

NAWIG NEWS

THE QUARTERLY NEWSLETTER OF THE
NATIVE AMERICAN WIND INTEREST GROUP

FALL 2009

As part of its Native American outreach, DOE's Wind Powering America program has initiated a quarterly NAWIG newsletter to present Native American wind information, including projects, interviews with pioneers, issues, WPA activities, and related events. It is our hope that this newsletter will both inform and elicit comments and input on wind development in Indian Country.

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Campo Band to Develop 160-MW Wind Project on Tribal Land

A slumping casino. A high unemployment rate. Limited economic opportunities. Like most people in the United States, the Campo Band of Mission Indians of the Kumeyaay Nation feels the pain of today's economic difficulties.

On June 11, 2009, the 340-member Southern California tribe took an initial step to help ease that pain by signing a Memorandum of Understanding for the development of a new 160-MW wind project on their land.

According to Monique La Chappa, chairwoman of the Campo Band, the tribe will partner with Invenergy LLC and San Diego Gas and Electric on the \$300 million project.

The tribe will invest approximately \$60 million to own 20% of the 100-turbine facility. Expected to be complete in 2012, the investment will make the Campo Band one of the first tribes in the nation to own a portion of the wind farm on their land, La Chappa said.

The Campo Band of Mission Indians of the Kumeyaay Nation are developing a new 160-MW wind project on their land, an addition to a 50-MW facility that came online in 2005.

Invenergy will also help the tribe to construct two turbines to power the Campo Band's Golden Acorn Casino and Travel Center.

The project will be the second for the tribe and a chance to bring in additional revenue to make up for the recent decrease in returns from the casino. The Campo Band, whose unemployment rate is approximately 70%, has seen a significant drop in the number of visitors to the 8-year-old Golden Acorn Casino since the national economic slowdown began.

The additional revenue from the wind farm will consist of land-lease payments for the turbines and employment of an estimated 150 workers during construction. Once the project is operational, an additional 25 maintenance workers will be employed for the life of the facility. A majority of the workers for construction and maintenance will be from the Campo Band. The tribe will receive other money from owning a portion of the project.

According to La Chappa, revenue and employment are not the only benefits for the tribe. She said the Campo Band wants to set up an educational program with the goal of training people to work on wind turbines.



Campo Band of Mission Indians of the Kumeyaay Nation/PX16550

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“In the process, we’re looking at providing a turbine training course. We want to develop a program with one of the local community colleges for both the tribe and the public,” La Chappa said.

The Campo Band’s first project, a 50-MW facility that opened in 2005, brought the tribe approximately \$350,000 each year in land-lease payments. Although only two tribal members currently work at that facility, the project has provided other economic impacts. The revenue from the facility has been used to fund numerous social services, including education programs and a 24-hour fire department.

La Chappa said full ownership of both projects will transfer to the tribe 25 years after initial operations commence. At that point, the tribe will be able to sell the energy from the wind farms directly to the local utilities.

Currently, anemometer towers are being erected to determine the best locations for the new turbines.

The revenue from the project will be used to create better housing for the Campo Band members. In addition, it will allow the Campo Band to offer affordable health care and more educational opportunities for the tribe and help create a more efficient government.

While the money accumulated through land-lease payments will grow with the new project, La Chappa believes that there is room for improvement in the taxation process. Though the existing facility is on tribal land, tribal

members currently do not receive any money from property tax payments paid by the developers.

“It’s been difficult for us because of the taxation issues that the tribe has,” she said.

According to La Chappa, the county collects money from property tax payments on the wind farm and the tribe does not.

She also said that while legislation on the taxation issue is presently being discussed, she feels that the current laws do not represent the tribe’s needs.

“I get frustrated about how laws are made that do not benefit the tribe directly,” she said. “It’s on our land. It’s something that we did. I say it should go back to the people.”

Bob Gough, secretary of the Intertribal Council on Utility Policy, said that this is a common problem in regards to wind projects on Native American soil. While tribal economic development entities may want to collect taxes on turbines that are located on their reservation, the double taxation would become an issue for developers, he said.

La Chappa shares this belief and feels that if the tribe were to include an additional tax with any project, it would be a “deal breaker” and the project would never come to fruition.

The Campo Band was selected under a recent competitive process to receive a requested \$1,255,574 in DOE funding for the pre-construction activities for the planned 160-MW wind farm.

Cheyenne River Sioux Tribe Planning Wind Project

Members of a South Dakota tribe are taking the first steps toward developing a wind farm on their reservation, a portion of which they will own.

In March 2009, the Cheyenne River Sioux Tribe announced a partnership with Citizens Energy Corporation, a non-profit organization based in Boston. The shared goal of the two entities is to develop a 100- to 125-MW wind farm on the tribe’s 2.4-million-acre reservation. The tribe will have 20% ownership of the facility from the beginning.

The \$400 million project is expected to provide work for an estimated 100 to 150 individuals during peak construction. An additional 20 to 30 workers would be hired for operations and maintenance positions once the project is complete.

According to Eileen Briggs, president of the board of directors for the tribally owned Ta-tè Topa (Four Winds) Energy Corporation, tribal members understand that every job won’t be filled by tribal members.

“With regards to job creation, we clearly understand that this is a new industry with many local jobs during the



Cheyenne River Sioux Tribe/PK16573

Eileen Briggs, president of the board of directors for the Ta-tè Topa (Four Winds) Energy Corporation, wants the Cheyenne River Sioux to go beyond land leases and grow to ownership.

construction phase. We also understand that some of the jobs are technical, and we know that we can’t do those, but we expect to do some,” Briggs said.



Cheyenne River Sioux Tribe/PX16460

The Cheyenne River Sioux Tribe plan to develop a 100- to 125-MW wind farm on the 2.4-million-acre reservation, located west of the Missouri River in central South Dakota. Current economic opportunities for the tribe include agricultural work, employment in the tribal government or the Bureau of Indian Affairs, or leasing land to ranchers for grazing cattle and buffalo.

Although the tribe has approximately 14,000 members, about 8,000 live on the reservation. With an average yearly income of \$8,000 to \$12,000 and an unemployment rate estimated to be between 40% and 60%, Briggs believes the jobs will make a difference.

“We imagine that one job supports a family of seven on our reservation, so these jobs matter. We don’t have many (economic) opportunities, and these are opportunities that didn’t exist before,” Briggs said.

The economic opportunities that currently exist for tribal members on the reservation include leasing grazing land for cattle and buffalo, being employed by the tribal government or the Bureau of Indian Affairs, or working in agriculture.

Additional revenue will come from land lease payments on the project, but Briggs hopes that in the future the tribe will own projects outright and collect all the revenues associated with them.

“We want to go beyond land leases and be able to grow to ownership. We know we might not be able to with this project, but it’s an opportunity for our people,” Briggs said.

For the past 10 years, the tribe has collected wind data on the reservation (Wind Powering America provided an anemometer loan and technical support beginning in 2003).

“We have a good wind. With our met (anemometer) towers, we’ve found that our winds are between Class 3 and Class 5.”

To support the development of the reservation’s wind resources, the tribe established Ta-tè Topa (Four Winds) Energy Corporation in December 2008.

“We’ve had successful experiences with tribal corporations through the years. By forming Four Winds, we now have the mechanism to operate, move, and drive wind projects forward with our tribe,” Briggs said.

Briggs said that the relationship between Four Winds and the leadership council of the tribe has been a positive one with a level of transparency and openness that will continue through the development of this project and into the future. There are no plans to expand the corporation and develop projects on other reservations.

Though the project will bring much-needed revenue to the tribe, Briggs hopes that policies and legislation regarding the Production Tax Credit (PTC) will evolve to the point of allowing tribal entities to utilize them.

“One issue that needs to be addressed is to make investment and production tax credits tradable for tribal projects,” Briggs said.

Native American tribes are currently ineligible to use the 2.1-cents-per-kilowatt-hour tax credit like other non-tribal entities, making it difficult to attract private financing.

“The challenge is that as tax-exempt entities, tribes have very limited ability to properly utilize current tax-based credits and other financial incentives for renewables – the primary drivers for renewables in the United States. By making these tax credits tradable, it would allow tribes to trade these tax credits with their partners and attract investment,” Briggs said.

NAWIG Events 2009 Calendar

October 11 – 16, 2009

66th Annual Convention of the National Congress of American Indians — Palm Springs, CA

October 22 – 24, 2009

Federation of Natives Annual Convention – Anchorage, AK
<http://www.nativefederation.org/convention/index.php>

November 3 – 5, 2009

Council of Energy Resource Tribes (CERT) 2009 Indian Energy Solutions & American Spirit Award Dinner — Tulsa, OK

November 16-19, 2009

Tribal Energy Program Review — Denver, CO
http://apps1.eere.energy.gov/tribalenergy/upcoming_events.cfm#review

November 30 – December 3, 2009

19th Annual BIA Tribal Service Providers Conference, “Building Partnerships for Change” — Anchorage, AK

December 7 – 8, 2009

PIER Conference: Renewable Energy Projects in Indian Country Conference — Palm Springs, CA

December 7 – 8, 2009

Law Seminars: Annual Energy in Alaska Conference – Anchorage, AK

Useful Links

U.S. DOE Wind and Hydropower Technologies Program

• <http://windandhydro.energy.gov>

Wind Powering America • www.windpoweringamerica.gov

U.S. Department of Energy Tribal Energy Program

• www.eere.energy.gov/tribalenergy

American Wind Energy Association • www.awea.org

National Wind Coordinating Committee • www.nationalwind.org

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For more information contact:
 EERE Information Center
 1-877-EERE-INF (1-877-337-3463)
www.eere.energy.gov



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