identified energy efficiency as a priority of both parties in the House of Representatives and Senate.



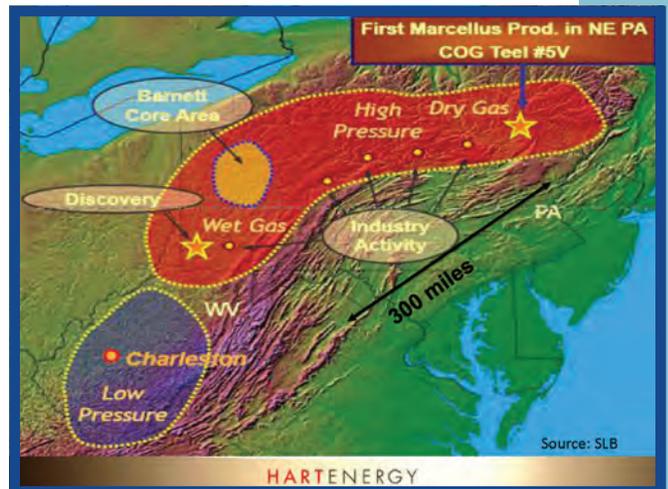
CARBON CAPTURE, UTILIZATION & STORAGE

Since 2008, USEA has hosted a series of public briefings on Carbon Capture, Utilization & Storage (CCUS) highlighting the latest CCUS policy, technical, and regulatory developments in the United States and throughout the world. In 2011, USEA hosted Alstom, the American Coal Council, Babcock Thermo, Fluor, the Global CCS Institute, Harvard University, ICF International, ICO2N, IPAC-CO2 and NRG Energy to address pressing topics such as demonstration project updates, emerging capture technologies, and the latest international developments. The series has continued in 2012, with presentations delivered by Babcock & Wilcox on oxy-coal combustion and the IEA's Clean Coal Centre on future global coal demand.



MARCELLUS SHALE

Given the Marcellus shale formation's significant role in the changing dynamics of natural gas markets in the Northeastern U.S., USEA launched the Marcellus Shale Briefing Series to provide DC industry reps and policymakers with detailed information about this game-changing natural resource. The series examined the economic, environmental, regulatory and commercial impacts that Marcellus shale gas production is having on the region. It also discussed the role that shale gas could play in supporting LNG exports from the lower 48 states. Participating organizations included Hart Energy, Penn State, Fountain Quail Water Management, EQT Corporation, oil & gas regulators from Ohio and Pennsylvania, the U.S. Department of Energy and ICF International. USEA intends to extend this series into 2012.



RENEWABLE ENERGY

According to Bloomberg New Energy Finance, global clean energy investment set a new record at \$260B in 2011. To highlight some of the new and innovative projects happening around the world, USEA launched a Renewable Energy Briefing Series that spanned the full range of technologies and investors. Highlights included Star Energy's Indonesian geothermal plants, Cape Wind, and the Electric Power Research Institute's (EPRI) study on U.S. biomass supply for electric power use. In addition, USEA sponsored a briefing in cooperation with Troutman Sanders featuring three electric utilities - Georgia Power, Indianapolis Power & Light and PNM Resources - to discuss the status of renewable power projects and adoption in different states.



ENERGY UTILITY PARTNERSHIP PROGRAM



Senior engineers from Pakistan's distribution companies witness live line maintenance performed by Quanta Services for Johannesburg City Power.

PAKISTAN

USEA implements the Utility Exchange Program component of USAID's Power Distribution Program (PDP) in Pakistan. PDP is a three-year project aimed at working with government-owned electric power distribution companies in Pakistan to improve their performance in the areas of loss-reduction, revenue collection and customer service.

USEA's utility exchanges enable U.S. and third-country utilities to share practical information, real-world case studies and best practices with their counterparts in Pakistan. In 2011, USEA brought Pakistan delegations to Turkey to meet with utilities BEDAS, AYEDAS and Baskent EDAS, and to South Africa to meet with utilities Johannesburg City Power, ESKOM and City of Tshwane. Topics included best practices for distribution utilities in commercial and financial management, customer service and engineering planning and operations.

BANGLADESH

USEA and the Bangladesh Power Development Board (BPDB) established the U.S.-Bangladesh Power Generation Partnership in 2011 with support from the U.S. Government.

The partnership aims to share best practices for operations and maintenance employed by the world's most successful utilities and equipment manufacturers with BPDB to improve efficiency across their gas-fired power plants. It will augment the knowledge, skills and capacities of Bangladesh's senior-level managers, engineers and plant operators by providing them the opportunity to work with and learn directly from their peers at companies and organizations in the U.S. and internationally.

Expected results are the introduction and implementation of proven utility operation and maintenance best practices, training programs, diagnostic tools and environmental controls in the Bangladeshi power sector.



Senior engineers from Pakistan's distribution utilities inspect advanced metering and billing equipment used by Turkish distribution utility Baskent Elektrik Dagitim A.S.



Bangladesh Power Development Board at natural gas combined cycle plant in Turkey.

ENERGY UTILITY PARTNERSHIP PROGRAM

JORDAN

With support from USAID/Jordan, USEA has implemented the Electric Utility Distribution and Transmission Partnership Program for Jordan.

In 2011, Jordan's national transmission company NEPCO signed a Memorandum of Understanding (MOU) with Arizona Public Service (APS) to formalize their partnership to improve strategic planning and governance, integrated resource and capacity planning and human resources. USEA organized two executive exchanges between APS and NEPCO on integrating renewable energy into Jordan's transmission system, governance and HR/training.

Also in 2011, Jordan's electric distribution companies, EDCO, IDECO and JEPCO, signed an MOU with the Sacramento Municipal Utility District (SMUD) solidifying their partnership on energy efficiency programs and integrating renewables into the distribution grid. USEA organized two executive exchanges between the partners on energy efficiency programs, safety and training.

GLOBAL WORKSHOPS

USEA conducted two Global Workshops on Low Carbon Power Sector Development in 2011. The workshops focused on sharing U.S. best practices for implementing low carbon power sectors in developing countries. Senior energy policymakers, utility workers and regulators from Bangladesh, El Salvador, Georgia, India, Indonesia, Kazakhstan, Mexico, Philippines, South Africa and Tanzania participated in the workshops.

The workshops focused on renewable energy integration, utility energy efficiency programs, demand-side management and financing schemes to enhance capacity for sustainable energy development. Delegates were asked to identify steps to be taken by their utilities, regulators and energy companies to advance low carbon power growth. They then synthesized these ideas into "Low Carbon Action Plans" for their countries.



Jordan distribution representatives examine equipment for hot line work at SMUD.



Jordan transmission representatives visit Frito Lay solar test facility with APS.

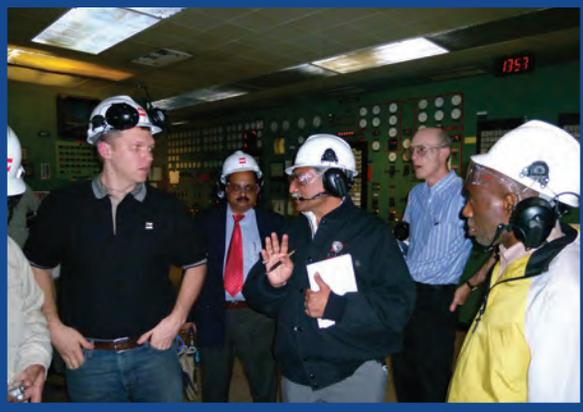


Global Workshop with Kristen Madler, Clean Energy Coordinator at USAID (2nd from left).



Global Workshop delegates inspect energy efficiency improvement equipment at Eaton Corporation.

ENERGY UTILITY PARTNERSHIP PROGRAM



(Above and Below) Plant managers from India's largest electricity generator, NTPC, meet with their counterparts at AEP and Constellation Energy to examine best practices in the operation and maintenance of supercritical coal-fired power plants.



INDIA

In 2011, USEA continued its support for India's power sector development by managing partnership activities for the National Thermal Power Corporation of India (NTPC), India's largest electricity generator, and India's North Eastern Regional Power Committee (NERPC).

A senior NTPC delegation met with American Electric Power, Constellation Energy, GE Energy, Siemens and Arch Coal in April 2011 to gain insights into the unique operational challenges posed by supercritical coal-fired power plants. They focused on how supercritical units provide significant efficiency gains over subcritical units. Advanced diagnostic technologies for power plant equipment were highlighted, along with coal analysis, blending and treating to achieve cleaner power generation.

Chief power engineers from the northeastern region of India traveled to the Pacific Northwest in June 2011 to study hydropower management near international borders, as well as the advanced energy efficiency, renewable energy, and conservation programs in the region. The Bonneville Power Administration, U.S. Army Corps of Engineers, PacifiCorp, Portland General Electric, ColumbiaGrid, and Northwest Power Pool hosted the delegation for a combination of presentations, site visits and roundtable forums.



Indian delegation overlooking the power house at Bonneville Lock & Dam on the Columbia River.

SOUTH ASIA REGIONAL INITIATIVE FOR ENERGY

SARI/ENERGY

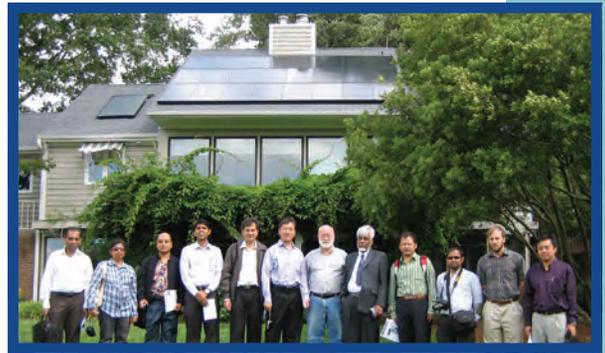
USEA has been an implementing partner and major contributor to the USAID South Asia Regional Initiative for Energy (SARI/Energy) program since its inception in 2000. The SARI/Energy program promotes energy security in South Asia through three focus areas: 1) cross border energy trade, 2) energy market formation, and 3) regional clean energy development. Since 2000, USEA has provided training to over 2,000 South Asian participants through 11 Regional Energy Partnership programs focusing on best practices in electricity regulation, distribution, transmission, renewable energy and energy efficiency.

USEA's Regional Energy Partnership Program develops and strengthens long-term relationships among key stakeholders and decision-makers in South Asia, and provides forums to discuss and resolve issues in regional energy development. The partnerships also encourage the development of policies, regulations and investment frameworks that encourage private sector investment in the region. They also assist in improving transmission and distribution operations and management both nationally and regionally. The program is implemented through a series of executive business exchanges held in South Asia and internationally.

In 2011, USEA organized fifteen executive exchanges for almost 300 delegates from Afghanistan, Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan and Sri Lanka.



SARI/E delegates discuss renewable energy and efficiency opportunities with housing developer in the Maldives.



SARI/E delegates at the North Carolina Solar Center.



SARI/E delegates watch GIS demo for identifying outages at electricity distribution conference in Germany.



HVDC Workshop for Bangladesh, India and Sri Lanka Transmission Utilities.

EUROPE AND EURASIA ENERGY ASSISTANCE PROGRAMS



Dr. Bob Ichord, Deputy Assistant Secretary of State for Energy Transformation, addresses investors, regulators, and TSOs at the USEA-NARUC Joint Workshop on Renewable Energy Integration in Regional Networks in Istanbul.



BSTP Working Group discusses renewable energy integration at an Ukrenergo substation in Simferopol, Crimea.



19 engineers train to construct the region's first network optimization model at a USAID/USEA sponsored course on Dynamic Modeling in Istanbul, Turkey, May 2011.

BLACK SEA TRANSMISSION PROJECT

Integrating Renewable Energy

The USAID/USEA Black Sea Regional Transmission Planning Project (BSTP) supports development of regional electric power transmission planning capacity among national transmission system operators (TSOs) in Armenia, Bulgaria, Georgia, Moldova, Romania, Russia, Turkey and Ukraine. Since 2004, the BSTP has trained over 200 engineers in advanced transmission system modeling.

In 2011, the BSTP published a Renewable Energy Compendium for the Black Sea Region, providing regulators, investors and international financial institutions with a reference source for renewable energy policies/regulations, generation forecasts, feed-in tariffs and interconnection procedures. The Compendium was used to construct the BSTP Optimal Power Flow (OPF) Model, which BSTP planners are using to integrate renewable energy sources and optimize the regional generation fleet.

AZERBAIJAN-GEORGIA-TURKEY POWER BRIDGE PROJECT

Improving Reliability & Energy Security

The USAID/USEA Azerbaijan-Georgia-Turkey Power Bridge Project completed a major planning study on the potential to increase trade and exchange of electricity through the back-to-back DC connection under construction to link the Georgian and Turkish high voltage networks. The final report confirms that in terms of capacity, power quality and system stability, the export of electricity from Azerbaijan and Georgia through the new back-to-back converter station is possible. It is challenged by the Turkish network's capacity to securely accept imports greater than 700 MW.



AGT Steering Committee recommends a smart grid focus for third phase of the project.

EUROPE AND EURASIA ENERGY ASSISTANCE PROGRAMS

SOUTHEAST EUROPE COOPERATION INITIATIVE

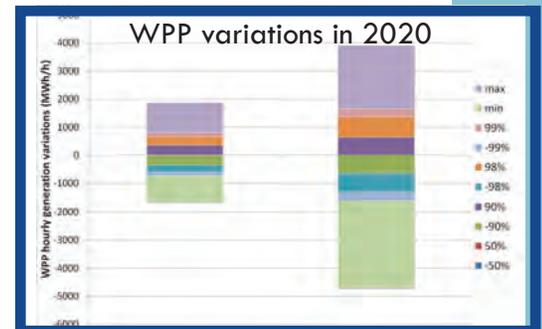
Integrating Renewable Energy

The USAID/USEA Southeast Europe Cooperation Initiative (SECI) Transmission Planning Project supports a regional approach to network planning within the Energy Community in Southeast Europe. Transmission system operators from Albania, Bosnia-Herzegovina, Bulgaria, Croatia, Macedonia, Montenegro, Romania, Serbia and Turkey are members of the SECI Working Group.

Developers have proposed integrating several thousand megawatts of wind power, presenting reliability and security challenges to the regional network. In response, the SECI Project completed a study calculating the network's capacity to support wind power generation. The study identifies priority network investments needed to accelerate wind power development. It concluded that a regional approach to supplying balancing reserves for windpower reduces regional reserve requirements by more than 50 percent.



SECI builds institutional capacity for advanced transmission modeling & analysis.



The SECI Wind Integration Study calculated the variability of wind in 3 sub-regions of SE Europe.

RUSSIAN-AMERICAN SMART GRID PARTNERSHIP

Supporting the "Reset" through Technology Cooperation

USEA is USAID's implementing partner for the Russian/American Smart Grid Partnership Initiative, a program of the Obama-Medvedev Bilateral Presidential Commission. In October 2011, USEA hosted Smart Grid Commercial Roundtables in Moscow and Washington D.C., to facilitate a dialogue between Russian and American companies on energy efficiency policy drivers, technologies and smart grid project opportunities in Russia and the United States.

USEA also provided support for reciprocal exchange visits between San Diego Gas & Electric (SDG&E) and Belgorodenergo, an electric distribution company in Western Russia. The utility partners signed a formal memorandum of understanding and prioritized a list of projects to be addressed in future exchange visits conducted in San Diego and Belgorod.



Jonathan Hale, USAID, William Polen, USEA, Timor Ivanov, Russian Energy Agency, at Russian/American Smart Grid Roundtable in Moscow.



Officials from San Diego Gas & Electric and Belgorodenergo.

EUROPE AND EURASIA ENERGY ASSISTANCE PROGRAMS



BPA officials tour a GSE substation during their week long exchange visit in Tbilisi.



Armenian delegation visits Aerojet, a 6 MW solar PV system covering over 40 acres and comprising of over 30,000 panels.



Armenian delegation visits Sunpower's manufacturing facility for solar tracking systems.

GEORGIA

Ensuring Energy Security

The Bonneville Power Authority (BPA) initiated a utility partnership exchange program on transmission system maintenance with the senior management of the Georgian State Electrosystem (GSE), Georgia's national transmission system operator. The partnership complements the aggressive program to reconstruct GSE's 500 kV network and develop a back-to-back DC converter station linking its grid to Turkey.

ARMENIA

Supporting Regional Integration

As a contractor in the USAID Energy Security and Regional Integration Project for Armenia, USEA works with the Energy Institute of Armenia to analyze the effects of renewable energy generation on Armenia's transmission network. The project is also examining the benefits of integrating the Armenian network with those of its neighboring transmission system operators in the IPS/UPS synchronous zone. As part of the project, USEA organized a one week exchange visit on solar power technologies, including site visits and meetings with renewable energy project developers, electricity suppliers and utility regulators.

TURKMENISTAN

Promoting American Technology

USEA, with support from the U.S. Department of Energy, the U.S. Environmental Protection Agency, Chevron, ExxonMobil, GE and KBR, organized a two week technical exchange visit for senior officials from the Turkmenistan Ministry of Oil and Gas. The meetings and site visits, which were conducted in Houston, TX and Albuquerque and Farmington, NM, focused on regulations, advanced technologies and processes to ensure pipeline integrity.

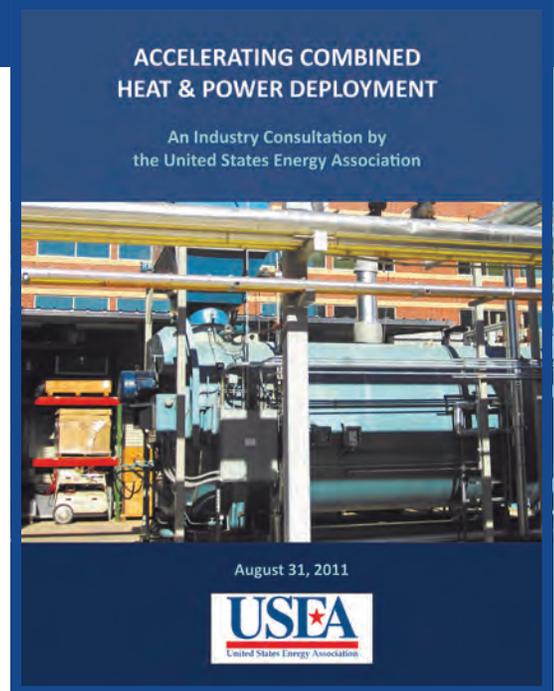


Turkmenistan Oil and Gas Officials review pipeline inspection technology.

FACILITATING BUSINESS IN THE U.S. AND ABROAD

COMBINED HEAT AND POWER

Following the release of an Oak Ridge National Laboratory report in 2008 on the merits of and potential for greater deployment of combined heat and power (CHP) systems in the U.S., USEA began a nation-wide industry stakeholder consultation to identify actionable recommendations for accelerating CHP deployment in the U.S. Three regional dialogues were held in New York City, San Francisco and Raleigh that asked participants to share their perspectives and challenged them to propose innovative “win-win” solutions to CHP’s barriers to entry. A final stakeholder dialogue was conducted in March 2011 in Washington, D.C., during which participants reviewed an “inventory of ideas” containing recommendations for policy makers and industry stakeholders. The final list of agreed-upon recommendations can be found on USEA’s website.



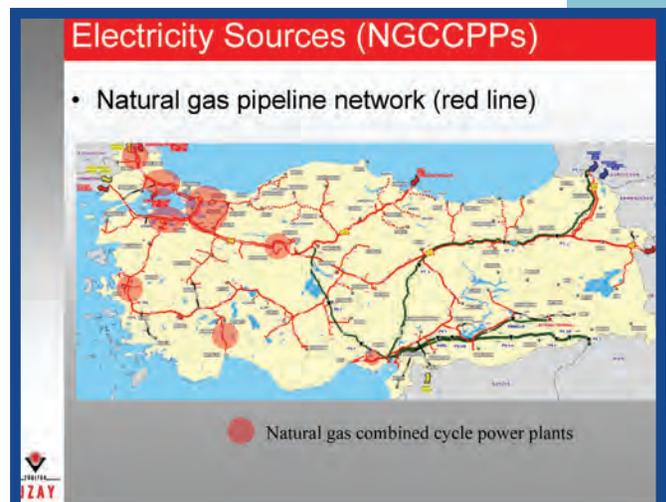
TURKISH ENERGY SECTOR INVESTMENT ROADSHOW

A one week roadshow organized by the United States Energy Association and the Government of Turkey in October 2011, sparked strong interest in Turkey’s burgeoning power sector among American equipment manufacturers, project developers and financiers. With stops in New York, Houston and San Francisco the roadshow was tailored to accentuate opportunities for U.S. companies created by Turkey’s projected eight percent annual increase in electric power demand and plans to invest over \$20 billion in renewable energy production, including 10,000 MW of wind power and 300 MW of geothermal capacity, over the next 5 years.

The Roadshow featured participation of senior officials in the Turkish Ministry of Energy and Natural Resources; Investment Support and Promotion Agency; Ministry of Privatization and the Energy Market Regulatory Authority, who discussed Turkey’s instituted incentives to attract investors and strategic goals for the energy sector: 1) strengthening national energy security by increasing domestic electricity production; 2) reducing reliance on imported natural gas and coal; 3) privatizing state owned electric and gas distribution and generation companies; and 4) reorganizing its natural gas market.



Over 200 companies met with senior Government of Turkey officials on USEA “investment roadshow” events in New York, Houston and San Francisco.



Turkey’s energy sector offers opportunities for U.S. investors.

FACILITATING BUSINESS IN THE U.S. AND ABROAD

Westinghouse Electric Company

Nuclear Services
 Focused on operating plant success through reliable operation, maximized power output and better (shorter, more predictable) outages

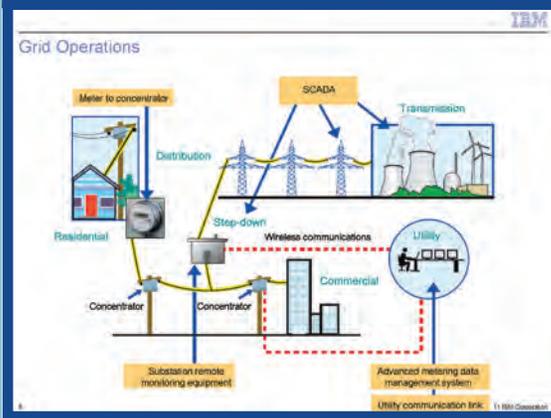
Nuclear Fuel
 A single-source fuel provider for PWR, BWR, VVER, AGR and Magnox reactors worldwide

Nuclear Power Plants
 Specializing in the technology of new nuclear power plants and component manufacturing

Nuclear Automation
 Instrumentation and control systems to enhance the reliability of nuclear plant control and safety systems

Westinghouse

~\$5B turnover FY10 ending 30 March 2011



POLAND-U.S. ENERGY ROUNDTABLE

Following the tremendous success of the 2010 energy dialogue between U.S. and Polish government and private sector executives, USEA and the Polish Chamber of Power Industry and Environment Protection (IGEIOS) organized a follow-up event in Warsaw, Poland. The 2011 Poland-U.S. Energy Roundtable convened energy leaders from the U.S. and Poland to discuss high-level energy issues of mutual importance to both countries. U.S. Ambassador to Poland Lee Feinstein joined Poland's Undersecretary of State from the Ministry of Economy, Marcin Korolec, in welcoming the Polish and American delegations to the Roundtable and laying the framework for discussions.

Poland is aggressively pursuing investment strategies to reduce energy sector emissions as well as strengthen domestic energy security. To address these needs, this year's discussions centered on shale gas development, clean coal technologies and carbon capture & storage, nuclear power, renewable energy and smart grid technologies. Speakers focused on available and future technologies, as well as policies and regulatory frameworks that have succeeded in the U.S. at promoting the safe and sustainable development of energy resources.

U.S.-CHINA OIL & GAS INDUSTRY FORUM

Since 2005, USEA has supported the U.S. Department of Energy by organizing the U.S.-China Oil & Gas Industry Forum (OGIF). This annual event convenes senior government and industry officials from both countries for presentations and discussions of key energy topics in the oil and gas sector. In 2011, OGIF was hosted by China's National Energy Administration (NEA) in Chengdu, China and included presentations by ExxonMobil, Chevron, ConocoPhillips, GE and Fluor, all USEA members.

OGIF provides a unique venue each year for the American energy industry to meet with its Chinese counterparts, discuss areas of mutual interest and improve the production and delivery of secure, economical and reliable oil and natural gas. In 2012, OGIF will be hosted by the U.S. Department of Energy in San Antonio, TX from September 10 - 12. Interested companies should email Matt Gebert at mgebert@usea.org for information.

Shale Gas Exploration and Production: Eagle Ford Case Study

ConocoPhillips

XTO Impact on EM Global Opportunities

Canada, U.S., Argentina, Germany, Poland, China, Indonesia

Shale Gas, Tight Gas, Coal Bed Methane, Tight / Shale Oil

XTO ENERGY

WORLD ENERGY COUNCIL

USEA is the U.S. Member Committee of the World Energy Council, the world's foremost multi-energy organization. With members representing 94 countries and over 3,000 organizations, including most major energy consumers and producers, WEC is the preeminent forum for international discussion and dialogue on global energy affairs. Its mission is, "to promote the sustainable supply and use of energy for the greatest benefit of all people."

In 2011, USEA hosted the Houston Business Forum, a WEC North America Event, with support from the Energy Council of Canada and the WEC Mexico Committee. The Houston Business Forum fostered an exchange of ideas amongst today's energy visionaries on the critical role that our industry will play in shaping global economic growth and human development.

Over 250 senior executives from twelve countries participated in the Forum's proceedings, including WEC Chairman Pierre Gadonneix, Canadian Minister for Natural Resources Joe Oliver, Enbridge CEO Patrick Daniel, American Electric Power's CEO Michael Morris, Shell Oil Company President Marvin Odum, AREVA North America's CEO Jacques Besnainou, IHS CERA Chairman Daniel Yergin and GE Energy CEO John Krenicki. These senior executives delved into some of the pivotal events and technology developments that are influencing trends across the global energy landscape, such as unconventional oil & gas production, advanced energy storage, nuclear safety and energy efficiency and conservation.

Among the Forum's multitude of relevant and inciteful panel discussions, Barbara N. McKee, Chairman of the WEC Cleaner Fossil Fuels Systems Committee, moderated an insightful briefing titled, "Investment for a Cleaner Fossil Fuel Future." Experts from Suncor Energy, Alstom and Denbury Resources discussed the variety of ways in which their companies were investing in technologies that maximize efficiency gains, reduce emissions, and consume emissions in ancillary markets.



Patrick Daniel, Chairman and CEO, Enbridge



Barbara McKee, Chairman, WEC Cleaner Fossil Fuels Committee

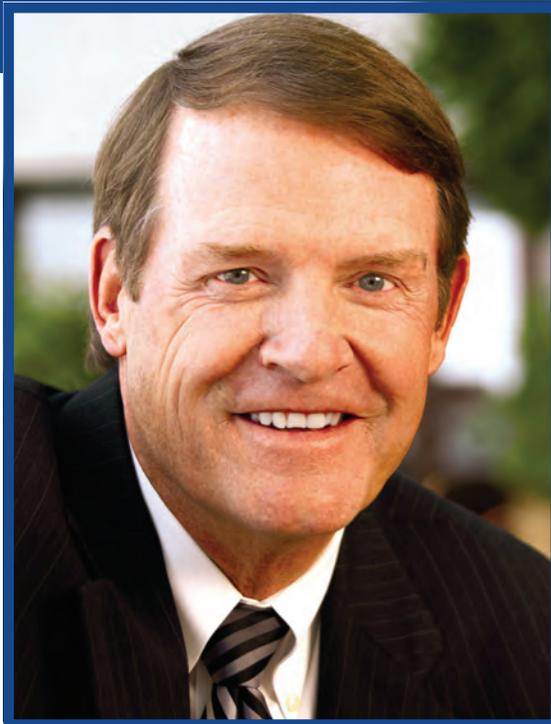


John Hattenberger, President & Managing Director - Gazprom Marketing & Trading, USA



From left to right: WEC Secretary General Christoph Frei, AREVA N.A. CEO Jacques Besnainou, Citizens for Affordable Energy President John Hofmeister, Alstom Executive Vice President Joan MacNaughton, WEC Chairman Pierre Gadonneix and IHS CERA Chairman Daniel Yergin.

HONORING INDUSTRY LEADERS - MICHAEL G. MORRIS



The United States Energy Award

Michael G. Morris, Chairman and Chief Executive Officer of American Electric Power Company, is the 2011 recipient of the United States Energy Award. Morris led AEP from January 1, 2004 - November 11, 2011 and has guided the company's efforts to advance an interstate high-voltage transmission system in the United States; develop innovative carbon capture and storage systems for coal-fired power plants; and implement energy efficiency initiatives and intelligent distribution grid technologies.

Prior to joining AEP, he was Chairman, President and CEO of Northeast Utilities System and was heavily involved in the formation of ISO-New England, as well as restructuring and retail customer choice in the New England states. Morris also was CEO and President of Consumers Energy and President of CMS Marketing, Services and Trading. Additionally, he has served in multiple executive roles at Colorado Interstate Gas Co., ANR Pipeline Co. and ANR Gathering Co.

Morris is past chairman of the Edison Electric Institute and the Institute of Nuclear Power Operations. He also serves on the U.S. Department of Energy's Electricity Advisory Board, the National Governors Association's Task Force on Electricity Infrastructure, and the Business Roundtable (chairing the Business Roundtable's Sustainable Growth Initiative). He serves as a director on the boards of Alcoa, Battelle, and The Hartford Financial Services Group, Inc, and was recently appointed to the Eastern Michigan University Board of Regents and the MSU College of Law Board of Trustees.

Morris joins a prestigious list of individuals who have committed their time to building the respect of the industry through corporate and public leadership. He has greatly supported the work of the United States Energy Association and the World Energy Council and is recognized internationally as a prominent global energy leader.

Previous Honorees:

2010: *Peter Robertson*, Vice Chairman (Retired) - Chevron

2009: *Bob Catell*, Chairman - National Grid, U.S.

2008: *Don Hodel*, Former Secretary of Energy & Interior and Chairman - Summit Group

2007: *Spencer Abraham*, Former Secretary of Energy, Chairman & CEO - The Abraham Group, LLC