MEMORANDUM OF UNDERSTANDING

BETWEEN

WASHINGTON STATE

AND

THE GOVERNMENT OF THE REPUBLIC OF CHILE

CONCERNING

JOINT INTERESTS IN SUSTAINABLE DEVELOPMENT, THE GROWTH OF THE LOW CARBON ECONOMY AND THE EXPANSION OF THE CLEAN ENERGY SOLUTIONS TO ADDRESS CLIMATE CHANGE IMPACTS

BACKGROUND

The State of Washington in the United States of America and the Republic of Chile share many similarities. Shaped by proximity to a temperate marine climate, both have strong natural resource economies including major seafood, forestry and energy sectors; each is home to globally significant industry leaders, some of which are extremely energy intensive; each has a tradition of innovation and international engagement and each fuels its economic growth through its leadership in the development of renewable electricity. Moreover, both are committed to providing global leadership in addressing the risks of climate change; to enhancing energy security; to realizing the full potential of energy efficiency; to developing competitive, resilient and sustainable energy sectors and to creating resilient communities and new jobs.

Recognizing that climate change poses similar risks to the resources, economies and communities of both Washington State and Chile, and recognizing each government’s firm public commitment to reducing Greenhouse Gas Emissions that fuel that climate risk to reach 2030 targets, Washington State and the Republic of Chile agree to the following Memorandum of Understanding:

AREAS OF COOPERATION

Renewable Energy: Supporting the development of and deployment of clean and renewable energy technologies, energy efficiency, integration of renewables into the grid and the creation of incentives for business development in the renewable energy sector.
**Energy Transmission:** Evaluating the role of transmission system management in sustainable systems and the integration of renewable energy.

**Energy Planning:** Developing and implementing low carbon energy plans, particularly the use of energy efficiency measures to reducing costs and emissions.

**Sustainable Transportation:** Cooperating on the development of resilient, low carbon transportation systems including the expansion of bicycle and transit systems, electric vehicles, land use planning and urban development.

**Sustainable Economic Development:** Connecting state and local economic development institutions to advance cooperation between private sector interests.

**Emissions Reduction:** Supporting policy development and the creation of incentive based approaches to reduce carbon emissions from industry, power and transportation as well as exchanging information on the use of pricing policies like Chile’s carbon tax and its use of daytime/nighttime rate structures for renewables.

**Forestry:** Exploring the development of forest related ecosystem services, the potential to develop the role of wood products for energy and the use of forest resources to cost effectively sequester carbon and develop advanced, low carbon materials.

**Project Development:** Sharing expertise and resources concerning the siting of energy facilities and infrastructure to minimize cultural impacts, aesthetic and other community concerns and to maximize efficiency.

**ACTIONS**

Cooperation between the partners may take various forms including:

- Sharing information and experiences about policies and programs that have been effective in each jurisdiction.
- Identifying and educating on “Best Practice Policies” that have cost effectively reduced greenhouse gas emissions, strengthened local economies, created jobs and improved human health.
- Inviting other participants to comment on policies, plans and economic development programs.
- Facilitating connections, exchanges and dialogue between local jurisdictions, research institutions, businesses and other interested parties in each partner region whose expertise contributes to the overarching goals of this MOU.
- Developing exchanges and temporary assignments, particularly the State Energy office and the Ministry of Energy, Chile, as well as with leaders from key regions.
- Supporting business to business dialogue around exploiting opportunities created by carbon pricing and other emissions reduction policies.
- Co-developing strategies and policies to promote energy efficiency, smart grid technologies and other grid modernization efforts.

**IMPLEMENTATION**

The Signatories respectively designate the following offices to organize and facilitate this collaboration and to implement the actions called for in this MOU.

The Governor’s office of the State of Washington

The Washington State Department of Commerce, Office of Energy

The Washington State Utilities and Transportation Commission

Chilean side:

Ministry of Energy

Ministry of Foreign Affairs, Directorate of Energy, Science, Technology and Innovation

The Signatories through their designated offices agree to establish mechanisms for regular communication, potentially an annual meeting, the use of video conferencing or other means to facilitate regular exchanges on the relevant topics and to manage progress implementing the MOU.

The MOU will remain in effect for three years from the signing by the principles, after which the parties may choose to cease, amend or continue cooperation at their discretion.

This MOU is neither a contract nor a treaty.

Paris, December 2015, two originals in English

[Signatures]

JAY INSLEE
Governor
State of Washington

HERALDO MUÑOZ VALENZUELA
Ministry of Foreign Affairs
Republic of Chile