

**MEMORANDUM OF UNDERSTANDING
BETWEEN
THE DANISH ENERGY AGENCY OF THE KINGDOM OF DENMARK
AND
THE CALIFORNIA ENERGY COMMISSION OF THE STATE OF CALIFORNIA OF
THE UNITED STATES OF AMERICA**

The Danish Energy Agency and the California Energy Commission, hereinafter referred to as “the Participants,” agree as follows:

WHEREAS Climate change represents an urgent and potentially irreversible threat to human societies, particularly the poor and vulnerable, as well as to the environment and global economy;

WHEREAS Denmark and California have both committed to fighting climate change. In 2015, Denmark committed to the Paris Climate Accords and California committed to the Under2 Coalition. The Under2 Coalition was formed in 2015 by the states of California and Baden-Wurttemberg, Germany to mobilize and galvanize bold climate action from like-minded city, state, and regional governments around the globe. Coalition members pledge to limit greenhouse gas emissions to 2 tons per capita or 80 to 95 percent below 1990 levels by 2050. Denmark became an Endorsing Partner to the Under2 Coalition Memorandum of Understanding in February, 2017;

WHEREAS Denmark has experience and history in developing offshore wind energy facilities and California is assessing a range of considerations for deploying floating wind energy facilities offshore the coast of California;

WHEREAS Denmark has robust policies and programs to reduce energy consumption and greenhouse gas emissions from industry and buildings, and California as the fifth largest economy in the world has significant energy consumption and emissions from the building, industrial, and agricultural sectors;

WHEREAS Denmark has committed to and invested in projects developing hydrogen and carbon capture technologies that may have applications in California to reduce emissions;

WHEREAS California and Denmark currently have Memoranda of Understanding on energy efficiency and the development of offshore wind that are set to expire by 2022;

Therefore, the Participants have reached the following understanding:

SECTION I Objective

The purpose of this Memorandum of Understanding is to establish a flexible framework between the Participants to promote sharing of knowledge, experiences, data, and best practices relevant to offshore wind energy and the decarbonization of the industrial and building sectors.

SECTION II Areas of Cooperation

The Participants intend to cooperate on the following priority areas and common objectives:

- a) Sharing knowledge and solutions about the constraints and challenges of planning, permitting, and constructing offshore wind energy facilities, including but not limited to:
 - i. Best practices and regulatory approaches to facilitate the deployment of offshore wind while reducing risks and costs. These include scientific models and mitigation measures to protect the environment, especially understanding the effects of offshore wind facilities on fish habitat, marine mammals, migratory birds, and cultural resources;
 - ii. Impacts to commercial and recreation fishing industries and strategies to address those impacts;
 - iii. Supply chain issues, grid integration and interconnection to optimize offshore wind deployment, and data on the benefits and impacts of offshore wind, including utilization of offshore wind power for producing green hydrogen and power-to-x;
 - iv. Workforce development and port development requirements and management issues.
- b) Sharing knowledge and approaches to energy efficiency and decarbonization of the industrial sector, including but not limited to:
 - i. Industrial symbiosis, or the co-location of different industries to maximize energy, heat, water, and waste products;

- ii. Low-carbon hydrogen generation pathways and potential new applications of hydrogen in high-temperature heating or chemical synthesis processes;
 - iii. Novel technologies and applications to decarbonize energy- and emissions-intensive processes, such as cement production, including but not limited to biogas, carbon capture and storage, and high temperature heat pumps.
- c) Sharing knowledge about the challenges and solutions to implementing energy efficiency and decarbonization measures in residential and commercial buildings, including but not limited to:
- i. Developing new building performance standards and promoting low-carbon appliances in new and existing buildings through regulatory and market-based approaches;
 - ii. Energy efficient technologies for heating and cooling (e.g., heat pumps and ventilation systems), including the feasibility and availability of low global warming potential refrigerants in heating and ventilation equipment;
 - iii. Improving compliance of building energy codes and standards, both in new buildings and particularly in existing buildings, through benchmarking, labeling, and audits;
 - iv. Data-driven and digital approaches to promote energy efficiency and load flexibility.
- d) The cooperation could potentially be broadened to incorporate other areas of common interest. Such further initiatives would presuppose a joint decision by the Parties.

SECTION III Coordination

The Participants respectively designate the Danish Energy Agency and the California Energy Commission to establish the creation of an action plan to implement the objectives of this Memorandum of Understanding. The action plan will be reviewed and updated as necessary no less than once per year.

The Participants, by common consent, may seek the collaboration of third parties, including universities and other public and private academic institutions, non-governmental organizations, businesses, and local, state, or national government institutions whose activities may contribute to achieving the goals of this Memorandum of Understanding.

SECTION IV Specific Activities

Specific activities to achieve the objectives of this Memorandum of Understanding for the key sectors and initiatives identified in Section II may include:

- a) Host a study tour at least once every two years focused on one of the three priority areas;
- b) Develop a staff-to-staff or public workshop on one of the three priority areas no less than once every 6 months;
- c) Coordinate on participation at relevant international conferences, such as at the Council of Parties;
- d) Facilitate partnerships and communication with local and regional jurisdictions;
- e) Conduct a high-level status and planning meeting between respective Principals at least once every year to give guidance to the activities under this Memorandum of Understanding.

SECTION V Points of Contact

The Danish Energy Agency represented by the Consulate General of Denmark in Silicon Valley and the California Energy Commission will serve as the respective contact points for communication and information exchange, as well as any notice required to be submitted under this Memorandum of Understanding.

SECTION VI No Legal Obligations, Rights, or Remedies

This Memorandum of Understanding is a voluntary initiative. It does not create any legally binding rights or obligations and creates no legally cognizable or enforceable rights or remedies, legal or equitable, in any forum whatsoever. In addition, the pledges in this Memorandum of Understanding are not conditioned upon reciprocal actions by other Participants; each Participant retains full discretion over implementation of its pledges in light of the Participant's individual circumstances, laws, and policies; and each Participant is free to withdraw from the Memorandum.

SECTION VII Availability of Personnel and Resources

This Memorandum of Understanding does not involve the exchange of funds, nor does it represent any obligation of funds by either Participant. All costs that may arise from activities covered by, mentioned in, or pursuant to this Memorandum of Understanding will be assumed by the Participant who incurs them, unless otherwise expressly agreed in a future written arrangement in accordance with applicable laws. All activities undertaken pursuant to this Memorandum of Understanding are subject to the availability of funds, personnel, and other resources of each Participant.

The personnel designated by a Participant for the execution of this Memorandum of Understanding will work under the orders and responsibility of that Participant and any other organization or institution to which the personnel already belongs, at all times maintaining any preexisting employment relationship only with that Participant and organization or institution, and not with any other Participant.

SECTION VIII Compliance with Applicable Laws

This Memorandum of Understanding shall be construed consistent with all applicable laws, and activities undertaken in connection with this Memorandum of Understanding shall be subject to, and shall be undertaken in a manner consistent with, all otherwise-applicable laws.

SECTION IX Interpretation and Application

Any difference that may arise in relation to the interpretation or application of this Memorandum of Understanding will be resolved through consultations between the Participants, who will endeavor in good faith to resolve such differences.

SECTION X Final Provisions

This Memorandum of Understanding is effective from the date of its signature until December 31, 2024, unless renewed or extended by the Participants in the same manner that the Participants may otherwise modify this Memorandum of Understanding.

This Memorandum of Understanding may be modified at any time by mutual consent of the Participants. Any modification shall be made in writing and specify the date on which such modification is to become effective.

Any of the Participants may, at any time, withdraw from this Memorandum of Understanding by providing a written notice to the other Participant(s). A Participant who intends to withdraw from this Memorandum of Understanding shall endeavor to provide notice of such withdrawal to other Participants 60 days in advance.

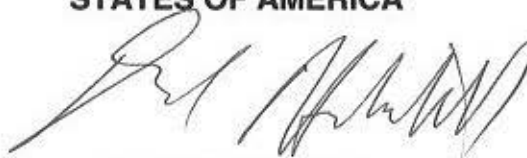
The termination of this Memorandum of Understanding shall not affect the conclusion of the cooperation activities that may have been initiated during the time this Memorandum of Understanding is in effect, unless the Participants mutually decide otherwise.

Signed simultaneously in California and Denmark during an online meeting on February 8, 2023, in two original copies in English.

**FOR THE DANISH ENERGY AGENCY
OF THE KINGDOM OF DENMARK**

**Kristoffer Böttzauw
Director General**

**FOR THE CALIFORNIA ENERGY
COMMISSION OF THE STATE OF
CALIFORNIA OF THE UNITED
STATES OF AMERICA**

A handwritten signature in black ink, appearing to read 'David Hochschild', written in a cursive style.

**David Hochschild
Chair**

Signed simultaneously in California and Denmark during an online meeting on February 8, 2023, in two original copies in English.

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**Kristoffer Böttzauw
Director General**

**David Hochschild
Chair**