SENeca Nation of Indians

Energy Organizational Development

A “First Steps” Grant

November 8, 2007
In appreciation & Acknowledgment:

- **Seneca Nation Council**
  - Arlene Bova, Councilor & Energy development advocate

- **Dept. of Energy, Tribal Energy Program**
  - *First Steps Grant for Strategic Energy Planning*
  - *NREL – Anemometer Loan Program*
  - *First Steps Grant for Energy Organizational Planning*
SENECA NATION
Location
Background:
- Enrolled Members: ~7800
- Matriarchal Society
- 8 Clans
- Territories: Allegany, Cattaraugus, Oil Spring, (Niagara Falls, Buffalo Creek)
- Residents: Approximately 4100 members on territory
Background, cont:

- Elected form of Government – President, Treasurer, Clerk & 16 Councilors (8 Catt, 8 Alleg.)
- Execs – 2 Yr Terms, rotated, Council – 4 yr staggered terms
– Primary Economic Drivers

- 3 Class III casinos – Niagara Falls, Allegany Territory, and Buffalo Creek
- Gasoline & Tobacco sales
- Class II Gaming incl. High Stakes Bingo
Strategic Energy Planning

- Driven by high energy costs
- Interest in wind development

First Steps Grant (2003-2005)

Visioning Process – Long Term Goals & Objectives

- Energy Sovereignty!

Phase II – Research & Assessment

- Preliminary Resource & Energy Options Assessments (Renewable & Non-Renewable)
- Energy Demand & Costs Analysis, Energy Demand Projections
- Preliminary Market Assessment
- SWOT Analysis
Resource & Energy Options

- **Non-Renewable** – Natural Gas Reserves
  - Produced over years by National Fuel Gas Supply Company

- **Renewable Opps** – primary: Wind, BioMass (w/ ethanol pdtn capacity)
  - Secondary – Solar (PV), GSHP (in use)

**Recommended Strategy:** Produce Gas reserves for profit & leverage for investment in renewable energy generation
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- Natural Gas
  - Well Inventory
  - P&A Leaking abandoned wells
  - Assess Future Production Capacity (BIA Mineral Assess)
  - Infrastructure upgrades
  - Business Planning
  - E & P
WIND Assessments

- NREL Anemometer Loan Program (50m)
  Allegany Territory

- SNI purchase
  50m used Tower, data logger package
  Cattaraugus Territory
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Energy Options

- Biomass
  - Concept study completed
  - Generation & Ethanol Pdtn. Feasibility Study Proposed
  - Favor cellulosic ethanol pdtn. but not yet commercially viable

- Ground Source Heat Pumps
  - Form of geothermal energy
  - Currently in use at Pre-School & local School Districts
  - Proposing wider use in new construction
Phase III – Development

- With energy development being the primary objective in Phase III of the Seneca’s energy planning process, it is imperative to establish a formal organizational structure through which the Strategic energy plan can be implemented.
- Define and evaluate issues in the context of organizational & business planning.
Q 2B A:
- What type of organizational structure will best serve the nation’s long term energy vision?
- What is the nation government’s role?
- How do we serve the energy needs of the community while generating profits?
- How much investment is the Nation capable of making to the program?
- How much risk does the Nation want to absorb?
- Do we want to own transmission assets?
- What infrastructure improvements/changes need to occur to achieve our energy goals?
- How do we finance this (these) venture(s)?
- How do we achieve both organizational autonomy from AND accountability to the governmental body?
- How do we achieve sustainability?
SENeca Nation
Utilities Infrastructure

Electrical Rates
- Salamanca BPU = $0.0035/kWh
- National Grid Estimated Coverage = $0.014/kWh

Allegany Territory - Electrical Service Areas

Allegany Territory
More Q 2B A:
- What regulatory instruments do we need to put into place?
- How can we maximize our relationships with utility providers?
- How can we achieve/provide lower energy costs to our enterprises & community members?
- How can we negotiate for hydro power allocations?
- What is the most beneficial/economic use of any energy that we generate?
- What do we need to do to build human capacity & prepare a Seneca energy workforce?
- What is the market for energy that we may produce?
- How do we plan for future growth & expansion of our generation projects?
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Utilities Infrastructure

Cattaraugus Territory Utility Projects
Seneca Nation Geographic Information Services

Legend
- Anemometer Sites
- Electric Transmission
- Gas Line Owner
- Water
- Cattaraugus Boundary
- SNI Roads Data
- NYS Roads Data
- NFG
- SNI
- TGP

1 inch equals 6,000 feet

Cattaraugus Territory
Other Relevant Considerations

- Community demand for rate parity
- Historic provision of gas to certain customers
- Salamanca BPU
- Development Partners for Gas E&P and/or Electric Generation Projects
- Stakeholder Interests in First Energy Hydro ReLicensing (Kinzua Dam)
SENECA NATION
Project Approach

- Retain Utility Formation consultant(s) with tribal experience
- Project Review meeting with Nation leadership and SNI’s Energy Planning Steering Committee
- Data compilation & Situational Analysis
- Stakeholder meetings
- Strategy Options Review, w/ “if-then” scenarios
- Develop & Present Decision models
- Create business model w/ prelim. Cost estimates, partnering options & funding opps.
- Gain Council approval of initial plan
- Conduct regulatory & statutory review, draft bylaws, ordinances & provisions for DOJ review
- Develop comprehensive critical path & business plan
- Submit for Council approval & adoption
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