



**MEMORANDUM OF UNDERSTANDING
BETWEEN
THE DEPARTMENT OF THE INTERIOR
AND
THE STATE OF CALIFORNIA
ON RENEWABLE ENERGY**

I. INTRODUCTION AND BACKGROUND

California's Clean Energy and Pollution Reduction Act of 2015 (Senate Bill [SB] 350, Chapter 547, Statutes of 2015) and SB 32 (Chapter 249, Statutes of 2016) establish State policies to reduce Greenhouse Gas (GHG) emissions to 40 percent below the 1990 statewide greenhouse gas emission levels and requires that the California electricity portfolio planning process focus on resource mixes that can reduce GHG emissions, while maintaining reliability in a cost effective manner. SB 350 also establishes a policy of meeting at least 50 percent of California's electricity needs with renewable energy sources by 2030. The mix of resources needed to meet the SB 32 and SB 350 goals will include renewable energy projects (onshore and offshore), and other clean energy sources needed to integrate renewables resources and shift other sectors away from carbon intensive fuels. These policies make the success and expansion of renewable energy and the continued streamlining of the permitting process a key priority for California's economic and environmental future.

Likewise, the Federal government has several policies encouraging renewable energy development. The President's Climate Action Plan (2013), for example, sets a goal of permitting 20,000 megawatts of renewable energy on public lands by 2020. The Secretary of the Interior's Secretarial Order 3285A1, amended February 22, 2010, establishes a policy of encouraging the production, development, and delivery of renewable energy as one of the Department's highest priorities. To advance the objective of streamlining renewable energy development on public lands, the Secretary of the Interior also issued Secretarial Order 3294 on January 6, 2010.

Recognizing that development of renewable energy projects must be balanced with conservation of the natural resources under the Department of the Interior's stewardship, the Secretary of the Interior issued Secretarial Order 3330 on October 31, 2013, to establish a Department-wide mitigation strategy that will ensure consistency and efficiency in the planning, review, and permitting of renewable energy and other infrastructure development projects and implement a landscape-scale approach to mitigation on Federal lands. That approach will ensure early integration of mitigation considerations, durability of mitigation measures over time, as well as

improved transparency, consistency and cooperation with State partners. In furtherance of this landscape-scale permitting policy, agencies and bureaus within the Department of the Interior will work collaboratively with each other and with other Federal agencies, departments, Tribes, States, local communities, and private landowners to encourage the timely and responsible development of renewable energy and associated transmission projects while protecting and enhancing the Nation's water, wildlife, cultural, and other natural resources and resource values.

In the marine environment, the Energy Policy Act of 2005 authorized the Bureau of Ocean Energy Management (BOEM) to issue leases, easements and rights-of-way to allow for renewable energy development on the Outer Continental Shelf and provided a general framework for BOEM to follow when authorizing these renewable energy activities by requiring coordination with relevant federal agencies and affected state and local governments, obtaining fair return for leases and grants issued, and ensuring that renewable energy development occurs in a safe and environmentally responsible manner.

California agencies and the Federal Energy Regulatory Commission are also collaborating on the coordinated and efficient review of proposed hydrokinetic projects in California state marine waters under a Memorandum of Understanding signed in 2010. In response to a request from Governor Brown in May 2016, the Secretary of the Interior directed BOEM to establish the BOEM-California Intergovernmental Renewable Energy Task Force (Task Force) to coordinate potential renewable energy leasing on federal submerged lands on the Outer Continental Shelf offshore California. This Task Force has been set up and held its first formal meeting in October 2016.

For both onshore and offshore renewable energy projects, the Department of the Interior and the State of California also recognize the importance of fulfilling their separate obligations to Indian Tribes, including by appropriately considering and protecting trust resources and conducting government-to-government consultation. The Department of the Interior will recognize and fulfill its legal obligations to identify, protect, and conserve tribal trust resources; carry out its trust relationship with federally recognized Indian tribes and tribal members; and consult with tribes on a government-to-government basis whenever Departmental plans or actions have tribal implications. The State of California will also conduct consultation with California Indian Tribes for the protection of tribal cultural resources and government-to-government consultation with federally recognized tribes for concerns regarding their jurisdictions and natural resources. The Department of the Interior and the State of California will continue to engage in early and meaningful consultation with tribes. The Department of the Interior and the State of California will coordinate tribal outreach to the extent practicable and consistent with tribal wishes.

II. PARTIES

This Memorandum of Understanding (MOU) is entered into by and between the State of California and the Department of the Interior, acting through the agencies listed in section IV of this MOU (hereafter referred to as "the Agencies"), and will become effective as of the latest date shown below on the signature page.

III. PURPOSE

The purpose of this MOU is to describe how the Agencies will continue to effectively plan for and take the actions necessary to further the implementation of California's Clean Energy and Pollution Reduction Act of 2015, the California Global Warming Solutions Act of 2006, other California energy and environmental policies, the President's Climate Action Plan, the Energy Policy Act of 2005, and Secretarial Orders 3285A1, 3294, and 3330 in a cooperative, collaborative, and timely manner.

IV. AUTHORITY TO IMPLEMENT THIS AGREEMENT

- A. California Coastal Commission (CCC) Authority: California Public Resources Code Section 30000 et seq. (Coastal Act), specifically sections 30006.5, 30335.5, 30337 and 30339.
- B. California Department of Conservation (DOC) Authority: Public Resources Code Section 21000, et seq. (CEQA); Public Resources Code Sections 3013 and 3712; Government Code Section 51190, et seq.; California Code of Regulations, Title 14.
- C. California Department of Fish and Wildlife (CDFW) Authority: Fish and Game Code Sections 1600, 1802, and 2050, et seq. (CESA); Fish and Game Code Section 2800 et seq.; Code of California Regulations, Title 14; Fish and Game Commission Policies.
- D. California Energy Commission (CEC) Authority: Public Resources Code Sections 25218, 25302, 25324, and 25500, et seq.
- E. California Ocean Protection Council (OPC) Authority: Public Resources Code Sections 35615 and 35621.
- F. California Public Utilities Commission (CPUC) Authority: Public Utilities Code, Sections 451, 701, 702, 761, 762, 768, 770, 1001 and General Order No. 131-D.
- G. California State Lands Commission (CSLC) Authority: Public Resources Code Section 6001, et seq.

Bureau of Land Management (BLM) Authority: Section 307(b) of the Federal Land Policy and Management Act of 1976 (43 U.S.C. § 1737), the National Environmental Policy Act of 1969 (42 U.S.C. §§ 4321-4347), the Geothermal Steam Act, as amended (30 U.S.C. §§ 1001-1028), the Endangered Species Act of 1973 (16 U.S.C. §§ 1531-1544), and the National Historic Preservation Act (54 U.S.C. § 300101 et seq.).

- H. Bureau of Ocean Energy Management (BOEM) Authority: Subsection 8(p) of the Outer Continental Shelf Lands Act, (43 U.S.C. § 1337(p), as amended by the Energy Policy Act of 2005), National Environmental Policy Act of 1969 (42 U.S.C. §§ 4321-4347).

- I. U.S. Fish and Wildlife Service (FWS) Authority: Endangered Species Act of 1973 (16 U.S.C. § 1531-1544), National Environmental Policy Act of 1969 (42 U.S.C. §§ 4321-4347), Migratory Bird Treaty Act (16 U.S.C. § 701 et seq.), the Bald and Golden Eagle Protection Act (16 U.S.C. § 668), and the National Wildlife Refuge System Improvement Act of 1997 (16 U.S.C. § 668dd).

V. OBJECTIVES

A. Onshore Renewable Energy Projects in California

The Parties shall work in cooperation to achieve the following specific land-based (onshore) renewable energy objectives:

1. Continue convening the Renewable Energy Policy Group (REPG), consisting of senior policy representatives of the Department of the Interior, the California Governor's Office, and participating State departments and programs. The REPG will continue to be led jointly by a high level designee of the Governor and a high level designee of the Secretary of the Interior, who will report directly to the Governor and Secretary, respectively, on the progress of MOU implementation. The REPG will meet as needed, to oversee implementation of this MOU and monitor progress toward achieving its objectives, among other priorities. The REPG will seek input from staff of applicable State and Federal entities, Tribes, local governments, and stakeholders.
2. Maintain the Renewable Energy Action Team (REAT), made up of FWS, BLM, CEC, CDFW and other participating federal and State departments and programs, to identify and develop the mechanisms to prioritize and focus available agency permitting resources on priority RPS projects, which will be identified by the REAT agencies, taking into account available staffing levels and planning efforts such as the Western Solar Plan, the Desert Renewable Energy Conservation Plan (DRECP) and the Renewable Energy Transmission Initiative (RETI) 2.0. The REAT shall meet as needed to continue coordination on permitting and planning and related MOU priorities.
3. Continue partnership and commitment to leverage the analytical approaches and tools developed by the REAT agencies for implementation of the DRECP to advance collaborative planning, conservation and climate adaptation efforts through data sharing, development and utilization of common data platforms and tools, and proactive stakeholder engagement.
4. Permitting agencies will make their best effort to place a high priority on processing lease nominations and applications for renewable energy development in areas that make efficient use of the existing transmission system and are consistent with cooperative planning efforts such as the DRECP, and are consistent with state and federal goals and policies that minimize environmental effects, as well as ensure efficient permitting of new transmission lines needed to meet higher renewable energy goals.

For high priority projects as described above, the BLM will make best efforts to complete the

analysis for projects that are consistent with the tenets of this MOU within the following time frames contingent upon the applicant providing, and the BLM reviewing and processing, a complete application package as well as providing all necessary surveys and requested data in a timely manner. These time frames shall not be construed as a binding agreement and may be adjusted to ensure full public engagement and adequate environmental review.

- a) For projects requiring an Environmental Assessment level review, the BLM will make a good faith effort to complete the analysis within 12 to 18 months from initial scoping to Decision Record.
- b) For projects requiring an Environmental Impact Statement level review, the BLM will make a good faith effort to complete the analysis within 18 to 24 months from Notice of Intent to Record of Decision.

Any adjustments to this time frame will be conveyed in a timely manner to the applicant and the other participating agencies to the project.

5. For power plant projects under the joint jurisdiction of the BLM and CEC, ensure that the agencies coordinate the environmental review, monitoring, and decommissioning as described in the updated MOU between the BLM and CEC concerning coordinated environmental review, compliance monitoring, and decommissioning for power plants, effective October 2015.
6. Within 6 months of this agreement, make best efforts for the BLM and CPUC to finalize a new MOU to coordinate the environmental review, monitoring, and decommissioning of projects of joint jurisdiction.
7. Coordinate and cooperate on implementation of the October 2, 2015 Durability Agreement between the BLM and CDFW to promote appropriate and consistent use of, and to reinforce, the Durability Agreement for furthering the objectives of establishing conservation priorities codified in Assembly Bill 2087 (Levine 2016) and within 6 months, make best efforts to create a tracking database to document Durability Agreement actions in California.
8. Make best efforts to complete and implement the Phase I land exchange between the BLM and CSLC by December 31, 2018, pursuant to the October 2015 Memorandum of Intent between the BLM and CSLC concerning the exchange of state school lands with federal lands.
9. Within annual budgetary constraints, commit to maintain adequate staffing and resources to implement the provisions of this MOU.

B. Offshore Renewable Energy Projects on the Outer Continental Shelf Off California

The Parties shall work in cooperation to achieve the following specific offshore California renewable energy objectives:

1. Continue convening the Task Force. The Task Force will engage in planning for offshore renewable energy to advance collaborative planning and conservation through data sharing, development and utilization of common data platforms and tools, and proactive stakeholder engagement. The Task Force will seek input from staff of applicable State and Federal entities, Tribes, local governments, and stakeholders.
2. Place a high priority, to the extent possible, on processing plans for renewable energy development in areas that have been identified as offshore Wind Energy Areas through the collaborative Task Force planning process, while making best efforts to ensure efficient permitting needed to meet higher renewable energy goals.
3. For offshore renewable energy projects under the joint jurisdiction of BOEM, CDFW, CSLC or its sovereign public trust grantee(s), and the CCC, make best efforts to ensure that the Agencies coordinate the environmental review, monitoring, and decommissioning.
4. BOEM and the State of California will collaborate and engage in a multi-phase process to collect data to inform planning efforts and identify possible areas offshore California that are suitable for potential offshore renewable energy projects. Specifically, to the extent possible, within 6 months of the date of this MOU, BOEM, in consultation with the State of California and the Task Force, will use the initial data and information gathered by the Task Force and State entities to engage in a process to identify one or more suitable areas offshore California for which to issue one or more Calls for Information and Nominations regarding wind energy leasing.
5. Within 12 months of the date of this MOU, coordinate and cooperate on developing an update to the "California Permitting Guidance for Ocean Renewable Energy Test and Pilot Projects" document published in December 2011. The update will expand upon guidance for offshore wind energy projects in addition to marine hydrokinetic projects and will include commercial-scale project guidance. The update may include guidance for the development of marine mitigation framework for impacts to fisheries and ocean species.
6. Within annual budgetary constraints, commit to maintain adequate staffing and resources to implement the provisions of this MOU.

VI. GENERAL PROVISIONS

Nothing in this MOU is intended, or shall be construed, to limit or in any way affect the authority or legal responsibilities of the State of California or the Department of the Interior.

Nothing in this MOU is intended, or shall be construed, to bind or enable the State of California or the Department of the Interior to act beyond their respective authorities.

Nothing in this MOU is intended, or shall be construed, to obligate the Department of the Interior or the United States to commit or spend resources in advance of or in excess of the available appropriations from Congress. Nor does this MOU obligate the Department of the Interior, the United States, or the State of California to spend funds on any particular

project or purpose, even if funds are available.

The mission requirements, funding, personnel, and other priorities of the State of California and the Department of the Interior may affect their ability to fully implement all the provisions identified in this MOU.

Specific activities that involve the transfer of money, services, or property between or among the Agencies require execution of separate agreements or contracts.

Nothing in this MOU is intended, or shall be construed, to restrict the State of California or the Department of the Interior from participating in similar activities or arrangements with other public or private agencies, organizations, or individuals.

This MOU does not, and is not intended to, create any right or benefit, substantive or procedural, enforceable at law or in equity by any party against the United States or the State of California, their Departments, agencies, or entities, their officers, employees, or agents, or any other person.

This MOU in no way restricts the Parties from participating in similar activities or arrangements with other public or private agencies, organizations, or individuals.

Any information furnished between the Agencies under this MOU may be subject to the Freedom of Information Act, 5 U.S.C. § 552, et seq., and the California Public Records Act, Gov. Code § 6250, et seq. The Agencies agree to consult each other prior to releasing potentially privileged or exempt documents.

This MOU is subject to the laws of the State of California and the laws of the United States of America, as applicable.

All cooperative work under the provisions of this MOU will be accomplished without discrimination against any employee because of race, sex, creed, color, national origin, or any other legally protected class as identified in Federal or California State law, the California State Constitution, or the United States Constitution, as applicable.

The State of California and the Department of the Interior, through their respective applicable agencies, may each terminate participation in this MOU at any time through written notification to the other party.

The State of California and the Department of the Interior, through their respective applicable agencies, may each amend or modify this MOU if the other party agrees.

This MOU shall remain in effect for an initial term of five (5) years after its effective date and may be renewed if both Parties agree.

Either party to this Agreement will obtain prior approval of the other party of all press releases, published advertisements, or other statements intended for the public that refer to this agreement, to the Parties in connection with this Agreement, or to the name or title of any

employee of the Parties in connection with this Agreement.

No Member of Congress shall be admitted to any share or part of any contract or agreement made, entered into, or accepted on behalf of the United States of America, or to any benefit to arise thereupon.

Nothing in this Agreement may be interpreted to imply that the United States or the Department of the Interior endorses any product, service, or policy of the State of California. The State of California will not take any action or make any statement that suggests or implies such an endorsement.

The State of California and the Department of the Interior will comply with the Federal Advisory Committee Act to the extent it applies.

VII. CONTACTS

The primary points of contact for carrying out the provisions of this MOU are:

California Governor's Office: Senior Policy Advisor to the Governor

U.S. Department of the Interior: Associate Deputy Secretary

California Coastal Commission: John Ainsworth, Acting Executive Director

California Department of Conservation: David Bunn, Director

California Department of Fish and Wildlife: Charlton H. Bonham, Director

California Energy Commission: Robert P. Oglesby, Executive Director

California Ocean Protection Council: Deborah Halberstadt, Executive Director

California Public Utilities Commission: Timothy Sullivan, Executive Director

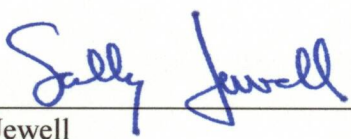
California State Lands Commission: Jennifer Lucchesi, Executive Officer

Bureau of Land Management: Jerome E. Perez, California State Director

Bureau of Ocean Energy Management: Joan Barminski, Regional Director, Pacific OCS-
Region

Fish and Wildlife Service: Paul Souza, Regional Director, Pacific Southwest Region

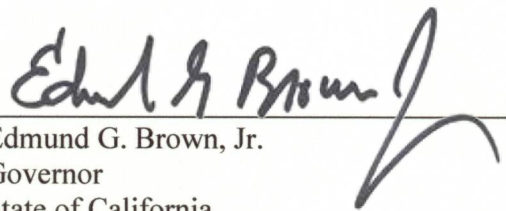
VIII. APPROVALS



Sally Jewell
Secretary
U.S. Department of the Interior

DEC 12 2016

Date



Edmund G. Brown, Jr.
Governor
State of California

12/12/2016

Date