

## **Navy-Sempra Mesquite Ribbon Cutting October 14, 2016**

Thomas Edison once famously said, “There is always a way to do something better. Find it!” And through mutually beneficial partnerships, innovation and creativity, we did.

As one of four power marketing administrations under the Department of Energy, we at the Western Area Power Administration are laser-focused on maintaining our goal of being effective stewards of the nation’s energy assets.

In addition to marketing and delivering low cost federal hydropower across the West, WAPA provides energy services like purchasing power for our customers, including organizations like the Navy, to help them meet energy needs. We also support the Department of Energy, ensuring America’s security and prosperity by addressing energy and environmental challenges through transformative science and technology solutions.

Our long-standing partnership with the U.S. Navy is a perfect example of our mission dedication. Together, we strengthen coordination efforts to enhance national energy security and demonstrate Federal government leadership as our nation transitions to a low carbon economy.

Today, we celebrate the culmination of that partnership, of innovation and technology, and a better way of doing business.

It was not guaranteed smooth sailing. We first entered into an Interagency Agreement with the Navy in February 2001, making it

possible for WAPA, under the Economy Act, to provide assistance to other Federal agencies. In December of 2012, the interagency agreement automatically renewed for another five years, but it was in September 2014, that the Navy floated the idea of off-base renewable energy generation and we issued a request for proposal on their behalf. After months of negotiations, WAPA selected the Sempra U.S. Gas & Power Mesquite Solar 3 project to be constructed in Arizona. And on August 20, 2015, WAPA together with the Department of the Navy and Sempra Gas & Power celebrated the purchase power agreement at a signing ceremony hosted at the Naval Base Coronado in San Diego, CA.

All parties stand to benefit. The power purchase agreement WAPA's Desert Southwest Region facilitated helps increase the Navy's energy security by providing long-term cost stability and resource diversification, covering both their energy needs and renewable requirements for the next 25 years and makes significant progress towards the Department of the Navy's One Gigawatt renewable goal. Sempra has long term partners in the Navy and WAPA to purchase output from the Mesquite Solar 3 project. WAPA cements its pre-existing relationship as the Navy's power purchasing agent. And the nation sees increased renewable energy dispatched to the grid, helping the environment.

Such an accomplishment would not have been possible without our dedicated staff and all of our partners throughout the entire process. This includes Shell Energy, who as the Department of Navy's Energy Service Provider provides regulatory compliance for the Navy's load in California and worked with us on options to allow the Navy to use renewable and capacity attributes of the project.



Together, we leveraged our unique relationships across the government and within the utility industry to part the waves of procurement and launch a new model for collaboration. Together we navigated the seas of a changing energy industry to create a better way that supports the President's Climate Action Plan, and our nation's renewable energy goals.

This partnership, this better way of doing business, carries our objectives into the future and meets the nation's renewable energy goals, making it possible for us to power the energy frontier.

