

#### PROJECT:

1.8 MW WIND TURBINE ON
TRIBAL COMMON LANDS NEAR LAKE ERIE

Anthony J. Giacobbe Seneca Nation of Indians and James F. Yockey URS Inc. May 4, 2015

## **BACKGROUND Membership and Territories**

### Total Enrolled

Membership: 8,057 members

Members Residing
On Territory:

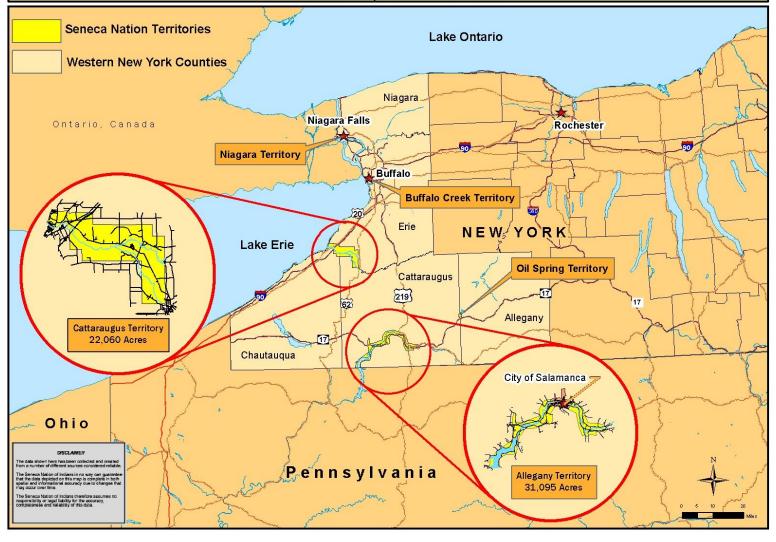
4,006 members

#### **Territories:**

- Allegany Territory
- Cattaraugus Territory
- Oil Spring Territory
- Niagara Falls Territory
- Buffalo Creek Territory

#### **Seneca Nation of Indians**

Locational Map of the Territories



### **BACKGROUND Clans**

#### **Clans:**

Deer

Hawk

Heron

Snipe









### **Clans:**

Turtle

Beaver

Wolf

Bear











# **BACKGROUND Elected Government**

### **Elected Form of Government**

President



### **Elected Form of Government**

Treasurer



## **BACKGROUND Elected Government**

### **Elected Form of Government**

Nation Council

### **Elected Form of Government**

• 4 Year Term, Staggered



### BACKGROUND Economic Development

- Class III Casinos:
  Seneca Niagara Casino,
  Seneca Allegany Casino,
  Buffalo Creek Casino
- Class II Gaming and Entertainment
   Facilities: Cattaraugus
   Territory, Allegany
   Territory









## **BACKGROUND Diversification**





SENECA ENERGY LLC















## PAST ACTIVITIES & PROJECTS 1.8 MW Wind Turbine on Common Lands

- DOE First Steps Grant for Strategic Energy Planning
- DOE NREL Anemometer Loan Program
- DOE First Steps Grant for Energy Organization Planning
- DOE Energy Efficiency and Conservation Block Grant
- DOI Natural Gas Assessment
- DOI Strategic Energy Planning Assistance

### PAST ACTIVITIES & PROJECTS Long-Term Energy Plan

#### Phase I: Visioning Process

- Community Meetings
- Review Historical & Current Energy Resources
- Assess Community Priorities, Energy Potential, & Environmental & Economic Issues
- SWOT Assessment
- Final Report

#### Phase II: Research and Assessment

- Tribal Resource Assessment
- Rates & Usage Analysis
- Infrastructure Inventory
- Industry Relationship Assessment
- o Identification of Technical Assistance Needs
- Review of Regulation & Jurisdiction Issues
- Assessment of Environmental & Cultural Components
- Identification of Future Project Funding Opportunities

### PAST ACTIVITIES & PROJECTS Long-Term Energy Plan

- Phase III: Implementation Energy Organization and Governance
  - Formation of Seneca Energy LLC
    - × Staff augmentation agreement
    - Economic Development Commission (BOD)
    - Energy Steering Committee
    - Developed process to prioritize initiatives
  - Hired on as Employee of the Nation
    - Dual reporting to President's Office and SCED
    - Balance economic development with Nation infrastructure repair and development

### Identified Goals of Long-Term Energy Plan

#### Create an Energy Organization

- o Centralize energy decision making for both generation and distribution
- Create peer relationship with Utilities
- Evaluate future energy projects
- Develop COS methods to recover costs
- o Create billing dBase to distribute costs and benefits of electricity and NG

### Identified Goals of Long-Term Energy Plan

#### Self-sufficiency through Resource Development Renewable and Fossil

- Cattaraugus wind turbine project
- o Repair and maintain NG distribution system and rectify NFG imbalance issues
- Purchase of NG field or initiate E&P
- Swab/maintenance on producing wells/Plug and abandon existing wells
- o 2MW solar feasibility study
- Microgrid feasibility study
- o Continue energy efficiency improvements in new and existing facilities

#### Create Rate Parity between the SNI Territories

• Address electric rate inequalities through DG and control of distribution

## PROJECT OBJECTIVES 1.8 MW Wind Turbine on Common Lands

- Design procure and install one wind turbine to be interconnected with NGRID
- Aggregate tribal load at SNI facilities in Cattaraugus served by NGRID
- Aggregated net metering and provide approximately 1.8 MW of wind power credit against SNI load
- Credit through net metering will create rate parity and savings to tribal members on the Cattaraugus Territory
- Seneca Energy will administer credit

## PROJECT TEAM 1.8 MW Wind Turbine on Common Lands

- The selected project team includes:
  - × Seneca Nation of Indians/Seneca Energy, LLC
  - × URS, Inc
  - × New West Technologies, LLC
  - × Sustainable Energy Developments, Inc.
  - × Whitman Osterman Hannah

## PROJECT Highlights Preconstruction Activities

- Site selection and control
- Permitting and Public Outreach
- Interconnection application
- Turbine selection, modeling and purchase agreement
- Aggregation of load for Net Metering

## PROJECT Highlights Site Selection and Control

- Evaluated several sites near Lake Erie for good wind resource
- Environmental and/or visual issues
- Three phase power with SNI load source
- SNI Common Lands

### **Project Site**



# PROJECT Highlights Permitting and Public Outreach

- FAA
- NEPA Environmental Assessment
- SNI SE is lead agency
  - o EPD
  - o THPO
  - Conservation
  - o M&B's
  - o GIS
  - o Natural Resource Comm.

### PROJECT Highlights Interconnection

- NGRID interconnect application
- NGRID sovereign immunity waiver language
- Interconnection process

# PROJECT Highlights Turbine, Modeling and TSA

- Negotiating with GE and Vestas
- Chosen site had lower winds but conservative modeling made sure output exceeded grant representations
- Challenges ahead for negotiated term sheet

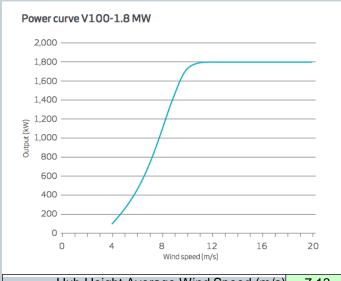
### **Wind Resource**

• Original assessment based on a site close to Lake Erie was 7.13 m/s. Chosen site is 6.56 m/s. Output far exceeds initial model of 5,200 MWh based on either GE or Vestas turbine.

Scenario	Wind Turbine	Gross AEP	Net AEP	Capacity Factor	Mean Wind Speed at Hub Height
1	GE 1.7 – 80m Hub	6,639.8 MWh	6,142 MWh	41.2%	6.56 m/s (14.7 mph)
2	V100 – 80m Hub	6,790.4 MWh	6,281 MWh	35.8%	6.56 m/s (14.7 mph)

### V-100 Power Curve



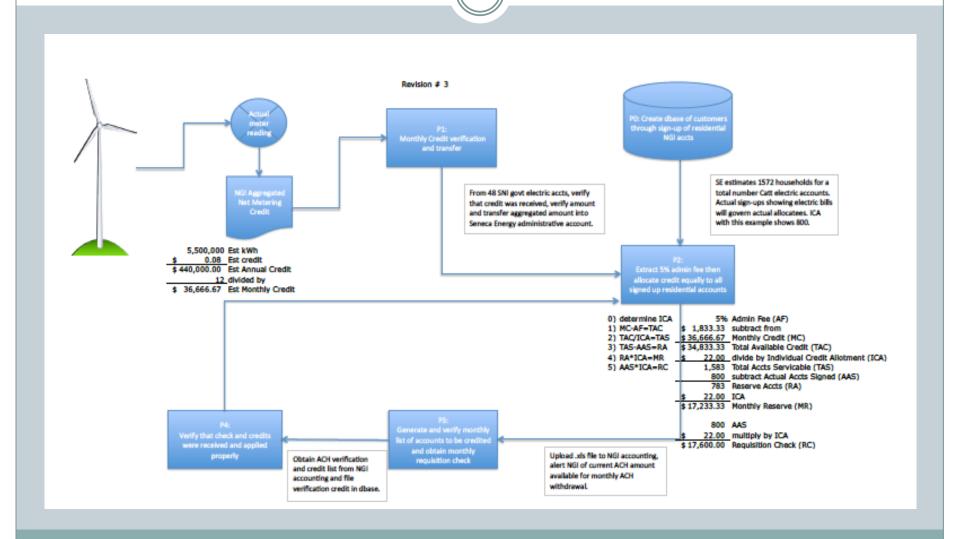


Hub Height Average Wind Speed (m/s)	7.13
Air Density Factor	0.98
Average Annual Power Output (kWh)	5,282,067
Implied Capacity Factor	33%

# Aggregated Net Metering: Key to Community Energy

- Optimize location of the renewable resource
- Be able to aggregate load served in the same distribution territory
- Get a full net meter credit for displacement of all kWh

# Aggregated Net Metering: Key to Community Energy



# Aggregated Net Metering: Key to Community Energy

- Wind turbine will generate approx. 5 million kWh/yr.
- Net meter credit in National Grid Territory is 8¢
- Credit is \$.08 X 5,000,000 = \$400,000
- 48 Tribal Facilities use 10.5M kWh spending about \$1M for a weighted average cost of 10¢ per kWh
- Expect to generate at least 40% savings

### What to do with the Savings?

Seneca Energy is the SNI energy organization who facilitates DG, EE as well as distribution functions for NG and Electricity

- Cattaraugus members pay about 13¢ per kWh whereas
   Allegany members pay 5¢ per kWh
- Nation bills will be credited, Seneca Energy will allocate and distribute credit directly to SNI members
- dBase of members account info. and capacity building

#### **Contacts**

### 1.8 MW Wind Turbine on Common Lands

#### **Seneca Nation**

Michael Kimelberg
 Chief Operating Officer
 michael.kimelberg@sni.org
 (716) 532-4900

#### **Seneca Energy**

- Anthony Giacobbe
   General Manager
   Seneca Energy, LLC
   <a href="mailto:anthony.giacobbe@sni.org">anthony.giacobbe@sni.org</a>
   (716) 532-4900 x5040
- James F. Yockey
  CEO URS Inc.

  jfyockey@tds.net
  (608) 258-9660