



Ho-Chunk, Inc., located on the Winnebago Reservation in Nebraska, has installed solar systems, replacing 40 percent of their facilities' energy use, along with residential wind turbines for homes throughout the Ho-Chunk Village.

Energy

Collectively, tribal lands contain vast amounts of natural resources, including gold, copper, uranium ore, coal, natural gas, oil, geothermal energy, and oil shale. However, doing business on or near tribal lands presents many unique issues and challenges. Mineral interests in tribal lands are generally held in trust by the United States government for a particular tribe. Laws and regulations require tribal consultation in numerous instances if development or disturbances occur on federal lands and affect tribal interests. Therefore, mining and mineral transactions on or near tribal lands often require coordination and negotiation between the developer, the tribal government, and the federal government via the US Department of the Interior, the Bureau of Indian Affairs, and other relevant federal agencies. Additionally, transactions on or near tribal lands often present sovereignty issues, tribal taxation issues, and tribal employment rights issues. Although several tribes already have sufficient expertise to oversee mining and oil and gas production on their lands, most remain reliant on the federal government for a range of support. Despite recent legislation offering tribes greater decision-making authority over natural resources, barriers to tribal economic development – including minerals development – remain formidable.

To understand the need for a focus on tribal energy, it is helpful to focus on the capacity of tribal energy. A recently released updated analysis from Department of Energy (DOE) estimates that tribal lands contain substantial generating capacity potential from renewable resources with over 6.6 million megawatts (MW) of tribal capacity potential, or over 16 billion megawatt-hours (MWh) of estimated potential, from solar, wind, biomass, geothermal, and small/low power hydro technologies. Although tribal lands contain a vast amount of the nation's conventional and renewable energy resources, tribal governments face an array of challenges in the development of these resources. Further development of tribal energy would contribute significantly to national energy independence, clean energy, economic development, and job creation. On the renewable energy front, tribal wind could provide 14 percent of the nation's electric needs and tribal solar could supply twice the nation's demand for electricity.

Despite this substantial potential, only one commercial-scale renewable energy project operates in Indian Country. Similarly, in the conventional energy arena, 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. Yet, total existing tribal energy production represents less than five percent of current national production.

Tribal oil and gas production has increased in the last few years, but development is stunted due to bureaucratic and financial barriers. For example, oil and gas producers must pay a \$6,500 application fee for a permit to drill on tribal lands, while in some states these permits cost as little as \$25. Both the Senate and the House brought forth legislation in the 112th Congress that would remove some of these obstacles and provide low-cost and no-cost solutions to tribally-driven energy development.

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. Through Recovery Act funding of the Energy Efficiency Conservation Block Grant (EECBG) program, many tribes were able to establish – for the first time – the capacity to consider energy and energy efficiency projects. The Department of the Interior (DOI) and DOE are well positioned to provide these services and the support that tribal nations need. DOE's new Office of Indian Energy Policy and Programs (IE) is beginning to mobilize the Department's current network of technical assistance personnel to provide to tribes the service that the Department has provided to states for decades. IE has also initiated a demonstration project to channel DOE's technical assistance to help grow the number of commercial-scale tribal renewable energy projects from one to five. These are building blocks necessary to provide tribes with equal opportunities to effectively access their energy resources.

DEPARTMENT OF ENERGY

Energy and Water Development Appropriations Bill

Office of Indian Energy Policy and Programs

- Provide \$20 million for DOE Office of Indian Energy programs.

Since January 2011, the Office of Indian Energy Policy and Programs (IE) has established new programs and aligned efforts across DOE in close consultation with tribal nations and in response to priorities identified by tribes and the new DOE Indian Energy Working Group. New programs to identify and address the technical and capacity hurdles that tribes experience range from transmission interconnection analysis and assistance to training programs for tribes on the complexities of developing and financing energy projects. By providing the maximum statutory amount under the Energy Policy Act (\$20 million) and clarifying that all DOE tribal energy programs and grant programs be coordinated and managed by IE in line with this authority, tribes will have increased and better coordinated implementation of DOE programs and funding for technical and financial assistance, energy efficiency for homes, solar panels for tribal government buildings, and increased transmission studies and electrification efforts. Full funding would also serve to address the most significant tribal needs that might not be met by other federal programs (such as EECBG) due to federal budget cuts. Through IE, tribes have access to key programs that empower tribes to stabilize energy costs, enhance energy security, strengthen tribal energy infrastructure, and promote tribal self-determination.

DEPARTMENT OF ENERGY

Energy and Water Development Appropriations Bill

Office of Indian Energy Policy and Programs

- 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 tribal lands, 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 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)

- Maintain full funding levels for LIHEAP (\$4.5 billion) with \$51 million to tribes.

LIHEAP prevents families from having to make the choice between food and heat. With high unemployment and barriers to economic development, much of Indian Country cannot afford to pay for the rising costs of heat and power. For example, Alaska Native villages have experienced a substantial increase in energy costs, with fuel prices recently reaching \$9 per gallon. In FY 2011, LIHEAP was appropriated \$4.7 billion total, with \$51 million allocated to tribes and tribal organizations. Full funding of LIHEAP is crucial to address the extreme need for heating assistance in Indian Country.