

**MEMORANDUM OF UNDERSTANDING**  
**REGARDING THE PORT OF SAN DIEGO/SDG&E**  
**Sustainability Partnership**

This Memorandum of Understanding, hereinafter called the "The Port of San Diego/SDG&E Sustainability Partnership ("Partnership") MOU ("MOU"), is made and entered into between the San Diego Unified Port District, a public corporation ("Port" or "Port of San Diego") and San Diego Gas and Electric Company ("SDG&E"). The Port and SDG&E shall be referred to hereinafter collectively as "Party/ies."

**RECITALS**

**Whereas**, the Board of Port Commissioners (BPC) has made sustainable development and operation a key initiative of the Port of San Diego.

**Whereas**, sustainability is the achievement of long-term environmental, economic and societal benefits through resource conservation, waste reduction and pollution prevention.

**Whereas**, in December of 2007, the BPC approved a Sustainability Policy to guide Port development and operation.

**Whereas**, at the BPC's direction, staff has been developing a Green Port Program which will consist of goals and objectives to achieve the benefits of sustainability.

**Whereas**, energy conservation is a critical component of the Green Port Program and the Port is dedicated to maximizing energy efficiency and exploring opportunities for renewable energy in Port operations.

**Whereas**, the Partnership between the Port of San Diego and SDG&E will support the Port's Green Port Program by identifying and designing programs to deliver net energy savings, peak demand savings and greenhouse gas reductions through implementation of energy efficiency activities and renewable energy opportunities at Port facilities and the tidelands area.

**Whereas**, the Port and SDG&E have negotiated this Partnership MOU to implement the Port of San Diego/SDG&E Sustainability Partnership.

**Whereas**, the Parties intend this MOU to provide for the performance of studies, development of programs and funding for a period through April 9, 2010.

**NOW, THEREFORE**, in consideration of the mutual promises and covenants set forth herein, the Parties hereby agree as follows:

**1. TERM OF MOU**

The term of this MOU shall commence on the last date signed by the Parties and is effective until April 9, 2010, unless earlier terminated by the Parties as provided below.

**2. OBLIGATIONS OF THE PORT**

- a. The Port will provide overall administrative services and input for the direction for the Partnership.
- b. The Port will assign a Project Manager and core team from General Services, Real Estate, Land Use Planning, Environmental Services, and Maritime to work with SDG&E staff to achieve the objectives of this program.
- c. The Port will work with SDG&E to establish benchmarks for each of the program elements to ensure energy savings and greenhouse gas reductions that can be measured on an annual basis.
- d. The Port agrees to allow SDG&E and/or their consultants to enter Port property for work undertaken as a part of the Partnership. Before any such activities, the Port will be contacted and the appropriate measures will be taken to ensure access.
- e. The Port will be responsible for bearing its own costs for the Partnership.

**3. OBLIGATIONS OF SDG&E**

- a. SDG&E will be responsible for completion of the tasks described in the attached Port of San Diego and SDG&E Sustainable Energy Partnership - Scope of Work.
- b. SDG&E will be responsible for bearing its own costs for the Partnership.

**4. GENERAL CONDITIONS**

- a. The Parties agree to work cooperatively together in good faith to meet the goals of the Partnership, which will benefit both Parties and the environment.
- b. The Parties are and remain independent legal entities and this Partnership is not intended to, and does not form, create or

become, and should not be construed as, a legal partnership entity, agency or joint venture.

- c. This Partnership does not obligate the Parties in any way beyond the terms of this MOU and does not preclude either party from entering into discussions, agreements, or partnerships with other entities, including other energy providers, utilities or related firms.
- d. The Parties shall comply with all federal, state (including all rules and regulations of the California Public Utilities Commission) and local laws and ordinances applicable to the work to be performed under the terms of this MOU.
- e. The Parties will follow standard practices of environmental professionals as they relate to rendering findings, opinions, factual presentations, professional advice, and recommendations.
- f. Notices required or permitted pursuant to this MOU shall be sufficiently given in writing and either served personally or mailed by certified mail; however, other communications according to this MOU may be served by first class U.S. mail to:

David Merk  
Director, Environmental Services  
San Diego Unified Port District  
P.O. Box 120488  
San Diego, CA 92112-0488

Risa Baron  
Energy Program Supervisor  
San Diego Gas and Electric  
8326 Century Park Court, CP62E  
San Diego, CA 92123-1576

or such other person and address as either party shall advise the other, in writing, in conformity with this section.

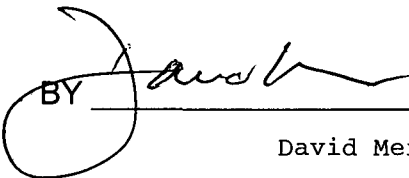
- g. This MOU may not be modified or altered except in writing signed by all Parties.

### **TERMINATION**


If either Party wishes to terminate its participation in this MOU, it shall so notify the other Party in writing. Such termination shall be effective as of the date set forth in the notice, but in any event, within thirty (30) days.

**IN WITNESS WHEREOF**, this Port of San Diego/SDG&E Sustainability Partnership MOU is executed as follows:

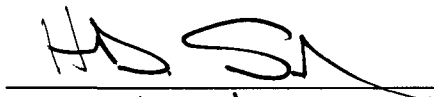
SAN DIEGO UNIFIED PORT DISTRICT

Date: OCT 23 2008 BY   
David Merk

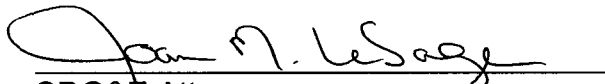
I HEREBY APPROVE the form and legality of the foregoing **Port of San Diego/SDG&E Sustainability Partnership MOU** on this 23rd day of October, 2008.

  
Port Attorney  
DEPUTY PORT ATTORNEY

San Diego Gas & Electric Company

Date: OCT 16 2008 BY   
Hal Snyder

I HEREBY APPROVE the form and legality of the foregoing **Port of San Diego/SDG&E Sustainability Partnership MOU** on this 16th day of October, 2008.

  
SDG&E Attorney

# Port of San Diego and SDG&E Sustainable Energy Partnership

## Scope of Work

In December of 2007, the Board of Port Commissioners approved the Environmental Sustainability Policy and directed staff to develop the Green Port Program. This Program will consist of goals and objectives that will achieve long-term environmental, economic and societal benefits through resource conservation, waste reduction and pollution prevention. Energy conservation is a critical component of the Green Port Program, and the Port is dedicated to maximizing energy efficiency and exploring opportunities for renewable energy in Port operations.

The Sustainable Energy Partnership between the Port of San Diego and SDG&E will support the Port's Green Port Program by identifying and designing programs to deliver net energy savings, peak demand savings and greenhouse gas reductions through implementation of energy efficiency activities in Port operations. Additionally, opportunities for the use of renewable energy throughout the tidelands will be explored.

As a part of this program, and consistent with its regulated utility rules, SDG&E will conduct the following activities:

### 1. Facilities Retrofits

- Advise the Port on opportunities to maximize energy efficiency, demand response and renewable energy at Port-owned facilities through a comprehensive retrofit program.
- Conduct audits at Port-owned facilities to quantify opportunities and prioritize actions to reduce the kWh, kW and therms used, and reduce greenhouse gas emissions.
- Identify SDG&E's role in achieving energy efficiency, including EE incentive levels as well as financing options such as the California Energy Commission's loan program or SDG&E On-Bill Financing programs.

### 2. Port Tenants Education Program

- Collaborate with the Port's Real Estate and Environmental Services' departments to develop a comprehensive plan to educate tenants on SDG&E's Energy Efficiency and Sustainable Energy programs.
- Identify SDG&E's role in assisting tenants in implementing energy efficiency retrofits and financing options via participation in SDG&E's current portfolio of energy-efficiency programs.
- Assist in the development and implementation of energy efficiency initiatives for tenants.

### 3. Land Use and Development Opportunities

- Develop land-use planning guidelines for sustainable energy management which will be incorporated into the Port's planning and environmental review process.
- Develop guidelines that specify that all new or redeveloped Port-owned buildings be designed to achieve energy efficiencies requiring 15 to 20 percent less energy than allowed under Title 24 of the Uniform Building Code, thereby qualifying them for participation in SDG&E's Savings by Design or Sustainable Communities programs.

### 4. Education & Outreach

- Develop a campaign to educate Port employees and Port tenants on the Partnership initiatives.
- Develop an education program to be used for community outreach.

### 5. Clean Transportation

- Provide input on the Green Fleet Policy currently being developed by the Port's General Services and Environmental Services departments.
- Work with SANDAG's Alternative Fuels Toolkit for Local Governments to develop recommendations for an alternative fuel on-road and off-road vehicle fleet program for the Port.

### 6. Clean Generation

- Develop a clean generation strategy for Port-owned facilities and buildings.

### 7. Broadway Pier Cruise Ship Terminal

- Explore opportunities to collaborate with the Port on recommendations for sustainable energy initiatives for the Broadway Pier Cruise Ship Terminal, including, but not limited to:
  - building design;
  - alternative sources of energy, such as solar and/or fuel cells;
  - energy efficiency measures;
  - cost-saving measures; and
  - exploring opportunities for additional funding.

8. B Street Pier Cruise Ship Terminal

- Explore opportunities to collaborate with the Port on recommendations for sustainable energy initiatives for the B Street Pier Cruise Ship Terminal, including, but not limited to:
  - building design;
  - alternative sources of energy, such as solar and/or fuel cells;
  - energy efficiency measures;
  - cost-saving measures; and
  - exploring opportunities for funding.

9. Shorepower to Support Cruise and Cargo Ships

- Explore opportunities to collaborate with the Port on the use of shorepower to support cruise and cargo ships while at berth, including, but not limited to planning for:
  - installation of shorepower infrastructure;
  - installation of electrical infrastructure adequate to provide 12 MW of power to the terminals;
  - energy efficiency measures;
  - cost-saving measures; and
  - exploring opportunities for funding.

10. San Diego-Coronado Bay Bridge Lighting Project

- Explore opportunities to collaborate with the Port on a sustainable lighting initiative for the San Diego-Coronado Bay Bridge, including, but not limited to planning for:
  - design;
  - alternative sources of energy, such as solar and/or fuel cells;
  - energy efficiency measures;
  - cost-saving measures; and
  - exploring opportunities for funding.

11. Imperial Beach Pier Lighting Project

- Explore opportunities to collaborate with the Port on a sustainable lighting initiative for the Imperial Beach Pier, including, but not limited to planning for:

- design;
- alternative sources of energy, such as solar and/or fuel cells;
- energy efficiency measures;
- cost-saving measures; and
- exploring opportunities for additional funding.

## 12. Sustainable Energy Plan

- Assess the Port's current operational energy demand, identify opportunities to reduce this demand and/or rely on cleaner energy, and suggest strategies for policies and programs that will achieve energy-efficient operations.

**Program Implementation:** The Port will assign a Project Manager and core team from General Services, Real Estate, Land-use Planning, Environmental Services, Maritime, and Communications and Governmental Affairs to work with SDG&E staff to achieve the objectives of this program.

Staff will work with SDG&E to establish benchmarks for each of the program elements to ensure energy savings and greenhouse gas reductions can be measured on an annual basis.

**Product:** A Sustainable Energy Partnership Report that will condense the recommendations from each of the tasks above into one document.

**Timeline:** Recommendations for all of the tasks will be complete before December 31, 2008.



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a Memorandum of Understanding ]  
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with San Diego Gas and Electric ]  
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RESOLUTION 2008-63

WHEREAS, pursuant to Resolution 2007-213, adopted 11 December 2007, the Board of Port Commissioners (Board) of the San Diego Unified Port District (District) adopted BPC Policy 736 entitled "Environmental Sustainability Policy"; and

WHEREAS, the purpose of said BPC Policy 736 is to establish a policy for the integration of overarching sustainability principles and initiatives to guide business decisions, development and operations within the District's jurisdiction; and

WHEREAS, the Board is dedicated to protecting and improving the environmental conditions of San Diego Bay and the tidelands, and further is committed to conducting District operations and managing resources in an environmentally sensitive and responsible manner; and

WHEREAS, the District desires to enter into a partnership with San Diego Gas and Electric (SDG&E) to support the District's Green Port Program by identifying and designing programs to deliver net energy savings, peak demand savings and greenhouse gas reductions through implementation of energy efficiency activities and renewable energy opportunities at District facilities and tidelands area; and

WHEREAS, the District and SDG&E desire to enter into a Memorandum of Understanding to implement the District's and SDG&E's sustainability partnership, NOW, THEREFORE,

BE IT RESOLVED by the Board of Port Commissioners of the San Diego Unified Port District, as follows:

1. That the Executive Director or his authorized representative is hereby authorized to enter into a Memorandum of Understanding (MOU) regarding the District's and SDG&E's sustainability partnership, on behalf of the District, with San Diego Gas & Electric, to provide for the performance of studies, development of programs and funding for a period of time through April 9, 2010, subject to earlier termination in accordance with the terms, covenants and conditions contained in said MOU, to be placed on file in the office of the District Clerk.

2. The District is responsible for bearing its own costs for said partnership.

3. The District and SDG&E agree to defend, indemnify, protect and hold each other and their agents, officers and employees harmless from any and all claims asserted or liability established for damages or injuries to any person or property in accordance with the terms, conditions and covenants contained in said MOU.

ADOPTED this 8th day of April, 2008.

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4/8/08

**SAN DIEGO UNIFIED PORT DISTRICT**

**DATE:** April 8, 2008

**SUBJECT: RESOLUTION AUTHORIZING A MEMORANDUM OF UNDERSTANDING BETWEEN SAN DIEGO GAS & ELECTRIC AND THE SAN DIEGO UNIFIED PORT DISTRICT ON SUSTAINABLE ENERGY MANAGEMENT**

**EXECUTIVE SUMMARY:**

The purpose of this Memorandum of Understanding (MOU) is to establish a Sustainable Energy Partnership between the Port of San Diego and San Diego Gas & Electric (SDG&E). This partnership will support the Port's Green Port Program by assisting the Port in achieving maximum energy efficiency in its operations and identifying opportunities to use renewable energy. This MOU is not a financially binding document, but is intended for collaborative purposes only.

**RECOMMENDATION:**

Resolution authorizing a memorandum of understanding between San Diego Gas & Electric and the San Diego Unified Port District on sustainable energy management.

**FISCAL IMPACT:**

This Board resolution has no direct fiscal impact.

**DISCUSSION:**

In December of 2007, the Board of Port Commissioners approved the Environmental Sustainability Policy and directed staff to develop the Green Port Program. Energy conservation is a critical component of the Green Port Program, and the Port is dedicated to maximizing energy efficiency and exploring opportunities for renewable energy in Port operations.

The Port of San Diego and SDG&E Sustainable Energy Partnership ("Partnership") has been proposed to support the Green Port Program. This Partnership will be created through the execution of a Memorandum of Understanding between the two entities. This Partnership will identify and design programs to deliver net energy savings, peak demand savings and greenhouse gas reductions through the implementation of energy efficient infrastructure in Port operations. Additionally, opportunities for the use of renewable energy opportunities throughout the tidelands will be explored.

A Sustainable Energy Partnership Report is expected to be completed by December 2008, and will be available for review and modification as needed. The Memorandum of

ACTION TAKEN: 04-08-08 - Resolution 2008-63

Understanding will extend until April 9, 2010, to support future collaborative projects between the Port and SDG&E.

**Port Attorney's Comments:**

The Port Attorney has reviewed and approved the requested document for form and legality.

**Environmental Review:**

This proposed Board resolution is not subject to CEQA, as amended.

**Equal Opportunity Program:**

Not applicable.

**PREPARED BY:** David Merk  
Director, Environmental Services