

**MEMORANDUM OF UNDERSTANDING BETWEEN
REDWOOD COAST ENERGY AUTHORITY
AND
SONOMA CLEAN POWER AUTHORITY
TO COLLABORATE ON ENABLING TRANSFORMATIVE RENEWABLE ENERGY
DEVELOPMENT ALONG THE NORTHERN CALIFORNIA COAST**

This Memorandum of Understanding (MOU) is entered into on the date of the last party signing below by and among Redwood Coast Energy Authority ("RCEA") and Sonoma Clean Power Authority ("SCPA"), each individually a "Party" and collectively the "Parties".

1. The Parties:

- a. RCEA is a California Joint Powers Authority and Community Choice Aggregator serving Humboldt County, whose members include the County of Humboldt, the Cities of Arcata, Blue Lake, Eureka, Ferndale, Fortuna, Rio Dell, and Trinidad, and the Humboldt Bay Municipal Water District.
- b. SCPA is a California Joint Powers Authority and Community Choice Aggregator serving Sonoma and Mendocino Counties, whose members include the Counties of Sonoma and Mendocino, the Cities of Cloverdale, Petaluma, Rohnert Park, Sonoma, Cotati, Fort Bragg, Point Arena, Willits, Santa Rosa and Sebastopol, and the Town of Windsor.

2. Background:

- a. RCEA and SCPA share a common objective of reducing greenhouse emissions by minimizing the dependency on natural gas resources for electricity generation. Offshore wind and geothermal power are two technologies that are scalable and offer the opportunity to provide intra-seasonal and around-the-clock power that can effectively replace the flexibility and reliability of natural gas.
- b. RCEA seeks to support the development of floating offshore wind energy projects adjacent to its service territory for purposes of pursuing its goal of 100% local, renewable energy, and to that end has partnered with private entities to develop, operate and manage an offshore wind facility. The Bureau of Ocean Energy Management has designated an area off the coast of RCEA's service territory as the Humboldt Offshore Wind Energy Area ("WEA") and plans to auction lease blocks within the area.
- c. RCEA's RePower Humboldt Strategic Plan directs building the clean energy sector into a cornerstone of the local economy through a breadth of strategies that include innovation, research and development, local energy-related business development, and establishing Humboldt Bay as the primary west coast hub for the offshore wind energy industry.

- d. SCPA seeks to support the longevity and growth of geothermal energy projects within and adjacent to its service territory and to that end has proposed creation of a Geothermal Opportunity Zone within Sonoma and Mendocino Counties. Through the Geothermal Opportunity Zone, SCPA will partner with private entities to proactively address development barriers and build new local geothermal capacity.
- e. The Parties are subject to the State of California's Renewable Portfolio Standards program and Integrated Resource Planning procurement orders, which mandate an increase in energy and capacity procurement from renewable energy resources pursuant to the State's decarbonization and reliability targets.
- f. Significant transmission upgrades will be necessary to deliver power at scale to the grid from both the Humboldt Offshore WEA and the Geothermal Opportunity Zone. Some of the transmission corridors that could deliver energy from the Humboldt Offshore WEA to the grid pass through the proposed Geothermal Opportunity Zone. The Parties wish to collaborate in advancing the development of potential transmission corridor upgrades that could mutually benefit the Parties and their respective development of the Humboldt Offshore WEA and Geothermal Opportunity Zone.
- g. The Humboldt Offshore WEA and Geothermal Opportunity Zone are both transformative renewable energy projects with extensive lead times for development and construction. Local, state, and federal policy on permitting, tax incentives, grant funding, transmission, energy markets, and compliance issues can create barriers or opportunities for both projects.

3. Purpose:

The purpose of this MOU is to collaborate on opportunities to enable transformative renewable energy projects like the Humboldt Offshore WEA and Geothermal Opportunity Zone in our region. Collaboration can include advocacy for upgrades to the Parties' shared grid interconnection transmission corridors, mitigation of policy barriers for renewable energy project development, and the sharing of experience and information on partnerships and agreements for the mutual benefit of the Parties' region. Transmission upgrades and improved policy would allow for the eventual development of large-scale renewable energy projects in each Party's respective jurisdiction, and further each Party's individual power procurement and economic development goals as well as grid decarbonization and reliability goals of the State of California.

4. Anticipated Areas of Cooperation:

The anticipated areas of cooperation under this MOU are the following:

- a. To share non-confidential information on best practices and local Tribal and community engagement related to working with private entities in public-private partnerships;

- b. To understand, collaborate and engage with regulatory authorities and transmission operators on relevant transmission-related issues;
- c. To explore grant or public funding opportunities that are consistent with the purpose of this MOU;
- d. To develop communication strategies for engaging local and state agencies and elected officials in order to advance the purpose of this MOU; and
- e. To timely communicate with the other Party about relevant developments that could affect or impact the purpose of this MOU.

5. Term:

This MOU will commence upon its execution by both Parties and will terminate upon notice from one Party to the other of its desire to so terminate the MOU. The date of such termination shall be as stated in said notice.

6. Amendment:

RCEA and SCP expect the areas of cooperation to evolve and grow as the Humboldt Offshore WEA and Geothermal Opportunity Zone projects progress. If necessary, Parties may amend this agreement through a written amendment to this MOU.

7. Indemnity:

Each of the Parties to this MOU is a public entity. Pursuant to Government Code Section 895.4, each Party shall indemnify, defend and hold each of the other Parties, and their respective officers, agents and employees harmless from and against any liability and expenses, including defense costs, any costs or liability on account of bodily injury, death or personal injury of any person or for damage to or loss of property, any legal fees and any claims for damages attributable only to performance of the responsibilities as set forth in this MOU by the indemnifying party or its officers, agents, employees, contractors and subcontractors under this MOU, except to the extent caused by the negligence or willful misconduct of an indemnified party.

8. No Joint-Venture:

This MOU does not establish a joint venture, partnership, or business unit of any kind between the Parties, nor does it necessarily create a financial obligation on behalf of any Party. Moreover, this MOU does not obligate or commit either Party to any project within the Humboldt Offshore WEA or Geothermal Opportunity Zone.

IN WITNESS WHEREOF, each Party has caused this MOU to be duly signed and delivered, effective as of the date of the last Party signing.


REDWOOD COAST ENERGY AUTHORITY:



Eileen Verbeck, Acting Executive Director

Date: 6/6/2022

SONOMA CLEAN POWER AUTHORITY:



Geof Syphers, Chief Executive Officer

Date: 5/19/2022