



**MEMORANDUM of UNDERSTANDING  
AMONG THE  
U.S. DEPARTMENT OF COMMERCE, U.S. DEPARTMENT OF ENERGY,  
U.S. DEPARTMENT OF LABOR, U.S. ENVIRONMENTAL PROTECTION AGENCY, AND  
U.S. SMALL BUSINESS ADMINISTRATION  
FOR THE  
ECONOMY, ENERGY AND ENVIRONMENT INITIATIVE TO SUPPORT SUSTAINABLE MANUFACTURING**

*September 25, 2010*

**I. PURPOSE AND GOALS**

This Memorandum of Understanding (MOU) establishes a framework among the Department of Commerce, the Department of Energy, the Department of Labor, the Environmental Protection Agency, and the Small Business Administration (hereinafter, each individually a "Party" and collectively the "Parties") to establish and collaborate in the Economy, Energy and Environment Initiative (hereinafter the "E3 Initiative" or "E3").

The purpose of this MOU is to foster E3 Projects throughout the United States in support of the E3 Initiative. E3 Projects are local public-private partnerships driven by the community to coordinate and strategically target federal resources to assist manufacturers in becoming more efficient, competitive and sustainable. E3 Projects provide small and medium enterprises (SMEs) with a single point of contact to coordinate the resources available to the community from the Parties under their authorized mission, such as:

- plant-specific assessments identifying prioritized opportunities to reduce costs and waste, improve productivity and efficiency, and measure greenhouse gas (GHG) emissions;
- assistance for business and strategic plan adjustments to incorporate assessment recommendations;
- tailored information on available financial resources and training; and
- ongoing opportunities to report progress and network with others about challenges and opportunities.

This community-focused suite of federal and local assistance provides participating SMEs a holistic, integrated and practical approach to work with multiple programs and adapt to and thrive in a new business era focused on sustainability. The existing federal programs referenced are successful in their own right; the intent of this MOU is to help coordinate and integrate them for SMEs to optimize benefits and results.

The objectives of the Parties to this MOU are to coordinate, leverage, and build upon existing activities to best support E3 Projects; to encourage the creation of E3 Projects; to ensure that participating SMEs can effectively and efficiently draw upon the expertise of each Party; and to avoid redundancies or competition among related federal programs. The goals of the Parties in supporting E3 are to benefit manufacturers, their communities and the nation by:

- promoting sustainable manufacturing and economic growth;
- retaining jobs in companies better positioned for global competition;
- fostering a more skilled and resilient green workforce; and
- reducing environmental impacts and conserving energy and natural resources.

## **II. ROLES AND RESPONSIBILITIES OF THE PARTIES**

Each Party to this MOU intends to cooperate through the individuals and organizations identified below at the federal level and at the local level as practical and appropriate and when called upon by the local community to help with specific and potential state, regional, or local E3 Projects.

A. The Environmental Protection Agency (EPA)'s Office of Chemical Safety and Pollution Prevention (OCSPP) plans to provide expertise and training on pollution prevention (P2) and toxic chemical use reduction and, through EPA's Climate Leaders program, on GHG measurement and approaches. OCSPP plans to help engage the Green Suppliers Network (GSN) program (a partnership between EPA and the Department of Commerce's Manufacturing Extension Partnership Program (MEP)) and state P2 programs in E3 Projects. OCSPP also expects to provide staff resources to facilitate interagency coordination and support the activities of the interagency groups discussed below in Section III, especially during the initial phases of MOU implementation.

B. The Department of Commerce plans, through its National Institute of Standards and Technology (NIST) MEP to help engage MEP centers and the GSN program in E3 Project on-site assessments and follow-up implementation activities.

C. The Department of Energy (DOE)'s Industrial Technologies Program (ITP) plans to help engage the DOE-sponsored Industrial Assessment Centers (IACs) in E3 on-site assessments and follow-up implementation activities, work with E3 Projects to identify appropriate manufacturers to join DOE's Save Energy Now (SEN) program, and as practical to support the use of SEN tools and resources in E3 Projects.

D. The Department of Labor's Employment and Training Administration plans to help engage the state and/or local workforce investment system in E3 Projects in order to assist E3-participating employers in meeting their workforce needs through activities such as connecting employers to local training programs and providing recruitment, screening, and referral services to help employers hire skilled workers; and to help engage the state and/or local workforce investment system to help dislocated workers anticipate and receive training for opportunities arising in areas with high E3 implementation, particularly through listing E3-related job opportunities in the appropriate state labor exchange system.

E. The Small Business Administration (SBA) plans to engage its Small Business Development Center (SBDC) network to provide existing services which may include pre-participation financial stability assessments of potential E3 participating companies and business counseling services to small businesses involved in E3 Projects or not yet involved due to financial constraints. SBA also intends to provide information and lists of lending resources to the maximum extent practicable and to field questions from small business concerns about securing SBA guaranteed loans to implement recommendations from on-site technical reviews. The authority and anticipated participation of SBA is limited to small businesses as defined by SBA (generally businesses with 500 or fewer employees with higher thresholds for certain manufacturing sectors).

## **III. MOU MANAGEMENT**

Each Party to this MOU intends to select an employee at a level not lower than Deputy Assistant Secretary, Deputy Assistant Administrator, Director or equivalent grade to participate in periodic sessions of an E3 Interagency Working Group (E3WG). The E3WG is intended to provide senior guidance and coordination for the E3 Initiative.



Each Party plans to designate a primary contact to respond to inquiries related to their respective E3 activities and associated areas of expertise and authority. Each Party plans to designate an employee to serve on a staff-level interagency coordinating group (ICG). The ICG intends to communicate regularly and to recommend and implement E3 Initiative elements such as metrics to evaluate and improve performance, targets for E3 objectives, and a management plan detailing how the Parties intend to manage and improve the E3 Initiative. Within the first year, the ICG intends to make recommendations concerning E3 Initiative metrics and targets (discussed below in Section V); establish a template for local E3 Project Charters; develop plans for communication among Parties and with others; explore needs, possibilities, and any necessary authorities for a Technical Assistance Provider (TAP) certification process; develop means of fostering companies' adoption of E3 approaches into customary business practices; and consider other opportunities to cultivate participation, collaboration and understanding.

Subject to legal and fiscal limitations and agency priorities, each Party plans to: engage relevant programs and offices within their agency to provide or coordinate resources or activities; support development of appropriate E3 tools or training; make staff available or otherwise provide employee support for E3 Initiative collaboration and E3 Projects; and to consider possibilities for providing contractor support under existing, available, directly related programs for the development and maintenance of resources useful for the E3 Initiative and E3 Projects.

All Parties expressly acknowledge that participation in the activities contemplated under this MOU shall be subject to the availability of appropriated funds and personnel or the approval of other sources of funding.

#### **IV. LOCAL E3 PROJECTS**

As E3 is intended to be locally driven, the resources for an E3 Project are to be provided by the entities collaborating, such as local authorities, utilities, TAPs and/or others, likely drawing upon resources already provided or supported by the Parties. The groups partnering locally are expected to state their intentions in a Charter that outlines the anticipated roles of all partners in the local E3 Project including any intention to commit direct funding, in-kind resources and other resources during the duration of the E3 Project, and that describes how the E3 Project is to be managed. These entities are expected then to collaborate to identify and contact SMEs and to arrange for on-site E3 assessments, assistance and follow-up implementation activities through TAPs such as MEP centers, IACs, state P2 programs and SBDCs.

#### **V. METRICS AND TARGETS**

The Parties intend, with input from the ICG, to develop promptly and then improve over time E3 Initiative metrics and annual targets related to the Parties' goals and to work collaboratively to seek continuous improvement of the E3 Initiative and its performance over time.

#### **VI. AUTHORITIES**

The Parties expect to use the following authorities to implement this MOU:

**Department of Commerce** Title 15, Commerce and Trade, Chapter 7, National Institute of Standards and Technology, Section 272(b)(1); Section 273; Section 278k-Regional Centers for the Transfer of Manufacturing Technology (15 U.S.C. §§ 272(b)(1), 273, 278k);

**Department of Energy** Section 106 of the Energy Policy Act of 2005 (Pub. L. 109-58, 42 U.S.C. § 15811); in addition, DOE enters into this MOU under the authority of section 646 of the Department of Energy Organization Act (Pub. L. 95-91, as amended; 42 U.S.C. § 7256);

**Department of Labor** Department of Labor enters into this Agreement under the authority of 29 U.S.C. § 551, which established the Department for the purpose of fostering, promoting, and developing the welfare of the wage earners of the United States, to improve their working conditions, and to advance their opportunities for profitable employment;

**Environmental Protection Agency** Section 6604 (b) of the Pollution Prevention Act (42 U.S.C. § 13103(b));

**Small Business Administration** Title 15, Commerce and Trade, Chapter 14A, Aid to Small Business, Sec. 648, Small Business Development Center program authorization (15 U.S.C. § 648) and Sec. 8(b)(1)(A), Technical, managerial and informational aids to small business (15 U.S.C. § 637(b)(1)(A)).

## **VII. DISPUTE RESOLUTION**

Each Party resolves in good faith to act to implement this MOU and to further the purpose and goals of this MOU, subject to the legal and fiscal limitations of each Party. In the event of any disagreement arising between Parties, the Parties intend to use their best efforts to negotiate a resolution in good faith. If the disagreement cannot be resolved at the operating level, the Parties resolve to document the disagreement in writing and seek assistance from the E3WG and then, as needed, from appropriate higher officials of the affected Parties.

## **VIII. LIMITATIONS**

Nothing in this MOU is to be construed as indicating a financial commitment by signatory agencies or any state agency for the expenditure of funds except as authorized in specific appropriations. Neither the E3WG nor the ICG is a legal entity with powers to enter into contracts, incur liabilities, own or create intellectual property, or otherwise make legally binding commitments of the funds or other assets of the Parties.

Nothing in this MOU shall be interpreted as limiting, superseding or otherwise affecting the Parties' normal operations or decisions in carrying out their statutory or regulatory duties. This MOU does not limit or restrict the Parties from participating in similar activities or arrangements with other entities.

As required by certain provisions in the Antideficiency Act (31 U.S.C. 1341-42) all commitments made by the Parties in this MOU are subject to the availability of appropriated funds and budget priorities. Nothing in this MOU, in and of itself, obligates the Parties to expend appropriations or to enter into any contract, assistance agreement, interagency agreement, or incur other financial obligations. Any transaction involving transfers of funds between the Parties to this MOU will be handled in accordance with applicable laws, regulations, and procedures under separate written agreements.

This MOU does not, and is not intended to, impose any legally binding requirements on federal agencies, states or the regulated public. This MOU does not constitute final agency action on any issue. Any actions contemplated by this MOU are to be carried out in an appropriate administrative process by the action agency in accordance with all applicable laws and regulations. This MOU does not create any right or benefit, substantive or procedural, enforceable by law or equity, by persons who are not Party to this agreement, against the Parties, their officers or employees, or any other person. This MOU does not direct or apply to any person outside of the Parties.


## **IX. COMMENCEMENT/ DURATION/ MODIFICATION/ TERMINATION**

This MOU is to take effect upon the last signature date of the Parties, and shall remain in effect for a period of three years. This MOU may be extended or modified, at any time while it is in effect per the mutual written agreement of the Parties. Additionally, a Party may terminate its participation in this MOU at any time by providing written notice to the other Parties at least twenty-one days in advance of the desired termination date.



Signed,

Patrick Gallagher, Director  
National Institute of Standards and Technology,  
U.S. Department of Commerce

 (date) 9/25/10

Kathleen Hogan, Deputy Assistant Secretary  
Office of Energy Efficiency and Renewable Energy  
U.S. Department of Energy

 (date) 9/7/10


Jane Oates, Assistant Secretary  
Employment and Training Administration  
U.S. Department of Labor

 (date) 9-7-10

James J. Jones, Deputy Assistant Administrator  
Office of Chemical Safety and Pollution Prevention  
U.S. Environmental Protection Agency

 (date) 9/2/10

Antonio Doss, Associate Administrator  
Office of Small Business Development Centers  
U.S. Small Business Administration

 (date) 9/16/10

## PRIMARY CONTACTS

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