MEMORANDUM OF UNDERSTANDING FOR COOPERATION IN CLEAN ENERGIES BETWEEN THE MINISTRY OF ENERGY OF THE UNITED MEXICAN STATES AND THE STATE OF CALIFORNIA OF THE UNITED STATES OF AMERICA

The Ministry of Energy of the United Mexican States and the Government of the State of California of the United States of America, hereinafter referred to as "the Participants";

STRIVING to develop a mutually beneficial co-operation in the fields of low carbon energy, clean technology, biofuels, and energy efficiency;

TAKING INTO ACCOUNT the potential economic, environmental, public health, and job creation benefits derived from the implementation of joint initiatives and projects in such fields;

Have reached the following understanding:

Paragraph 1
Objective

The objective of this Memorandum of Understanding (MOU) is to encourage and promote technical bilateral cooperation and joint implementation of programs and activities in the fields of low carbon energy, clean technologies, biofuels, and energy efficiency, on the basis of mutual benefit, equality and reciprocity, aiming to implement a solid and future cooperation that will boost sustainable economic development in Mexico and California in a manner that incorporates best practices and lessons learned and enhances diversity, reliability and affordability of energy supplies.

The cooperation activities according to this MOU will be developed following all applicable laws, statutes and in-force regulations to each of "the Participants", and the principles related to resource availability in each country, and by no means will it imply any legal obligations for "the Participants".

Paragraph 2
Cooperation Areas

"The Participants" will direct their efforts towards developing and expanding cooperation in mutual interest areas such as:

a. Scientific and technical staff exchange and training on energy sector regulation, grid operation and management, energy efficiency, demand response, expanding renewable energy generation, energy storage, biofuels, and measuring and valuing externalities from the energy sector;

b. Facilitate cross-border collaboration to promote renewable energy and biofuels development through the hosting of workshops, seminars, and working groups;

c. Promote equipment transfer, know-how and technology, on a non-commercial basis;

d. Foster joint research and development projects of technological innovation for clean energies amongst universities, the academic sector, and research institutions;

e. Implement activities such as regional innovation hubs (iHubs), that encourage collaboration and innovation on clean energy and clean technology research, as well as their development and deployment;

f. Other areas related with the scope of the present agreement as may be decided upon by "the Participants" in writing.

Paragraph 3
Implementation

To develop joint cooperation activities, and decide upon project proposals, "the Participants" may choose to develop annual work plans focused on the areas of cooperation identified in Paragraph 2.

The development and implementation of such annual work plans will be led by the Ministry of Energy (SENER) of the United Mexican States and the California Energy Commission (CEC), in collaboration with the California Environmental Protection Agency and the Governor's Office of Business and Economic Development of the state of California.

"The Participants" designate, for the purposes of the above stated, the Director General of International Affairs of SENER and the Chief Deputy Director of the CEC to serve as focal points to follow-up on the implementation of this MOU.

Paragraph 4
Information and Intellectual Property Protection

"The Participants" intend to adopt all appropriate measures in accordance with their respective laws and regulations to protect the integrity of the information, as well as intellectual property rights.

Paragraph 5
Funding

This MOU does not constitute a binding agreement, neither does it represent an obligation of funds by any of "the Participants", so all costs that arise from the cooperation activities under this document will be assumed by the participant who incurs in them, unless otherwise stipulated through a written notice.

"The Participants" intend to establish, in writing, the financing details of each particular activity before they start.

Paragraph 6
Participation of Other Institutions

When convenient, "the Participants", by common consent, may seek the collaboration of universities and other public and private, academic, research and development institutions, or any other organizations whose activities may positively and directly influence the achievement of the goals of this MOU.

Paragraph 7
Entrance and Departure of Personnel

Each participant intends to make arrangements with the corresponding authorities in order to provide the necessary facilities for the entry, stay and departure of the personnel officially involved in the cooperation activities that result from this instrument, in accordance with the applicable national legislation. These personnel is subject to the migratory, fiscal, customs, sanitary, and security provisions in force in the receiving country, and is not able to participate in any other activity that does not pertain to their functions, without the previous authorization of the corresponding authorities on that subject.

Paragraph 8
Labor Relation

The personnel assigned by each of "the Participants" for the execution of the cooperation activities under this MOU, is to continue under the direction and dependence of the institution to which they pertain, and no labor relationships are created with the other Participant which in no case is to be considered as a substitute or solidary employer, in accordance with the applicable national legislation.

Paragraph 9
Notifications

Notifications between "the Participants" may be done through any written means. Those notices shall be addressed to:

For the CEC:
Mr. Drew Bohan
Address: 1516 9th Street MS-39, Sacramento, CA 95814, USA.
E-mail: Drew.Bohan@energy.ca.gov and Rebecca.Kessler@energy.ca.gov.

For SENER:
Mr. Alejandro Amerena Carswell
Address: Insurgentes Sur 890, Colonia del Valle, Delegación Benito Juárez, C.P. 03100, Mexico City.
E-mail: aamerena@energia.gob.mx and dgai@energia.gob.mx.

Paragraph 10
Final Provisions

This MOU will not generate legally binding obligations for any of "the Participants".

This MOU will be applicable upon the date of its signature by both participants, and will remain in force during five years that may be renewed for equal periods, by mutual consent of "the Participants", until terminated through written notice.

This document may be amended or modified by mutual written consent of "the Participants". Either Participant may terminate its participation in this MOU by providing the other a thirty days written notice.

The anticipated termination of this instrument does not affect the completion of the activities, programs or projects that would have been formalized or were being implemented during their term.

This MOU is the result of good will amongst "the Participants", and thus they may consult each other at any time, on any matter concerning the interpretation or implementation of this instrument, through consultations and negotiations or by other mutually agreed approaches.

Nothing provided herein in any way may affect the full right of each of "the Participants" to establish similar agreements with other institutions.

The cooperation referred in this MOU should not affect the rights and obligations acquired by "the Participants" in other international instruments.

Signed in Mexico City on 29 July 2014, in two originals in Spanish and English languages, both texts being equally authentic.

FOR THE MINISTRY OF ENERGY OF THE UNITED MEXICAN STATES	FOR THE STATE OF CALIFORNIA OF THE UNITED STATES OF AMERICA
Pedro Joaquín Coldwell **Secretary of Energy**	**Edmund Gerald Brown** **Governor of California**