

**MEMORANDUM OF UNDERSTANDING BETWEEN
THE CITY OF MADISON AND MGE REGARDING A FRAMEWORK FOR
COLLABORATION ON SHARED ENERGY GOALS**

This Memorandum of Understanding (the “MOU”) is made as of _____, 2017 (“Effective Date”), by and between the City of Madison (the “City”) and Madison Gas and Electric Company (“MGE”) (the City and MGE, together, are the “Parties”) for the purpose of establishing a framework for ongoing collaboration on shared energy and carbon reduction goals, as set forth below.

BACKGROUND

Whereas, the City adopted (i) an Energy Work Plan on April 11, 2016 that is intended to support the promotion of renewable energy, energy efficiency, social equity, job creation, and economic development for the benefit of the City of Madison community; and (ii) a Resolution on March 21, 2017 committing the City to achieve 100 percent renewable energy and ~~net~~ net-zero carbon emissions;

Whereas, MGE adopted the Energy 2030 Framework on November 18, 2015, a framework intended to support a transition to a more environmentally sustainable energy supply, including greater use of renewable resources, reduced carbon emissions, increased energy efficiency and conservation; provide customers with more control around energy use; enable cost-effective grid modernization; and ensure availability of new energy technologies for MGE customers;

Whereas, the City ~~recognizes that it cannot achieve its energy and carbon goals without MGE’s support and MGE recognizes that its ability to achieve the goals of its Energy 2030 Framework will be greatly enhanced by the City’s efforts to achieve its energy and carbon goals’s Energy Work Plan and 100 percent clean energy and zero net carbon resolution and MGE’s Energy 2030 Framework share certain common goals, objectives, and areas of mutual interest,~~ and;

Whereas, the City and MGE ~~believe that wish to~~ working collaboratively ~~onto achieve~~ certain common goals, objectives and areas of mutual interest related to energy and carbon reduction ~~will benefit both Parties;~~

Now, therefore, the City and MGE hereby agree as follows:

COLLABORATION AGREEMENT

1. The City and MGE agree to support common elements and shared goals of the City’s Energy Work Plan and MGE’s Energy 2030 Framework. The Parties acknowledge that there may be specific areas where common, mutual objectives are not identifiable or are otherwise not feasible.

2. The City and MGE have identified certain areas of common interest with high potential for constructive collaboration and the Parties have set forth these areas of common interest in a document dated January 24, 2017 (the “Collaboration Framework”), attached. The focus of the projects will include:
 - a. Expansion of Solar
 - b. Expansion of the use of Electric Vehicles
 - c. Promotion of Energy Efficiency
 - d. Social Equity and Economic Development
 - e. Other Transportation topics
 - f. Continued work on ongoing collaborative projects

The Parties acknowledge that the Collaboration Framework is a working document, subject to ongoing modification, consistent with the City’s and MGE’s mutual objectives and available resources.

3. City staff and representatives of MGE shall meet regularly to discuss the implementation of the goals set forth in this MOU. Other persons may be invited to assist in these meetings. The purpose of the meetings will be to prioritize the focus areas identified in the Collaboration Framework and gather information, identify projects and develop strategies for jointly implementing projects identified in the Collaboration Framework. The Parties acknowledge that in some instances approved projects may become subject to separate agreements authorized and executed outside the framework of this MOU.
4. The Facilities and Sustainability Manager shall present a progress report to the Common Council in January, 2018 and annually thereafter. The report shall include a written summary of project plans, milestones, achievements and any new areas of collaboration. In addition, periodic updates regarding projects and initiatives being developed in accordance with this MOU shall be provided to the Sustainable Madison Committee. The Parties may create other opportunities to share information and gather input from the community.
5. The City and MGE acknowledge that MGE is a public utility company, subject to Public Service Commission (the “Commission”) oversight under Chapter 196 of the Wisconsin Statutes. The Parties acknowledge that in carrying out this MOU, there may be Commission or other regulatory approvals that become necessary; and therefore, certain of MGE’s commitments in carrying out projects and initiatives developed in accordance with this MOU will be contingent on Commission or other required regulatory approvals. The City agrees to support positions before the Commission or other regulatory bodies that are, in the City’s judgment, consistent with the cooperative intent of this MOU. Similarly, it is understood that, in carrying out projects and initiatives developed in accordance with this MOU, the City may be required to obtain committee or council

approvals. MGE agrees to support positions before such bodies that are, in MGE's judgment, consistent with the cooperative intent of this MOU.

6. The City and MGE acknowledge that, unless specifically agreed to otherwise, each Party will be responsible for carrying out its own obligations and bearing its own costs incurred in carrying out and supporting activities relating to this MOU.
7. Nothing in this MOU shall invalidate or otherwise supersede any agreements or other legal obligations of either Party.
8. This MOU may not be amended except upon written agreement by the Parties.
9. This MOU shall take effect as of the Effective Date designated above and remain in effect for three years (Initial Term). The MOU shall inure to the benefit of the Parties and their respective successors and assigns unless otherwise agreed to in writing by the Parties. The Parties may extend the Initial Term for an additional three year term by mutual agreement with 60 days written notice. Prior to the end of the Initial Term, the MOU may be terminated by either Party upon provision of reasonable notice.

CITY OF MADISON

MADISON GAS AND ELECTRIC COMPANY

Paul R. Soglin, Mayor

Jeff Keebler, President and CEO