

# *POWER TRANSMISSION*



## CAPACITY & CONNECTION

# *INTRODUCTIONS*



- Jess Sixkiller
  - Cherokee
  - Own/Manage Native First Capital Markets Gr.
  - Board Member, Gila River Indian Community Utility Authority
  - NWF Nominee for National Board of Directors
- Who are you?

# *PRESENTATION GOALS*



- Electrical Power GRID
  - Development
  - Status
- Distribution
- Impact on Tribes
- Tribal Issues
- Options

# *TRANSMISSION & DISTRIBUTION*



- System's four major components
  - Generation - Creates Power
    - Utility owned
    - Federally owned (mostly hydro generation plants)
  - Transmission – Moving Power to Communities
    - Federally owned
  - Distribution – Moving it to Businesses/Homes
    - Utility owned
  - End users – You & Millions of Users

# *TRANSMISSION GRID*



5/8/2008

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# *NEW ROUTES FOR OIL TRANSMISSION LINES*



# *PRIOR TO POWER GRID*



- 1880s to 1899 Congress enacted specific statute for each Right of Way (ROW)
- 1889 Congress enacted categorical ROWs
- 1948 General Right of Way Act re: (Indian Right of Way Act)
- 1951 DOI unified procedures/applications
  - Requiring prior tribal council consent

# *TRANSMISSION & DISTRIBUTION*



- Approximately 60 years ago
  - Utility owned GRID & Distribution established
  - Recognized political entities were at the table
  - No tribes were invited
- System's reliability is now falling short
  - Upgrades are needed
  - GRID - One piece of the whole system

# *POWER GENERATION*



- 4,000 Billion Kwh
  - 52% Coal Fired Generation
  - 21% Nuclear
  - 16% Natural Gas
  - 7% Oil
  - 2% Geothermal
  - 1% Other

# *TRANSMISSION*



- GRID Lock
  - Not in my backyard
  - Right of Ways issues
  - Cost
  - Who pays

# *HOW POWER IS MEASURED*



- Kilowatthours – How your billed
  - Approx 1200 – 1500 kWh p/mo p/household
- Megawatthours – How utilities buy it
  - 1 MWH = 1,000 kWh
- Power demand
  - Growing @ 3% + annually
  - 35% growth next 10 years

# *Utility Authorities & Electrical Coops*



- Manage and operate power in a service area
  - Most state regulated
  - Propose rates
- BIA has operated utility authorities
- Five Tribes own their utilities
  - Deliver electricity/gas/water
- Market forces dictate pricing regardless of who owns them.

# *TRIBAL ISSUES*



- Cost going up
  - Members can't afford it now
  - Demand going up
  - Tribes want development
  - Utilities may/may not want to service tribe
  - May need ROW for current lines
  - New ROWs need land owners approval
  - Other

# *WHAT ARE THE OPTIONS?*



- Assessment
  - What is current demand?
  - Who are the users?
  - Is it reliable?
  - What is future demand?
  - Where/What type of growth will there be?
  - Other?

# *WHAT ARE THE OPTIONS?*



- Economies of Scale
  - Demand supports creating a utility
  - Demand supports negotiating rate reduction
  - Create energy saving program
  - Change operating hours
  - Other

# *WHAT ARE THE OPTIONS?*



- Creating a utility
  - Council Establishes
    - Mission
    - Plan
    - Goals
    - Tasks

# *WHAT ARE THE OPTIONS?*



- Appoint/Assign persons to follow-up
  - Members
    - Industry/Business experience
  - Authority to act
    - Plan of Operations
  - Budget
  - Accountability

# *IN CLOSING*



- Each situation is different
- Expand your thinking
- Don't be afraid to act
- “If it is worth doing, it doesn't have to be done right the first time!”