

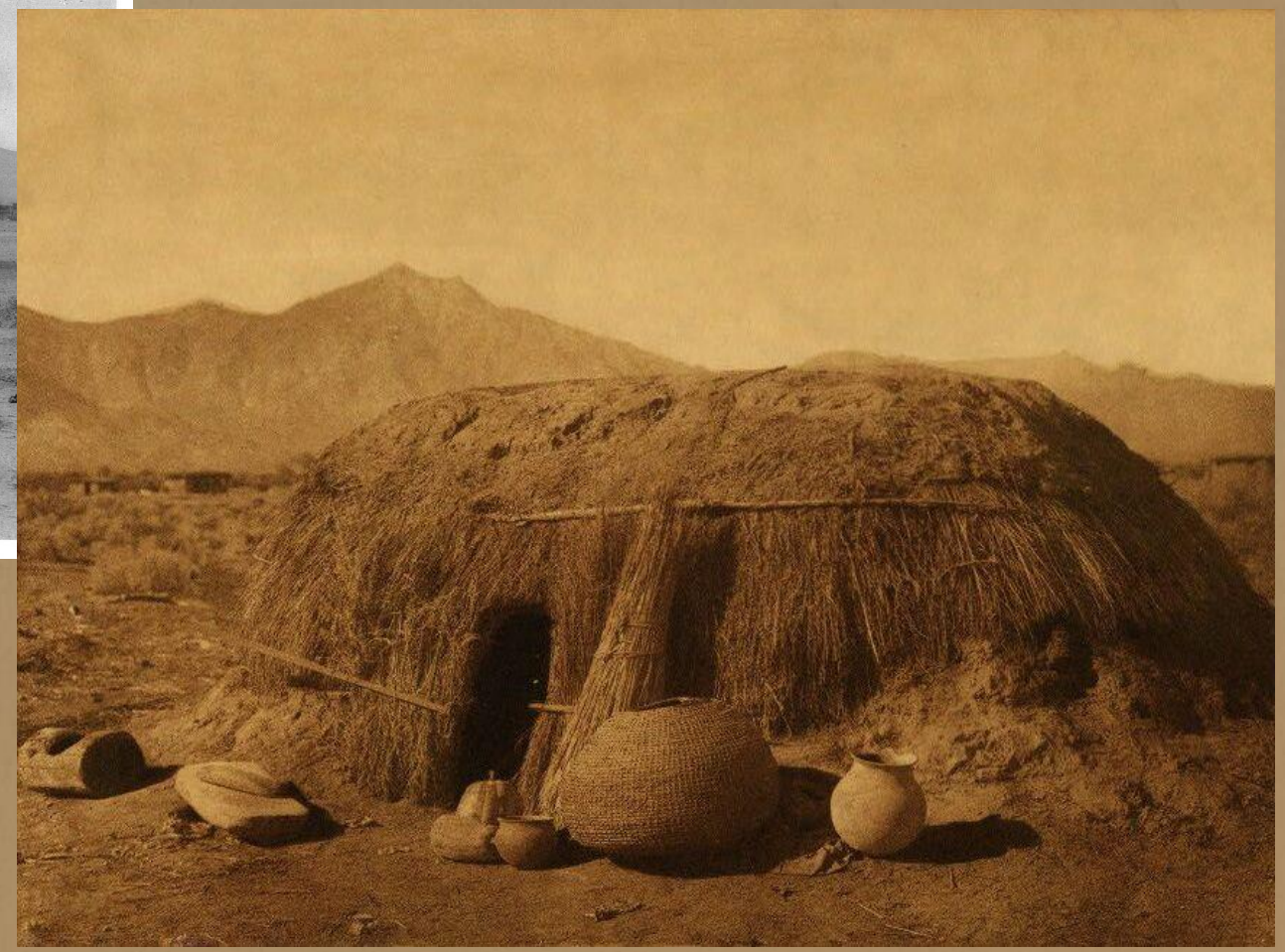
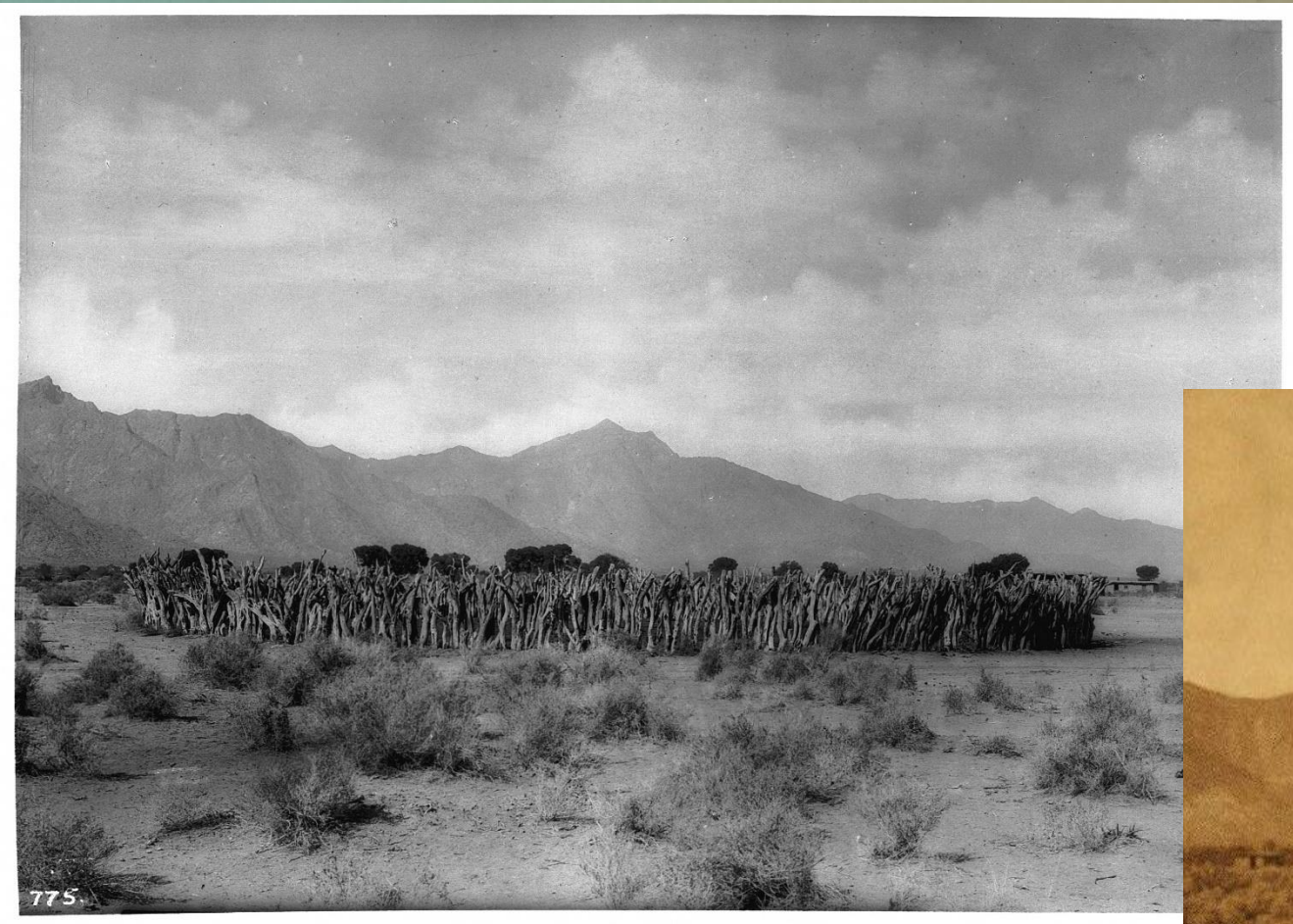
GILA RIVER INDIAN COMMUNITY

TRIBAL UTILITY
INFRASTRUCTURE DEVELOPMENT

September 7, 2016











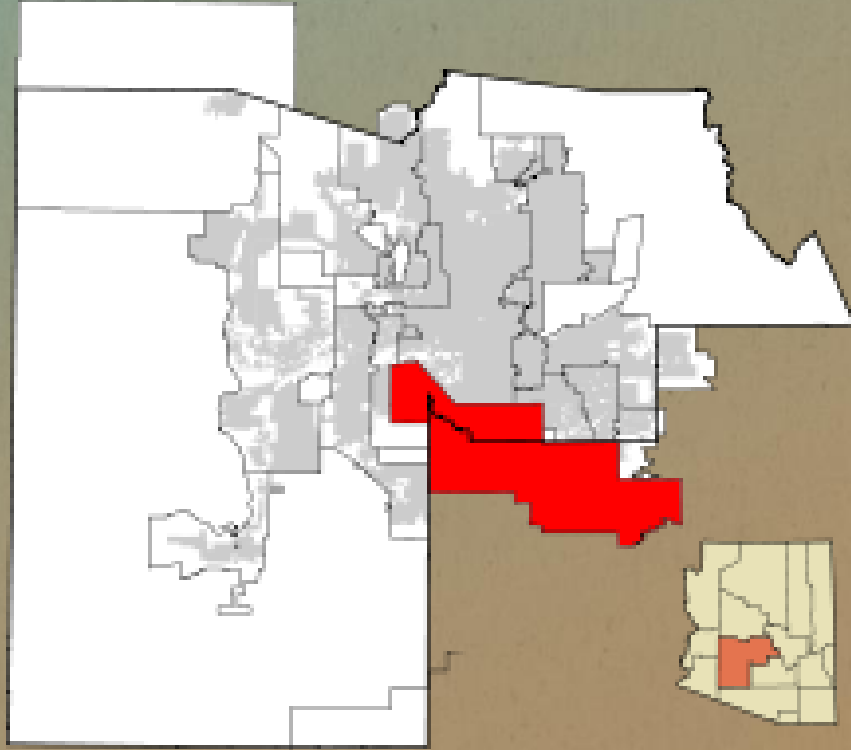
HOW DID WE GET TO WHERE WE ARE NOW?

CULTURE>LEADERSHIP>ELDERS

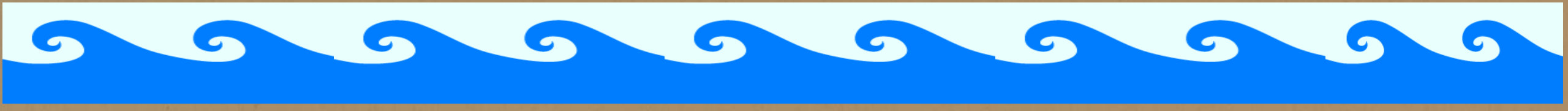
FORESIGHT TO DEVELOP AND CONTROL STRATEGIC RESOURCES:

- Water
- Electricity
- Telecommunications>Phone, Broadband & Wireless Spectrum

Gila River Indian Community



- 584 square miles=374,000 acres
- Home of 2 distinct tribes
- 26 year old telecom enterprise
- 23 year old electric utility
- Water settlement in 2004



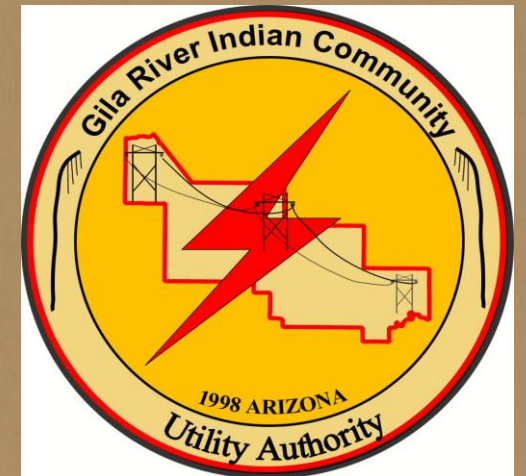
Gila River Water Settlement

- **Arizona Water Settlements Act of 2004**

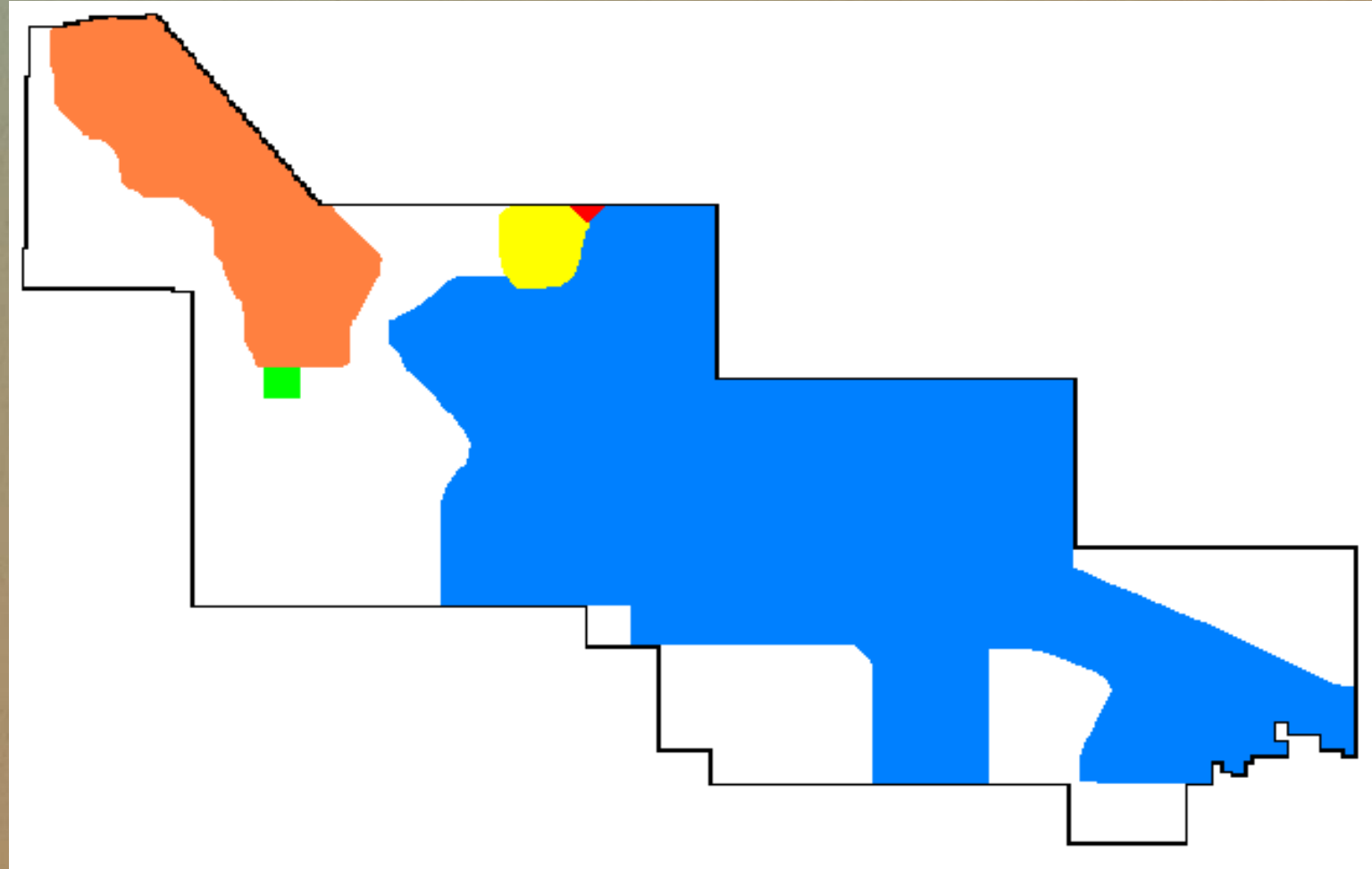
- Provides GRIC with a water budget of 653,500 acre-feet of water annually
- The budget is composed of water from the **Central Arizona Project, the Gila River, the Salt River, and groundwater**
- The agreement resolved water rights claims filed by the Indian Community and the United States to over **1,000,000 acre-feet of water**
- The settlement also provided for resolution of enforcement issues surrounding the Gila Decree, Globe Equity No. 59, that had been the subject of litigation between the Community, the United States, and non-Indian water users in the Safford, Duncan, and Virden Valleys
 - Southside Protection Plan
 - Upper Gila River Valley Watershed Maintenance Program
- Provides a framework for leasing and effluent exchange
- Full waivers and releases for water users subject to settlement agreement









GILA RIVER INDIAN COMMUNITY UTILITY AUTHORITY (GRICUA)

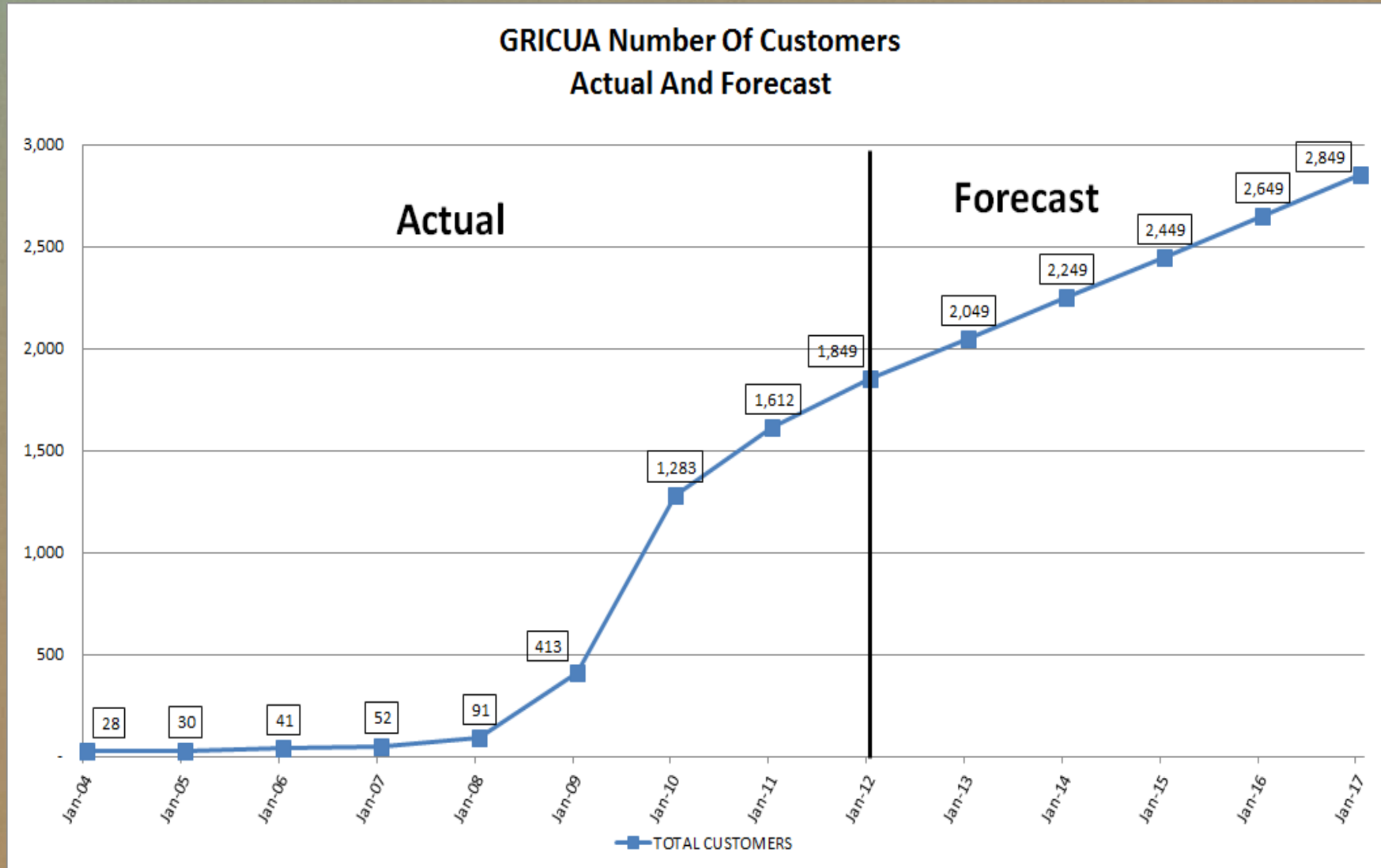


GRICUA Service Area



Key		
	SRP	
	APS	
	GRICUA Lone Butte Business Park	
	GRICUA Wild Horse Pass	
	SCIP & GRICUA	
	Unshaded area to be served by GRICUA	

GRICUA Customer Growth



Gila River's Utility Model

- Several unsuccessful attempts to start TUA in 1980's and early 1990's
- 1998-1999
 - Tribally chartered corporation fully re-established
 - Plan of Operations and wheeling agreements finalized and implemented
 - Initial investment for GRIC was \$1 Million for transformer
 - SRP system acquisition and purchase
 - Firewalled from Tribal government
- Full service electric utility
- 638 contracts for O&M for all electrical infrastructure owned by Federal entities and BIA
- Residential and commercial service
- 1 of 4 electric utilities operating on reservation



Gila River's Utility Model

- Late 1980's – Early 1990's - Unsuccessful attempts to establish GRICUA
- 1998 Gila River Indian Community (Community or GRIC) Council Re-established GRICUA as a Tribal corporation
- 1999 GRIC Council Approved GRICUA Plan Of Operation.
- 1999 GRIC Council Appoints Initial GRICUA Board
- 1999 GRICUA Begins Providing Service To Customers In The Wild Horse Pass Area Of The GRIC Reservation
- 2006 GRICUA Council approved Wheeling Agreement With the San Carlos Irrigation Project (SCIP)
- 2008 GRIC Council approved a 638 contract for GRICUA to assume responsibility for maintaining & operating the SCIP electric system on the Gila River Indian Community Reservation (Reservation)

Gila River's Utility Model

- GRICUA obtains electricity from the following:
 - WAPA Federal Preferential Power Customer
 - Southwest Public Power Resource Group (SPPR)
 - 38 member group, both Tribal and non-Tribal
 - Virtual power plant- heat rate/thermal output like NG peaker plant
 - Power capacity rights purchased with separate charges for energy
- GRICUA's energy portfolio provides low cost and reliable energy for our customers- both are foundational to our business model















Existing Tribal Utilities

- ❖ Gila River Indian Community Utility Authority (GRICUA), Arizona
- ❖ Navajo Tribal Utility Authority (NTUA), Arizona & New Mexico
- ❖ Warm Springs Power & Water Enterprises, Oregon
- ❖ Yakama Power, Washington
- ❖ Tohono O'odham Tribal Utility Authority (TOTUA), Arizona
- ❖ Aha Macav Power (AMP), Fort Mojave Tribe Arizona
- ❖ Confederated Salish and Kootenai
- ❖ Ak-Chin Energy Services (ACES), Arizona
- ❖ Umpqua Indian Utility Coop, Oregon
- ❖ Alaskan Village Electric Coop, Alaska
- ❖ Standing Rock Utilities & Telecom, North Dakota
- ❖ Mohegan Tribal Utility Authority, Connecticut
- ❖ Jicarilla Apache Nation

Handful of TUA currently operating. Various stages of development. Some mature, some newly formed. Some full service, some virtual utilities, some billing entities only.

GILA RIVER TELECOMMUNICATIONS INC (GRTI)

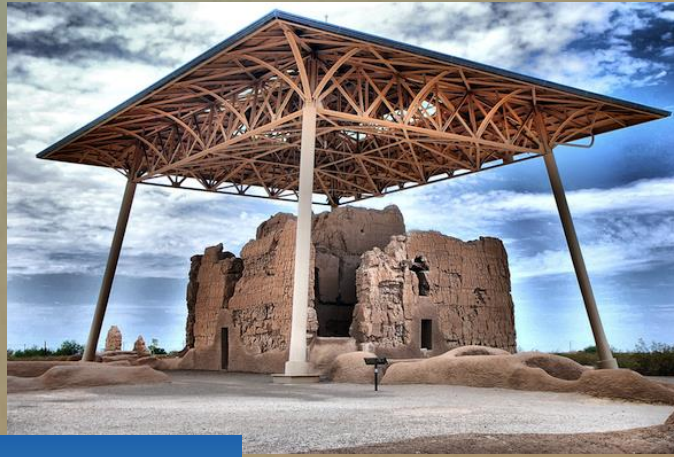


Looking Forward

- **Distributed Generation Options**
 - Scalable & affordable
- **Smart Grid Development**
 - Integration of multiple technologies > IoT
- **Storage**
 - Gamechanger > Allows for renewable resource production to be utilized during peak hours usage hours when it counts

Tribal Utility Development Considerations

- Direct Quality of Life Impacts for Tribal Members
 - Affordability
- Infrastructure Improvement
 - Increase reliability, resiliency and nimbleness of infrastructure
- Economic Development
 - Robust critical infrastructure systems
 - Attract large commercial customers
- Import-Export-Onsite Use
 - Unique to every Community
- Developing renewable energy projects on tribal lands and integrating renewable projects into tribal communities are two very different things



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