

MEMORANDUM OF AGREEMENT BETWEEN

THE

OFFICE OF THE ASSISTANT SECRETARY OF THE ARMY
(INSTALLATIONS, ENERGY AND ENVIRONMENT)

AND

OFFICE OF THE ASSISTANT SECRETARY OF THE AIR FORCE
(INSTALLATIONS, ENVIRONMENT AND ENERGY)

CONCERNING COOPERATION & SUPPORT IN A STRATEGIC PARTNERSHIP TO
ENHANCE AIR FORCE INSTALLATION ENERGY ASSURANCE & SECURITY

This is a Memorandum of Agreement (MOA) between the Office of the Assistant Secretary of the Army (Installations, Energy and Environment) (ASA(IE&E)) and the Office of the Assistant Secretary of the Air Force (Installations, Environment and Energy) (SAF/IE). When referred to collectively, the ASA(IE&E) and the SAF/IE, are referred to as the "Parties." The Office of the Assistant Chief of Staff for Installation Management (ACSIM) will maintain situational awareness of the execution of this MOA and will provide advice and assistance as needed to the ASA(IE&E). The Office of the Deputy Chief of Staff of the Air Force for Logistics, Engineering, and Force Protection (AF/A4) will maintain situational awareness of the execution of this MOA and will provide advice, assistance, and governance as needed to the ASA (IE&E) and the SAF/IE.

1. BACKGROUND: The Departments of the Army and the Air Force share a common requirement to secure their installations with clean, reliable, and affordable energy. To that end, the Department of the Army has, under the direction and oversight of ASA(IE&E), established the Office of Energy Initiatives (OEI) and charged OEI with the planning, development, and execution of a cost-effective portfolio of renewable energy projects that leverage private sector funding. The Department of the Air Force, through actions to be accomplished within the terms of this MOA, intends to leverage the experience of the OEI to build an Air Force capability in support of Air Force renewable energy goal to increase facility renewable energy to 25 percent by FY2025. The Army OEI agrees to provide support and act on behalf of SAF/IE in working toward these goals for AF sites located within the United States, commonwealth, and trust territories.

2. AUTHORITIES:

2.1. 31 U.S.C. § 1535, Agency agreements.

2.2. 10 U.S.C. § 2667, Leases: non-excess property of military departments and Defense Agencies.

2.3. 10 U.S.C. § 2922a, Contracts for energy or fuel for military installations.

2.4. 40 U.S.C. § 501, Services for executive agencies.

3. PURPOSE: The purpose of this MOA is to identify a framework for cooperation and support in the development of renewable energy projects. This MOA encompasses the delivery of full-spectrum services between the Parties in the planning, development, and execution of (1) large-scale renewable energy projects (10 megawatts or greater), leveraging third-party financing; and (2) integrated and/or modular energy systems that support energy security requirements on military installations. Its aim is to leverage to the maximum extent possible the OEI processes, opportunities, support contracts, partner agencies relationship, and lessons learned. The MOA covers, but is not limited to, efforts in the areas of business processes (e.g., business case analysis), business and technical due diligence, program and project management, environmental and real estate proponentcy and coordination, acquisition, technical and engineering review in the areas of renewable and alternative energy, electric grid security, smart- and micro-grids, energy storage, cyber-security, and related areas.

4. RESPONSIBILITIES OF THE PARTIES:

4.1. The ASA(IE&E), through the office of the Office of Deputy Assistant Secretary of the Army for Energy and Sustainability (DASA(E&S)) will —

4.1.1. Act on behalf of the Air Force to support portfolio development project identification and assessment through the OEI's five- phase development process; collaborate on policies, procedures, and partnerships that support the Army and Air Force energy missions; and share tools for portfolio management to ensure goal compliance.

4.1.2. Provide enterprise screening and analysis of Air Force installations addressing renewable energy sources and market trends to identify a pipeline of potential opportunities to support the Air Force's goals, objectives, and strategy. Conduct initial opportunity identification and risk assessments to identify high potential projects. Activities and tasks include assessment of project opportunities and installation site visits; identification of risks and development of mitigation strategies; development of project scopes and memorandums of understanding; and information briefs to transition or deactivate the project.

4.1.3. Conduct detailed project due diligence and address project risks so projects can be transitioned to acquisition, as appropriate. Project due diligence and risk reduction activities will be conducted based on the OEI eight (8) risk factors. This will include assessment of mission/security impact, development of economic/business case analysis, review of regulatory requirements, evaluation of market and off-take options, technical review of renewable energy systems configuration and utility integration/interconnection options, coordination of real estate and environmental requirements, and validation of acquisition options.

4.1.4. Provide support services in partnership with identified Air Force organizations with the expertise to assist with in-depth technical assessments, utility and regulatory issues, Federal and local policy, procurement, and business and finance subject matter expertise related to large scale, alternatively financed energy projects.

4.1.5. Provide aid to the development of an Air Force portfolio strategy to balance all Air Force energy security goals and objectives. Assist in research and gap analysis on a wide range of topics affecting the development of renewable energy projects on DoD installations as well as develop policies, white papers, guidance, standards, and process improvements to close

the gaps. Develop strategic partnerships that support both Army and Air Force missions and collaborate on public affairs and public relations activities for projects under the purview of OEI.

4.1.6. Share existing tools and templates, as well as support development of policies, processes and procedures that can help to streamline Army and Air Force development of large scale renewable energy projects. Support tracking and portfolio management to ensure goal compliance.

4.1.7. Keep the ACSIM informed regarding execution of this MOA and request OACSIM advice and assistance, as needed.

4.2. The SAF/IE through the Office of the Deputy Assistant Secretary (Environment, Safety & Infrastructure) (DASAF(ESI)) will — Remain the overall proponent for Air Force energy goal attainment, project approval, acquisition, and long-term project management for all projects developed in collaboration with the OEI.

4.2.1. SAF/IE will issue guidance to Air Force headquarters, commands, and installations on OEI roles and authority. SAF/IE will establish a governance policy and procedure, and retain project approval authorities associated with Air Force project acquisition and execution.

4.2.2. Provide up to nine (9) full-time equivalents government personnel in order to establish an Air Force Element within OEI (OEI-Air Force Element). This element will support activities related to portfolio development, project identification and assessment, project approval, acquisition, construction, and operations and maintenance. OEI-Air Force Element shall provide updates as deemed necessary on respective Air Force efforts to SAF/IE or designated office. Updates will include on-going efforts, issues/challenges, and to include project milestones, objectives, and timelines to SAF/IE. Existing OEI reporting tools and formats will be used in the accomplishment of these activities.

4.2.3. Provide dedicated, OEI-Air Force Element subject matter experts (SME) to support in real estate out grants, contracting, and legal functions of project development and execution. These SMEs may be detailed from the Office of General Counsel, Air Force Civil Engineer Center, or other appropriate technical support organizations.

4.2.4. Identify Air Force organizations that are available to provide matrixed OEI-Air Force Element reach-back subject matter expert (SME) support in real estate out grants, procurement or environmental documentation required for project execution.

4.2.5. Maintain program oversight and management of the Air Force installations energy program including goal attainment, development of policies, procedures, and partnerships that support the Army and Air Force energy mission, and long-term Air Force project and portfolio management.

4.2.6. Coordinate with AF/A4 regarding execution of this MOA to include relevant matters regarding oversight and governance of Air Force energy assurance and security matters. AF/A4 supported activities will include resource advocacy, program development, and program execution.

5. PERSONNEL: Subject to Paragraph 7.2.1, each Party is responsible for all costs of its personnel, including pay and benefits, human relations support, travel, equipment, and office space. Each Party is responsible for supervision and management of its personnel.

6. GENERAL PROVISIONS:

6.1. POINTS OF CONTACT: The following points of contact (POC) will be used by the Parties to communicate in the implementation of this MOA. Each Party may change its point of contact upon reasonable notice to the other Party.

6.1.1. For the ASA(IE&E) —

6.1.1.1. Position and phone number of Primary POC: DASA(E&S), Mr. Richard Kidd, (571) 256-4710

6.1.1.2. Position and phone number of Alternate POC: OEI Director of Business Operations, Ms. Monica Malia, (703) 601-0251

6.1.2. For the SAF/IE —

6.1.2.1. Position and phone number of Primary POC: DASAF(ES&I), Mr. Mark A. Correll, (703) 697-9297

6.1.2.2. Position and phone number of Alternate POC: Director, Installation Energy Policy & Programs, Mr. Douglas Tucker, (703) 693-9544

6.2. CORRESPONDENCE: All correspondence to be sent and notices to be given pursuant to this MOA will be addressed,

if to the DASA(E&S), to —

6.2.1. ASA(IE&E)

110 Army Pentagon, Room 3E464
Washington, D.C. 20310-0110

and, if to the DASAF(ESI), to—

6.2.2. SAF/IE

1665 Air Force Pentagon, Room 4B941
Washington, D.C. 20330-1665

or as may from time to time otherwise be directed by the Parties.

6.3. REVIEW OF AGREEMENT: This MOA will be reviewed annually on or around the anniversary of its effective date for financial impacts and triennially in its entirety.

6.4. MODIFICATION OF AGREEMENT: This MOA may only be modified by the written agreement of the Parties, duly signed by their authorized representatives.

6.5. DISPUTES: Any disputes relating to this MOA will, subject to any applicable law, Executive Order, Directive, or Instruction, be resolved by consultation between the Parties or in accordance with DoDI 4000.19.

6.6. TERMINATION OF AGREEMENT: This MOA may be terminated by either Party by giving at least 180 days written notice to the other Party. The MOA may also be terminated at any time upon the mutual written consent of the Parties.

6.7. TRANSFERABILITY: This Agreement is not transferable except with the written consent of the Parties.

6.8. ENTIRE AGREEMENT: It is expressly understood and agreed that this MOA embodies the entire agreement between the Parties regarding the MOA's subject matter.

6.9. EFFECTIVE DATE: This MOA takes effect beginning on the day after the last Party signs.

6.10. EXPIRATION DATE: This Agreement expires on 30 September 2018 unless both Parties agree to its extension.

7. FINANCIAL DETAILS

7.1. AVAILABILITY OF FUNDS: This MOA does not document the obligation of funds between the Parties. Any obligation of funds in support of this MOA will be accomplished using a Military Interdepartmental Purchase Request, DD Form 448. The obligation of funds by the Parties is subject to the availability of appropriated funds pursuant to the DoD Financial Management Regulation.

7.2. BILLING:

7.2.1. The Air Force will reimburse the Army for (a) the work that both OEI federal employees and OEI contractors perform on Air Force projects; (b) the cost of Army personnel travel for Air Force projects; and (c) the cost of supplies, materials, and office space.

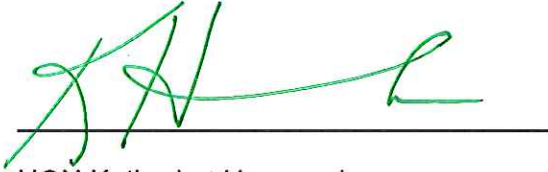
7.2.2. Under the terms of this MOA, OEI will provide an annual spend plan and bill the SAF/IE on a quarterly basis in accordance with the procedures of the billing party. A record of the transaction will be sent to the SAF/IE within 30 days after the quarter in which the transaction occurred.

7.3. PAYMENT OF BILLS: The SAF/IE paying office will forward payments, along with a copy of billed invoices, to the OEI within 30 days of the date of invoice. Bills rendered will not be subject to audit in advance of payment.

7.4. STATEMENT OF ESTIMATED AND ANTICIPATED FUNDING: The estimated first year funding requirement including labor, travel, and other costs is estimated at \$10.6M. Funding for future fiscal years will be determined jointly in the fourth quarter of the preceding fiscal year to ensure timely fiscal year availabilities. Before commencing new work in a new FY, SAF/IE shall provide OEI with a funding documentation, citing this MOA.

7.5. ECONOMY ACT DETERMINATION AND FINDINGS: Both parties agree that the requirements listed in paragraph (a) of the Economy Act have been met. The OEI has determined that the capabilities exist to render the requested support without jeopardizing its assigned missions.

AGREED:



HON Katherine Hammack
Assistant Secretary of the Army
(Installations, Energy and Environment)

APR 6 2016

(Date)



HON Miranda Ballentine
Assistant Secretary of the Air Force
(Installations, Environment and Energy)

APR 6 2016

(Date)

ACKNOWLEDGED:



LTG David D. Halverson
U.S. Army, Assistant Chief of Staff
for Installation Management

APR 6 2016

(Date)



Lt Gen John B. Cooper
U.S. Air Force, Deputy Chief of Staff
AF/A4, Logistics, Engineering, and Force
Protection

APR 6 2016

(Date)