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MEMORANDUM OF UNDERSTANDING

To Further Establish the Southern Oregon Clean Energy Alliance (SOCEA)

This adjunct Memorandum of Understanding (MOU) is hereby made and entered into by and between the Counties of Coos, Curry, Douglas, Josephine, and Lane, Oregon for the purposes of expanding the mutual cooperation on renewable energy and energy efficiency projects for economic development purposes.

1. Purpose

The purpose of this adjunct MOU is to develop the governance framework for the signatory agencies to collaborate on renewable energy and energy efficiency projects, for the purpose of economic development, and to specifically address an expansion of the primary MOU to include analysis and implementation where applicable of carbon sequestration revenue opportunities for the participant counties.

2. Context/Background

The Southern Oregon Clean Energy Alliance has been formed through a volunteer, one year in duration basis formalized by a Memorandum of Understanding developed with the assistance of the National Policy Consensus Center-based program, Oregon Solutions. The clear motivation behind this collaborative effort is the pursuit of revenue from the development of renewable energy projects in anticipation of the decline of federal revenue originating from timber revenue sharing agreements and/or the loss or decline of funds flowing to Oregon counties through the Secure Rural Schools and Community Self Determination Act. Renewable energy projects create multiple revenue streams for those who develop and/or operate them.

For example, one potential revenue stream is created through calculating the amount of carbon sequestered as a result of developing a renewable energy facility. However, that calculation may be based on any number of assumptions. Creating a common understanding of what is included in that calculation is termed a protocol. Protocols for carbon sequestration serve to maximize the value of this construct, such that any investor is ensured they are purchasing something that actually has a commonly recognized value. While protocols for privately developed facilities are mature, they are less so for publically owned facilities and/or resources that minimize the release of atmospheric carbon.

This adjunct MOU outlines steps that are necessary to ensure that revenue streams related to carbon sequestration opportunities contained in the natural resources embodied in each of the signatory counties and any facilities developed as a result of the primary MOU are fully examined.

3. Goals

The counties have found common ground outlined in the primary MOU. By expanding that MOU to include elements related to carbon sequestration, the counties recognize their potential to:

1. Establish the signatory counties as leaders in the development of state-of-the-art renewable and clean energy projects.
2. Create and/or confirm carbon sequestration protocols for publicly owned resources and/or facilities such that the value of sequestered carbon is maximized.

4. Objectives

To achieve these goals, the counties have agreed on the following objectives:

1. Inventorying opportunities for clean energy development and carbon sequestration as part of an overall sustainable economic development effort;
2. Adopting high standards for sustainable energy projects within a framework of environmental protection and public safety;

5. Name

The alliance will continue be named the Southern Oregon Clean Energy Alliance (SOCEA)

6. Governance Framework

The counties understand that working cooperatively has many advantages over “going it alone.”

Cooperation allows:

1. Coordinated maximization of renewable energy resources versus competition and uncertainty;
2. Economies of scale in efforts such as infrastructure development, workforce development, and regional economic marketing;
3. Attracting the attention of private sector energy developers as well as green technology and carbon banking investors;
4. Joint grant writing and other resource development;
5. Leveraged political influence for the entire region.

6.1 Statement of Mutual Interdependence

The cooperating counties recognize that pooling our resources and influence towards common goals will serve the interests of the region as a whole, and the individual counties. Developing a regional clean energy alliance and identity will attract private sector investment and supportive public resources and policies in ways that cannot be achieved through a zero-sum-game, go-it-alone approach. While some projects will inevitably benefit one or more county over others, over time all counties will benefit from the Alliance’s efforts. Working supportively will enhance the competitiveness of the region as a whole in attracting projects. Therefore, we agree to support all Alliance-designated projects as a unified body.

6.2 Term

The Southern Oregon Clean Energy Alliance is an experiment. For this initial trial period, the adjunct MOU takes effect on March 1, 2010, or the date of the latest signature, and expires on June 30, 2011.

IN THE BOARD OF COUNTY COMMISSIONERS OF LANE COUNTY, OREGON

ORDER NO.

I IN THE MATTER OF ENTERING INTO A
I MEMORANDUM OF UNDERSTANDING TO
I ESTABLISH THE SOUTHERN OREGON CLEAN
I ENERGY ALLIANCE (SOCEA)

WHEREAS, Lane County was identified as a "hard hit" county as a result of reductions in federal timber harvest and the possible non-reauthorization of the Secure Rural Schools Act, and;

WHEREAS, Pursuit of renewable energy projects may bring future revenue to hard hit counties, and;

WHEREAS, Coos, Curry, Douglas, Josephine, and Lane Counties have voluntarily been meeting to discuss the benefits of working collaboratively towards developing renewable energy projects, and;

WHEREAS, the next step in development of a formalized collaboration is embodied in the Memorandum of Understanding developed with the assistance of Oregon Solutions, a project of the National Policy Consensus Center, based at Portland State University, and;

WHEREAS, this Memorandum of Understanding is deemed short term and experimental, and is not designed to obligate any commitment of funds or resources except as otherwise authorized.

NOW, THEREFORE, be it resolved that the Lane County Board of Commissioners agrees to become a signatory to this agreement.

BE IT FURTHER RESOLVED, that Commissioner Faye Stewart will be Lane County's representative to this Alliance.

BE IT FURTHER RESOLVED, that the Lane County representative to this Alliance is directed to bring forward Attachment A as an adjunct document to the MOU establishing SOCEA and provides for an expansion of the initial scope of the agreement to include the exploration of the benefits from creating protocols for carbon sequestration affiliated with public projects where applicable, such that this document be ultimately incorporated into the next generation of MOU necessary to formalize any longer term agreements related to SOCEA.

BE IT FURTHER RESOLVED, that the Lane County representative on the Alliance must get prior approval from the Board of County Commissioners prior to advancing any renewable energy project based within the boundaries of Lane County.

BE IT FURTHER RESOLVED, that any project considered for siting within the boundaries of Lane County by the Alliance must meet or exceed existing regulatory requirements with regards to air and water quality emissions.

DATED this _____ day of March, 2010

Bill Fleenor, Chair
Lane County Board of Commissioners