



**MEMORANDUM OF UNDERSTANDING  
BETWEEN  
THE DEPARTMENT OF ENERGY OF THE UNITED STATES OF AMERICA  
AND  
THE DEPARTMENT OF NATURAL RESOURCES CANADA  
ON PARTICIPATION IN THE CARBON SEQUESTRATION LEADERSHIP FORUM  
CAPACITY BUILDING PROGRAM**

**THE DEPARTMENT OF ENERGY OF THE UNITED STATES OF AMERICA** (DOE) and **THE DEPARTMENT OF NATURAL RESOURCES CANADA** (NRCan), hereinafter referred to as the "Participants",

**SEEKING** to promote the development of improved cost-effective technologies for the separation and capture of carbon dioxide (CO<sub>2</sub>) for its transportation and long-term safe storage and to make these technologies broadly available internationally, in accordance with the Charter for the Carbon Sequestration Leadership Forum (CSLF), dated June 25, 2003;

**GUIDED** by the mutual desire to cooperate on carbon capture and storage (CCS) projects as part of NRCan's mandate and in accordance with the objectives of the CSLF to promote the appropriate technical, political, and regulatory environments for the development of such technology;

**CONSIDERING** the ongoing urgency to develop and deploy climate change mitigation technologies, which CCS projects constitute, in support of sustainable natural resource development; and

**RECOGNIZING** that NRCan, through the Departmental Class Grant Program, wishes to make a financial contribution to CSLF to advance CCS projects,

**HAVE REACHED** the following understanding:

**1. OBJECTIVE**

The objective of this Memorandum of Understanding (MOU) is to facilitate cooperation between NRCan and DOE, in its capacity as the CSLF secretariat, in furtherance of the information, tools, skills, expertise and institutions required to implement CCS demonstration projects, leading to early commercial operations in all CSLF member countries.

## **2. SCOPE OF COOPERATION**

- (a) DOE, as the secretariat of the CSLF, is receiving financial contributions from CSLF members for use in the CSLF Capacity Building Program (the "Cooperation Project") to develop the information, tools, skills, expertise and institutions required to implement CCS demonstration projects;
- (b) NRCan intends to make a financial contribution (hereinafter referred to as the "Contribution") in the amount of up to \$250,000 Canadian dollars for eligible costs associated with the Cooperation Project which may include:
  - (i) staff salaries and benefits;
  - (ii) travel expenses;
  - (iii) meeting expenses;
  - (iv) office operating and maintenance expenditures;
  - (v) office equipment and furniture;
  - (vi) professional and technical services;
  - (vii) transportation rentals and leases;
  - (viii) communications materials;
  - (ix) field equipment;
  - (x) facility rentals; and,
  - (xi) accounting services.
- (c) The Participants understand that NRCan is to enjoy membership on the Executive Board of the Cooperation Project.
- (d) The Participants understand the completion date of the Cooperation Project to be June 25, 2013.
- (e) The payment of monies by NRCan under this Memorandum of Understanding (Memorandum) is subject to there being an appropriation by Canada's Parliament for the fiscal year in which the payment of monies is to be made.
- (f) NRCan may reduce or cancel its financial contribution to the Cooperation Project upon written notice to the DOE in the event that the funding levels for NRCan are changed by Parliament during the term of this Memorandum.



### **3. FINANCIAL ARRANGEMENTS AND REPORTING**

- (a) NRCan intends to pay the Contribution in one lump sum to DOE's account at the Federal Reserve Bank of New York on or before March 31, 2012, in accordance with arrangements determined by the Participants. DOE intends to use this Contribution solely for the Cooperation Project.
- (b) In the event any portion of the Contribution is not utilized upon the earlier completion of the Cooperation Project, or by June 25 2013, DOE intends to return to NRCan the unused portion of said Contribution.
- (c) The Participants do not intend for the Contribution made hereunder to be consideration for the supply of a good or service to NRCan and as such, the Canadian Goods and Services Tax should not apply to the Contribution made under this Memorandum.
- (d) The Participants understand that the maximum Contribution payable under this Memorandum is \$250,000 Canadian dollars.
- (e) DOE intends to keep accounts and records of the costs of the Cooperation Project, including all expenditures or commitments and intends to comply with its relevant regulations and with generally accepted accounting principles, including those related to audits.
- (f) DOE intends to allow, with reasonable notice, NRCan or its representatives, access to audits performed by DOE with regard to DOE's disbursement of the Contribution for the Cooperation Project, during the Cooperation Project and for a period of three (3) years after disbursement is completed as described in Paragraph 9(c) of this Memorandum. NRCan understands that DOE may redact from its audits any information that DOE may be required to protect under United States law.
- (g) The Participants intend to only disclose business-confidential information or documents exchanged between the Participants upon the written consent of the providing Participant and to protect such information to the fullest extent allowed by the law of their respective countries.

### **4. PUBLIC ANNOUNCEMENTS**

- (a) Where appropriate, and upon consultation, the Participants intend to acknowledge the Contribution in publications, speeches, press releases or other similar media.
- (b) The Participants intend, upon consultation and mutual consent, to issue public announcements concerning the Contribution in their respective official languages.



**5. DIFFERENCES OF INTERPRETATION OR APPLICATION**

The Participants intend to resolve any difference arising out of the application or interpretation of this MOU amicably, through consultations.

**6. CONFLICT OF INTEREST**

The Participants intend that no public office holder or member of the House of Commons of Canada, nor any public office holder of the United States, may derive a benefit from this Memorandum.

**7. SOURCE OF FUNDS**

For the duration of the Cooperation Project, DOE intends to inform NRCan of all amounts of funds received from other CSLF donors to the Cooperation Project. Should the amounts of these funds change, DOE intends to promptly advise NRCan.

**8. POINTS OF CONTACT**

- (a) For purposes of facilitating communication under this Memorandum, NRCan hereby designates as its point of contact:

Margaret Martin  
Senior Director  
Natural Resources Canada  
International Environmental Policy Division  
580 Booth Street, 19<sup>th</sup> Floor  
Ottawa, ON  
K1A 0E4  
Telephone: (613) 996 6474  
Facsimile: (613) 947 6799  
E-mail: memartin@nrcan-rncan.gc.ca

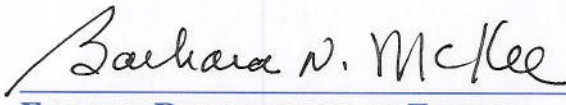
- (b) For the same purposes, DOE designates as its point of contact:

Barbara McKee  
Director  
Office of Clean Energy Collaboration  
U.S. Department of Energy  
FE - 27/Germantown Bldg.  
1000 Independence Avenue, S.W.  
Washington DC 20585-1290  
Telephone: (301) 903 3820  
Facsimile: (301) 903 1144  
E-mail: barbara.mckee@hq.doe.gov

**9. COMMENCEMENT, DURATION, MODIFICATION, INTERPRETATION, AND DISCONTINUATION**

- (a) Cooperation under this Memorandum is expected to commence upon the date of the last signature by the Participants.
- (b) The Participants do not intend this Memorandum, or any provision thereof, to create any legally binding obligations upon the Participants.
- (c) DOE intends to inform NRCAN in writing of the date on which final disbursement of the Contribution is completed.
- (d) The Participants may modify this Memorandum upon their mutual written consent.
- (e) The Participants may discontinue this Memorandum at any time upon their written mutual consent. A Participant may discontinue its cooperation under this Memorandum by giving the other Participant a written notice at least 60 days in advance. Notwithstanding such discontinuation, the Participants intend to continue to act consistently with Paragraphs 3(f) and 3(g) of this Memorandum.

**SIGNED** at Washington on the 30<sup>th</sup> day of March, 2010, and at Ottawa on the 31<sup>st</sup> day of March 2010, in duplicate in the English language. A French language text conforming to the English text will be signed at a later date.

  
FOR THE DEPARTMENT OF ENERGY  
OF THE UNITED STATES OF AMERICA

  
FOR THE DEPARTMENT OF NATURAL  
RESOURCES CANADA

