#### Village Economic Development





### **DOE Intertribal TA Program Review**

May 21, 2019 • Washington, DC



NANA Regional Corporation, Inc.



NANA

### **NANA REGION Introduction**



#### Energy Projects in the NANA Region

NOT FOR NAVIGATION Date: 7/6/2016

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### NANA's Energy Vision

- The energy vision for the NANA Region is to be 50 percent reliant on alternative energy sources, both renewable and non-renewable.
- 10 percent decrease of imported diesel fuels by 2020
  We are on-track to meet this goal, in part thanks to DOE and significant community effort
- 25 percent decrease of imported diesel fuels by 2030
- 50 percent decrease of imported diesel fuels by 2050

WHY ARE WE DOING THIS??? 2018 ENERGY PRICES IN	Gas/G	Stove Oil/G	Kwh (1-500) PCE	Kwh (>501) NO PCE
Kotzebue	\$5.75	\$5.26	\$0.18	\$0.45
Ambler	\$9.79	\$9.53	\$0.21	\$0.61
Kobuk	\$8.24	\$8.24	\$0.21	\$0.60
Shungnak	\$8.42	\$8.42	\$0.21	\$0.60
Kiana	\$6.18	\$5.67	\$0.20	\$0.57
Noorvik	\$6.06	\$5.64	\$0.20	\$0.57
Selawik	\$8.25	\$7.99	\$0.20	\$0.52
Buckland	\$6.89	\$6.89	\$0.20	\$0.48
Deering	\$5.15	\$4.90	\$0.32	\$0.71
Kivalina	\$4.95	\$4.49	\$0.20	\$0.56
Noatak	\$10.29	\$10.29	\$0.21	\$0.75



#### 2017 Fuel Prices & Village Electric Rates

NANA village 50 cent increase calculations										
Village	Price of Stove Oil	2017 Usage (in gallons)	Price paid	With 50 cent Increase	Price Difference	Number of Households	Annual Price Per household			
Ambler	\$ 9.50	156,310	\$1,484,945	\$1,563,100	\$78,155	88	\$888.13			
Buckland	\$ 6.89	203,045	\$1,398,980	\$1,500,503	\$101,523	98	\$1,035.94			
Deering	\$ 4.90	91,365	\$447,689	\$493,371	\$45,683	44	\$1,038.24			
Kiana	\$ 5.67	228,292	\$1,294,416	\$1,408,562	\$114,146	123	\$928.02			
Kivalina	\$ 4.49	163,177	\$732,665	\$814,253	\$81,589	85	\$959.86			
Noatak	\$ 10.29	223,018	\$2,294,855	\$2,406,364	\$111,509	121	\$921.56			
Noorvik	\$ 5.64	254,113	\$1,433,197	\$1,560,254	\$127,057	137	\$927.42			
Selawik	\$ 7.99	340,825	\$2,723,192	\$2,893,604	\$170,413	170	\$1,002.43			
Shungnak- kobuk	\$ 8.42	243,156	\$2,047,374	\$2,168,952	\$121,578	99	\$1,228.06			



### Energy- What We've Learned So Far

NANA/NWAB Role in energy for our region

- 1. Project development, including stakeholder coordination
- 2. Grant writer/fund seeker innovative approaches
- 3. Advocating for change in State and Federal policies
- 4. Infrastructure planner
- 5. Communicating NWALT (NorthWest Arctic Leadership Team) energy priorities to stakeholders
- 6. Update Energy plan
- 7. Research arctic-appropriate technologies (e.g., heat pumps-NWAB, batteries, solar diesels-off)
- 8. Regional Energy Authority/Joint Action Agency



### Average Temperatures

Harvest season for Solar PV & Heat-pumps



#### **DOE Inter-Tribal Technical Assistance Grant**

- Department of Energy has awarded NANA \$495,460 to create an Inter-Tribal Network in the Northwest Arctic
- 3-year effort (began in October 2016), now revised to 5 years
- Local capacity building and economic development
- Regional Coordination for all 11 communities
- Other AK Regionals also received grant (with potential for cross regional collaboration), including in Bering Strait & Calista regions attendance at ESC meetings in Kotzebue





## Inter Tribal TA Project Objectives

- Two Energy Steering Committee (ESC) meetings per year (Fall & Spring); ~ 40 attendees/meeting
- A day of technical training/workforce development added to each ESC meeting. Joint Action agency, batteries, heat pumps, bulk fuel.
- Energy and business planning for individual tribes and the overall region
- Technology reviews for unique arctic applications
- Promote economies of scale in energy & power projects for the NANA Region
- Conduct topical research, including the development of a Joint Action Agency. BIA TEDC grant awarded







### ESC Priorities $\rightarrow$ Action Plan

- Critical path to Village Economic Development: Roads and Interties
- Business Case for High Penetration Renewable
  Energy (must include heat)
- Lower/stabilize costs! (Regional cooperation, new technologies, efficiencies, business structures, financing and grants, economies of scale)
- Powerhouse Upgrades to Integrate Renewables
- Workforce Development Utility management, Powerhouse operators/mechanics
- Renewable Energy training wind technicians, solar technicians, energy storage battery maintenance, heat pumps





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### Accomplishments

- Community Meetings:
  - Shungnak
  - Selawik
  - Noatak
  - Deering
  - Buckland
  - Kotzebue
  - Ambler
  - Kiana
- Solar on Water plants in every village
- Multi-agency collaboration
- Secured funding/supported diesel powerhouse and distribution system upgrade – Deering, Shungnak
- Project development with NWArctic Borough on Joint Action Agency formation – Future Sustainability for Inter-Tribal effort, BIA TEDC funding (\$95,000) secured and Phase 2 applied for

- Heat Pump Calculator & Economic Study (collaborated with other entities)
- Supported Buckland solar installation & Shungnak Solar application; Deering and Kotzebue solar installation support this summer (June – September)
- 6 ESC meetings held, over 200 people in attendance
- Additional funding secured (~\$4 million) for targeted projects
- Ambler Biomass Support \$443,476 received from USDA HECG
- Heat Pump Calculator & Study Complete <u>www.heatpump.cf</u>
- Developing diesel-off technology & renewables integration in Deering, Buckland, Kotzebue, Shungnak
- Over 12 public presentations + Battery and Inverter/Power Conversion hardware technology (ESNA & ABB) conferences for staff capacity development



#### **Department of Energy Solar Grant**

- Department of Energy has awarded NANA \$1M to install community solar arrays in Deering, Buckland, and Kotzebue; Requires \$1 M cost share (\$200K Deering & Buckland, \$600K Kotzebue)
- Buckland installation complete; Deering to be installed Summer/Fall 2019; Kotzebue to be installed Q1-Q2 2020
- Kotzebue Electric Association has secured \$600,000 from VIF to finance the required cost share for the project – RFP issued, selection by end of May 2019
- NANA & KEA to form Joint Venture to establish ownership of solar equipment during grant period; expected completion June/July 2019
- Both Deering & Buckland using Village Economic
  Development Committee (VEDC) \$ for their cost share, plus
  additional contribution from NANA



### Targeted TA Project Support: Buckland Solar



## ~50 kW Solar PV





### Department of Energy Solar Grant – Deering & Buckland

- BoxPower solar array installed
   September/October 2018
- Deering solar on hold until powerhouse upgrades occur (new diesel engine, controls)
- Solar Energy International PV 101 training held in Kotzebue in June 2018; 18 -20 participants











### Innovations & Lessons Learned – Buckland Solar

- Foundation Design Box x Box + Corner Locks (Avoid Concrete if possible)
- Tilt Angle of 45 degrees = more output
- Each box > 15 kW, but could be 20 kW in low wind
- Low wind locations = less costly
- Local Crew Works!
- Trade-off between size of array and construction requirements – Still need to evaluate costs and performance
- Will be integrated with batteries, wind, grid-forming inverter, electric boilers in powerhouse and waterplant
- Installed @ ~ \$4.45/Watt; incurred several one-time costs that will be "free" for future projects
- Aim to replicate: Kotzebue, Shungnak, ???











#### **USDA High Energy Cost Grant**

- NANA selected for High Energy Cost Grant – \$1.6M to install energy storage batteries and controls in Deering and Buckland
- USDA completed environmental review
- ABB Control system and SAFT batteries ordered; Buckland delivered, Deering on July 2019 barge
- Expected Completion: June/July 2019 for Buckland, October/November 2019 for Deering
- Working with IES, KEA, DeerStone, NWAB for system integration







### Bureau of Indian Affairs –

#### **Tribal Energy Development Capacity Grant**

- NANA awarded \$95,000 to advance regional energy solutions and local capacity building (July 2018)
- Baker Tilly technical assistance
  provider
- Detailed energy and financial analysis for individual tribes and the overall region
- Provide business plan and strategy for more enhanced regional cooperation and cost reduction – evaluate NWAB & ANTHC partnership on water/sewer; JAA formation
- Applied for Round 2 of funding, May 2019

#### Shungnak Household Electric usage



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## Energy – What we've learned

- Critical Path / needs
- 1. Interties between villages
- 2. Roads
- 3. Power Cost Equalization Reform Current formula decreases state subsidy if diesel consumption decreases
  - This current model discourages energy efficiency & renewable energy development; JAA as solution?





#### Recommendations

- Critical path to Village Economic Development: Roads and Interties
- Powerhouse Upgrades to Integrate Renewable Energy
- Workforce Development Utility management, Powerhouse operators/mechanics
- Renewable Energy training wind technicians, solar technicians, energy storage battery maintenance, heat pumps





# Taikuu!

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