

MEMORANDUM OF AGREEMENT
AMONG BATTELLE ENERGY ALLIANCE, LLC, IDAHO STATE UNIVERSITY, BOISE STATE UNIVERSITY AND UNIVERSITY OF IDAHO

To Establish “The Center for Advanced Energy Studies”

This Agreement is entered into by and among Battelle Energy Alliance, LLC, Idaho State University, Boise State University and the University of Idaho.

RECITALS

WHEREAS, the parties wish to establish a world class advanced energy center to address from a scientific perspective problems that are critical to the Nation, which center is hereafter referred to as The Center for Advanced Energy Studies (“CAES” or “the Center”), with these charter members: Idaho State University, Boise State University, the University of Idaho and Battelle Energy Alliance, LLC, which operates the Idaho National Laboratory for the Department of Energy (hereafter referred to as “INL”), with all the heretofore named entities hereafter referred to as “The CAES Members;” and

WHEREAS, the mission of CAES (hereafter referred to as the “CAES Mission”) is to become a world class, advanced energy organization with an emphasis on nuclear energy—recognized for contributions to advanced energy education, research, policy studies and training; and

WHEREAS, a secure and affordable energy supply is essential for achieving U.S. national security, in continuing U.S. prosperity, and to lay the foundations to enable future economic growth; and

WHEREAS, advanced nuclear energy provides the potential to meet a significant fraction of the growing U.S. electricity demand, give methods to economically produce hydrogen to be used to enrich heavy crude oils, and in the longer term, fuel the Hydrogen Economy; and

WHEREAS, nuclear power also offers technologies to address global energy needs to achieve sustainable development with increasing global population and to globally address critical environmental and energy-water needs; and

WHEREAS, U.S. participation and leadership in these science and technology areas is critical to ensure national security and economic health, and for growing U.S. industry through providing high-value, advanced nuclear technologies that are proliferation resistant; and

WHEREAS, the Center will address areas that are critical to U.S. energy security and leadership in the global energy arena;

NOW, THEREFORE, The CAES Members mutually desire, subject to final approval of their respective governing boards or entities, to establish CAES, initially

under the aegis of Battelle Energy Alliance, LLC, as an appropriately constituted business relationship agreed to by The CAES Membership for the purpose of accomplishing the CAES Mission, and to establish the necessary administrative procedures, in accordance with the articles set forth below, to ensure the long-term success of CAES.

Article 1 Purpose

The goal of The CAES Membership is to develop the means to strengthen and support science-related research with The CAES Membership and to develop CAES as a national research and education center, consistent with the CAES Mission and with the missions of the member entities of The CAES Membership.

As part of the objective to foster a nationally respected reputation for CAES, The CAES Membership will ensure that other academic institutions are invited to participate as appropriate in CAES programs and initiatives.

In support of the CAES Mission and with CAES serving as collaborator and facilitator, The CAES Members will cooperate by sharing access, as appropriate, to their scientific facility resources. Thereby, through CAES, researchers within The CAES Membership and other institutions participating in CAES may access state-of-the-art facilities and intellectual community interactions that may otherwise be unavailable to them.

Article 2 Organization

It is the intent of The CAES Membership to initially establish CAES under the aegis of BEA in order for CAES to be built on a firm foundation, in a cost effective manner. It is the intent of The CAES Membership to examine the possibility of establishing CAES as a separate, independent entity, and The CAES Members will determine when it is appropriate to initiate the appropriate procedures to accomplish that goal.

CAES will be managed by a Director who will be hired by BEA and will be a BEA employee so long as CAES is operated under the aegis of BEA. The Director will report to, among others, the CAES Steering Committee (as defined in Article 3).

The Director and the CAES Steering Committee may jointly form *ad hoc* advisory committees as needed for scientific advice and assistance. The selection and duties of the CAES Steering Committee and the Director are defined in Articles 3 and 4, respectively.

Article 3 CAES Steering Committee

The CAES Steering Committee shall consist of one representative from each CAES Member. The Steering Committee will provide policy oversight and scientific direction for the operation of CAES. It will also provide ongoing oversight of the development of the initial CAES facility to be located on the University Place Campus. The CAES Steering Committee will be chaired by the INL Chief Research Officer, or his/her

designee. The Director shall serve as an *ex officio* nonvoting member of the CAES Steering Committee.

The Steering Committee will establish or approve such policies, procedures and guidelines as are necessary for the conduct of CAES operations and Steering Committee activities, acknowledging that such policies, procedures and guidelines shall be subject to The CAES Members' contracts with the U. S. Department of Energy, other research sponsors and to any statutory or regulatory requirements.

Article 4 CAES Director

It is envisioned that CAES will be managed by a Director who will be hired by BEA and will be employed by BEA for so long as CAES is operated under the aegis of BEA. The Director will be hired in consultation with the other CAES members. The Director shall manage the operations and activities of CAES according to the policies and procedures established by the CAES Steering Committee, or recommended by the Director and approved by the CAES Steering Committee.

The Director is responsible for the activities, management and operation of all aspects of CAES. The Director shall present an annual budget and an annual report to the CAES Steering Committee.

Article 5 Responsibilities of the CAES Membership

The responsibility to work actively towards fulfilling the CAES Mission and to cooperate with or on behalf of CAES rests with The CAES Membership. Such responsibilities shall include, but shall not be limited to, the following activities:

- Seek opportunities for collaboration on research projects that require the use of CAES Membership resources;
- Participate in educational and research activities designed to accomplish the CAES Mission;
- Share research and education resources as appropriate;
- Lead and participate in CAES efforts to secure funding in support of CAES activities;
- Provide space, working with BEA/INL, as appropriate and to the extent available, for CAES staff, equipment and visitors;
- Explore and examine possible future funding mechanisms.

Article 6
Infrastructure Support

It is intended that BEA will initially be the fiscal agent for CAES, receiving and distributing funds for the operation of CAES. It is intended that CAES will, at a later date, occupy office space in a facility built on land contributed by the State of Idaho, in a building constructed with State of Idaho funds and owned by Idaho State University, the specific form of ownership to be determined. It is expected that the State of Idaho or Idaho State University will act as the facilities agent for space made available in this facility, on such terms as will hereafter be established. No CAES activities will be undertaken in the facility that are inconsistent with the laws or missions applicable to DOE.

Article 7
Term and Approval

This Memorandum of Agreement does not create legal rights or obligations, impose legal obligations on any party hereto, or confer legal rights on any party hereto or any third party. To the extent any of the clauses and provisions of this MOA conflict with the terms of BEA's Contract No. DE-AC07-05-ID14517 with DOE the terms of such Contract will prevail.

The parties intend to use best efforts to cooperate and to support the activities of CAES and fulfill their responsibilities set forth in Article 5.

It is the intent of The CAES Membership that this be a continuing joint effort for the benefit of all parties. However, any party may withdraw from this Memorandum of Agreement by providing written notice to the CAES Director not later than March 1 of the year in which withdrawal is intended. The CAES Membership will explore a funding mechanism for CAES, such as appropriate Member payments, grants or other sources. Withdrawal shall terminate that Member's obligations under this Agreement as of August 31 of the year of withdrawal, but shall not be a basis for return of any portion of the Member's payments under any agreed upon funding provision.

The Memorandum of Agreement and any modifications thereto shall be subject to the approval of the duly authorized representatives of The CAES Membership. In consideration of the provisions and mutual promises herein contained, the parties have caused to be affixed hereto their duly authorized signatures as of the dates indicated. This Memorandum of Agreement may be executed in several counterparts, each of which shall be an original, and all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the Parties hereto have signed this Agreement.

BATTELLE ENERGY ALLIANCE, LLC

By: 

Date: 25 January 2006

IDAHO STATE UNIVERSITY

By: 

Date: 12-20-05

BOISE STATE UNIVERSITY

By: 

Date: 1/6/06

UNIVERSITY OF IDAHO

By: 

Date: 1.17.06