MEMORANDUM OF UNDERSTANDING BETWEEN The State of Hawaii AND

The Assistant Secretary of the Navy (Energy, Installations, & Environment)

TITLE:

This agreement is a memorandum of understanding (MOU) between the State of Hawaii, hereinafter referred to as the State of Hawaii (SOH), represented by the Governor of the State of Hawaii, and through the Department of Business, Economic Development & Tourism (DBEDT), Strategic Industries Division (SID), and the Department of the Navy (DON), Assistant Secretary of the Navy (Energy, Installations, & Environment), hereinafter referred to as ASN(EI&E). When referred to collectively, the SOH and the DON are referred to as the "Parties."

ARTICLE I - INTRODUCTION

The DON, through ASN(EI&E), and the SOH, through DBEDT/SID, have agreed to work on energy related issues of mutual benefit to coordinate goals and to build partnerships whenever possible. ASN McGinn met with Governor Ige in November 2015 at which time both parties agreed to explore collaborative projects, goals, and partnerships when possible. In order to ensure a results driven approach, Governor Ige and ASN McGinn established a group of subject matter experts who will further establish working groups focused on areas of mutual benefit. This Executive Group will set the priorities via a quarterly phone call to receive progress reports from the respective working groups. Setting of agendas and issues to be resolved will be consensus driven between the SOH/DBEDT/SID, ASN(EI&E), Navy Region Hawaii, Naval Facilities Engineering Command Hawaii (NAVFAC), and Marine Corps Base Hawaii (MCBH), as appropriate.

ARTICLE II - PURPOSE

The Parties have similar energy goals relating to the reduction of greenhouse gases, fossil fuel use reduction, energy efficiency, water consumption, use of renewable energy, and alternative fueled vehicles usage. The DON's energy goals are driven by Secretary of the Navy's goals and implementing policies that set out to meet or exceed the direction of President Obama's Executive Order 13693. In June 2015, Gov. David Ige signed into law Act 97 that strengthens Hawaii's commitment to clean energy by directing the state's utilities to generate 100 percent of their electricity sales from renewable energy resources by 2045. As the DON is one of the largest employers in Hawaii and one of the top energy users, the partnership is a natural step for the two parties to take.

ARTICLE III - APPROACH

Cooperative efforts will include, but are not limited to the following:

a. Monthly working group meetings (via phone). The initial working groups will consist of

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representatives from Navy Region Hawaii, NAVFAC, MCBH, and DBEDT/SID. These groups are:

- 1. Alternative Fuels ground Transportation: This group will look at the deployment of EV charging stations; opportunities for financing e.g. ratebasing or other third party financing; incorporation of renewable energy resources into charging stations; and fossil fuel reduction strategies.
- 2. Renewable Energy: This group will consider the viability of renewable energy options for solar and beyond (wave, geothermal, offshore wind, land usage, biofuels, landfill gas).
- 3. Resiliency/Reliability: This group will focus on the integration of renewables into the grid and increasing grid resiliency to include testing and validation of technology.
- b. The Executive Committee, which will consist of Deputy Assistant Secretary of the Navy (Energy), Navy Region Hawaii, NAVFAC, MCBH, SOH Office of the Governor, and DBEDT/SID, will participate in a quarterly phone call to receive updates from the working groups and provide direction as necessary.
- c. Annual face-to-face meetings will be scheduled as necessary.
- d. As issues are identified, additional working groups may be established with the consent of the Parties.

ARTICLE IV - POINTS OF CONTACT

The following points of contact will be used by the Parties to communicate in the implementation of this MOU:

For the DON: CDR Jeff Sherwood, Director Shore Policy, DASN(Energy) jeff.sherwood@navy.mil, 571-256-9152

For the SOH: Luis P. Salaveria, Director, DBEDT, luis.p.salaveria@Hawaii.gov, 808-586-2377

ARTICLE V- RESOURCES

Each Party is responsible for all costs of its personnel, including pay and benefits, support, and travel. Each Party is responsible for supervision and management of its personnel. This MOU does not document nor provide for the exchange of funds or manpower between the Parties nor does it make any commitment of funds or resources.

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ARTICLE VI - MODIFICATION AND DISPUTES

This MOU may only be modified by the written agreement of the Parties, duly signed by their authorized representatives. This MOU will be reviewed annually on or around the anniversary of its effective date, and triennially in its entirety. Any disputes relating to this MOU will, subject to any applicable law, Executive Order, directive, or instruction, be resolved by consultation between the Parties.

ARTICLE VII – PUBLICATION/PRESENTATION

Release or publication of any material developed pursuant to this MOU may be released with the written consent of the other Party.

ARTICLE VIII - TRANSFERABILITY AND ENTIRE UNDERSTANDING

This MOU is not transferable except with the written consent of the parties. It is expressly understood and agreed that this MOU embodies the entire understanding between the Parties regarding the MOU's subject matter.

ARTICLE IX - EFFECTIVE DATE, DURATION AND TERMINATION

This Agreement shall become effective upon the last signature hereto, and will remain in effect until December 31, 2020. This MOU may be terminated in writing at will by either Party. All notices will be sent to the signatories or their successors or replacements at the addresses shown below. Address corrections will be made in writing promptly.

Signed this 21 day of June 2016

David Y. Ige

Governor, State of Hawaii 415 South Beretania Street

Executive Chambers

Honolulu, Hawaii 96813

Honorable Dennis McGinn Assistant Secretary of the Navy 1000 Navy Pentagon

Room 4E739

Washington, DC 20350-1000