Project Overview

Whiteriver, Arizona
White Mountain Apache Tribe
Biomass Power Generation Economics
Fort Apache Tribe Company (FATCO) Excess Biomass
Tribal Forestry Department Forest Management Practices
Canyon Day Wastewater Treatment Discharge Water
Enhanced Combined Operations
Project Participants

White Mountain Apache Tribe
Fort Apache Tribe Company (FATCO)
Tribal Forestry Department
Canyon Day Wastewater Treatment Facility
Possible Third Party Equity Participants
Third Party Energy Purchasers
Objectives

Assess Biomass Power Generation Economic Viability

Create Use for Excess Biomass From
FATCO Logging
Tribal Forestry Department Forest Management

Create Profitable Tribal Enterprise

Create Additional Permanent & Construction Jobs

Potentially Create Additional Market for Expanded Forest Management Activities
Project Specifics

Utilize Existing Transmission & Distribution Lines
Excess Fuel & Forest Management Generated Biomass
Delivered Fuel Cost Approx. $2/G Ton to $28/G Ton
20 MW to be sold, Third Parties
Potential Green Tag Credits
Collaboration with Canyon Day Wastewater Treatment Facility
Prevention of Significant Deterioration Permit
Tribal Benefits

Forestry Management
7,000 Acres Annual Goal
Rodeo-Chediski 2002 Fire
Market For Biomass
Labor Efficiencies
Tribal Benefits (Cont.)

FATCO

Staff Sharing
Reduced FATCO Boiler Maintenance
Enhanced Steam Reliability
Market for Excess Biomass (Disposal Issue)
Lower Regulatory Risk
Tribal Benefits (Cont.)

Permanent Positions
    Operation & Maintenance  17

Temporary Positions
    Construction               18 months
                               Multiple
## Estimated Project Costs

<table>
<thead>
<tr>
<th>Description</th>
<th>Cost ($ Million)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Engineering, Procure, Construct &amp; Develop</td>
<td>43.7</td>
</tr>
<tr>
<td>Debt Service Reserve &amp; Other Reserves</td>
<td>2.6</td>
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<tr>
<td>Financing Costs &amp; Fees</td>
<td>0.9</td>
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<tr>
<td>Interest During Construction</td>
<td>0.2</td>
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<tr>
<td><strong>Total</strong></td>
<td><strong>47.4</strong></td>
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### Operation & Maintenance (O&M) Costs

<table>
<thead>
<tr>
<th>Description</th>
<th>Cost ($000/Yr)</th>
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<tbody>
<tr>
<td>Wages, O&amp;M, Administrative</td>
<td>1,771</td>
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<tr>
<td>Fuel</td>
<td>464</td>
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<tr>
<td><strong>Total</strong></td>
<td><strong>2,235</strong></td>
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</tbody>
</table>
Recommendations

Develop & Build 20 MW Biomass Facility
Sell Steam to FATCO
Utilize FATCO Fuel
Sell Output to Third Party
Seek Lowest Cost Financing
Tribe Own 100% of Project or Seek Partner to Provide Necessary Equity
Next Steps

Tribal Council Decision on Project
Fuel Cost
Equipment Procurement & Installation Cost
Financing Terms
Permitting Requirements
Desired Business Structure
Determine Equity Source
Power Sales Agreement