



# ENERGY

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Tribal energy resources are vast, largely untapped, and critical to America's efforts to achieve energy security and independence, reduce greenhouse gases, and promote economic development. Energy infrastructure is also integral to many Tribes' efforts to create jobs, infrastructure, and improve lives of their citizens. The Department of the Interior estimates that undeveloped traditional energy reserves on Indian lands could generate up to \$1 trillion for Tribes and surrounding communities, most of which are located in rural areas.

Even with this substantial potential, there are very few commercial-scale energy projects operating in Indian Country. Tribes boast nearly a quarter of the nation's on-shore oil and gas reserves and developable resources and one-third of the nation's western low-sulfur coal. Nevertheless, Indian tribes and communities face not only many of the same challenges in developing their energy resources and infrastructure that state and local governments and non-Indian communities face but also additional challenges—including special laws, regulations, and policies that are completely unique to Indian Country and often to a specific tribe, as well as grossly inadequate physical infrastructure, limited access to capital, and high workforce training and development needs.

Investing in and empowering tribes are proven to have strong returns and results not only for tribes, but also for rural communities. In the last 7 years the Department of Energy has deployed 43 energy programs in Indian Country valued at over \$70 million. This investment is already paying significant dividends. For every \$1 invested by DOE, tribes have seen a savings of \$7.22 for a total of over \$500 million in savings, equivalent to creating 13,700 jobs. Further, these projects have reduced the demand on diesel fuel in rural areas, saving rural households \$240 each. Over 2,500 tribal buildings and 29,000 Tribal citizens have seen their electric bills reduced by 58 percent. There is also a great demand for funding for energy programs that service Indian Country, particularly in areas where the cost of energy is 275 percent or higher than the national average.

In addition, tribes need access to the capacity and technical assistance necessary to advance the 150-plus energy projects that they are currently moving into the development, financing, and construction stages.

Only a few nationwide tribal examples exist to extrapolate successful renewable energy development models, and a report produced by the National Renewable Energy Lab (NREL DOE) provides tribes with basic information regarding the development potential for renewable energy—biomass, geothermal, hydroelectric, solar, and wind—on tribal lands. It provides detailed renewable energy potential information by tribal territory and resources throughout the United States in order to help tribes identify areas where development may be an option, and where tribal or private investment in renewable energy may assist in achieving a tribe’s economic development, energy savings, or self-sufficiency goals. Overall, analysis shows that the technical potential on tribal lands is about six percent of the total national technical generation potential.<sup>120</sup>

This FY 2018 budget request identifies authorized but unfunded energy programs which would provide innovative, important new tools to spur new investment in tribal energy development and meet critical analysis and planning, capacity building, and resource management needs. Further development of tribal energy would contribute significantly to national energy security, clean energy development to reduce greenhouse gas emissions; as well as tribal economic development and job creation.

NCAI is advocating that the Department of Energy’s (DOE) FY 2018 budget for programs and financial assistance for Indian energy:

1. Is consolidated and managed by the Office of Indian Energy, as authorized in the Energy Policy Act;
2. Is requested at the authorized level of \$20 million, including financial (grant) assistance, or at least at the levels prior to sequestration; and
3. Also includes additional funding of \$10 million of program costs to begin establishing the necessary regulations, framework, and other administrative support for the tribal loan guarantee program to be managed by the Office of Indian Energy and administratively supported by the DOE Loan Program Office.

## Key Recommendations

### DEPARTMENT OF ENERGY

#### Energy and Water Development Appropriations Bill

#### Office of Indian Energy Policy and Programs (IE), Tribal Loan Guarantee Program

- *Provide \$30 million for DOE Office of Indian Energy (IE) programs, with \$10 million for program startup costs to be managed by the Office of Indian Energy and \$20 million for loan guarantee funding.*

Since January 2011, the Office of Energy, Indian Policy and Programs (IE) has established new programs and aligned efforts across DOE in close consultation with tribes and in response to priorities identified by tribes and the new DOE Indian Energy Working Group.

## DEPARTMENT OF ENERGY

### Energy and Water Development Appropriations Bill

#### Office of Indian Energy Policy and Programs (IE)

- *Provide \$2 billion loan authorization together with \$2 million in administrative funding to establish a Tribal Loan Guarantee Program.*

The Energy Policy Act of 2005 (Section 2602(c)) authorized DOE to establish a Tribal Loan Guarantee Program and to create related loan guarantee regulations. The regulations necessary to operate the program have yet to be issued; and the program has not yet been funded.

## DEPARTMENT OF THE INTERIOR

### Interior - Environment Appropriations Bill

#### Minerals and Mining - Office of Indian Energy and Economic Development (OIEED)

- *Provide \$5 million to OIEED for assisting tribes with energy capacity building through development grants.*

The Energy Policy Act of 2005 authorizes the Secretary of the Interior to provide assistance to tribes for use in developing and sustaining the managerial and technical capacity needed to develop energy resources on Indian land, and to properly account for resulting energy production and revenues. To achieve this goal and in light of tribes taking action to implement regulations under the requirements of the HEARTH Act, OIEED should be provided \$5 million with grant capability to provide this assistance to tribes.

## DEPARTMENT OF HEALTH AND HUMAN SERVICES

### Labor, HHS, Education Appropriations Bill

#### Low-Income Home Energy Assistance Program (LIHEAP)

- *Provide \$4.7 billion for LIHEAP, with \$51 million allocated to tribes and tribal organizations.*

The LIHEAP is intended to assure that low-income families will not be forced to choose between food and heat. With high unemployment and long-standing barriers to economic development, much of Indian Country cannot afford the rising costs of heat and power. Alaska Native villages are experiencing some of the highest costs for energy with fuel prices recently reaching over \$7 per gallon. In FY 2016, LIHEAP was appropriated \$3.37 billion total, with \$36.88 million allocated to tribes and tribal organizations. This funding is well below the FY 2011 levels of \$4.7 billion, with \$51 million to tribes. Full funding is crucial to address the extreme need for heating assistance in Indian Country. Accordingly, funding for FY 2018 should be \$51 million for tribes.