

THE TO'HAJIILEE CHAPTER'S NEW SHÁNDÍIN SOLAR FARM

August 8, 2012



To'Hajiilee Economic Development Corporation, Inc.

“TEDI”

Delores Apache, President

Rob Burpo, First American Financial Advisors, Inc

Brief History

- ▣ In 2005 Chapter creates a development corporation – To'Hajiilee Economic Development Corp – “TEDI”
- ▣ TEDI designed to separate politics from business.
- ▣ In early 2008 our state's largest utility sought to build solar farms around NM in order to meet state mandates for renewable energy & TEDI participated in program.
- ▣ TEDI was approached by more than a dozen firms looking to put a solar farm on our trust lands.
- ▣ The Chapter voted to allow TEDI to use trust lands in the eastern portion of the reservation for a site.
- ▣ TEDI had continued to work with solar companies thru 2009.
- ▣ In summer of 2009 TEDI was awarded a \$250,000 DOE feasibility study grant.

Steps We Took to Start

□ Put together our team:

- Active Board of Directors for TEDI
- Contract attorney – don't have “in-house”
- Financial Advisor – familiar with tribal deals
- Project attorney – tribal utility specialist
- Grant writer – expert in writing federal grants

□ We went to our community:

- Several community meetings
- Got vote of support for a site - 2008

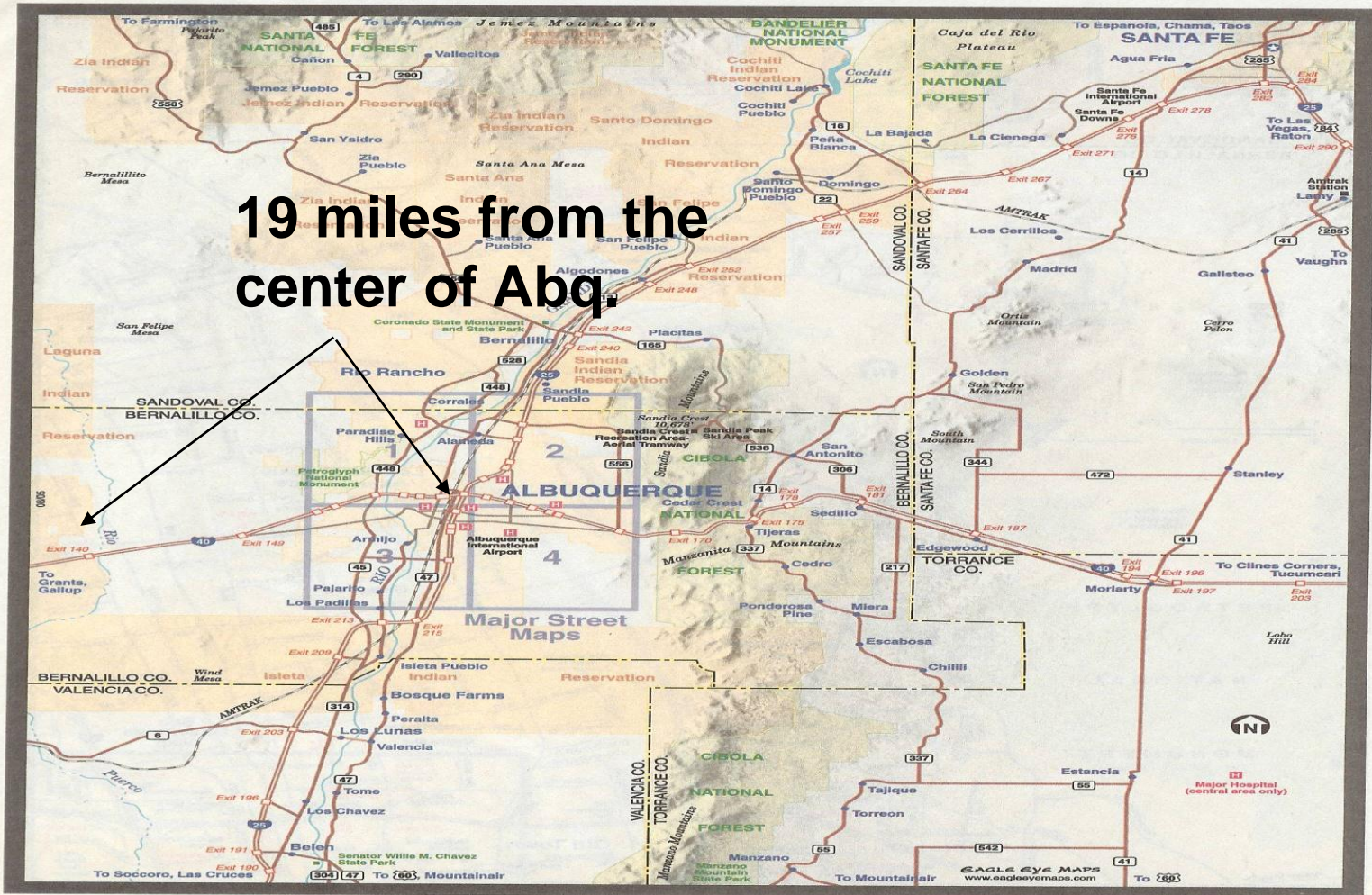
□ Went after DOE grant funds:

- Grant writer prepared application
- Financial Advisor lobbied for project



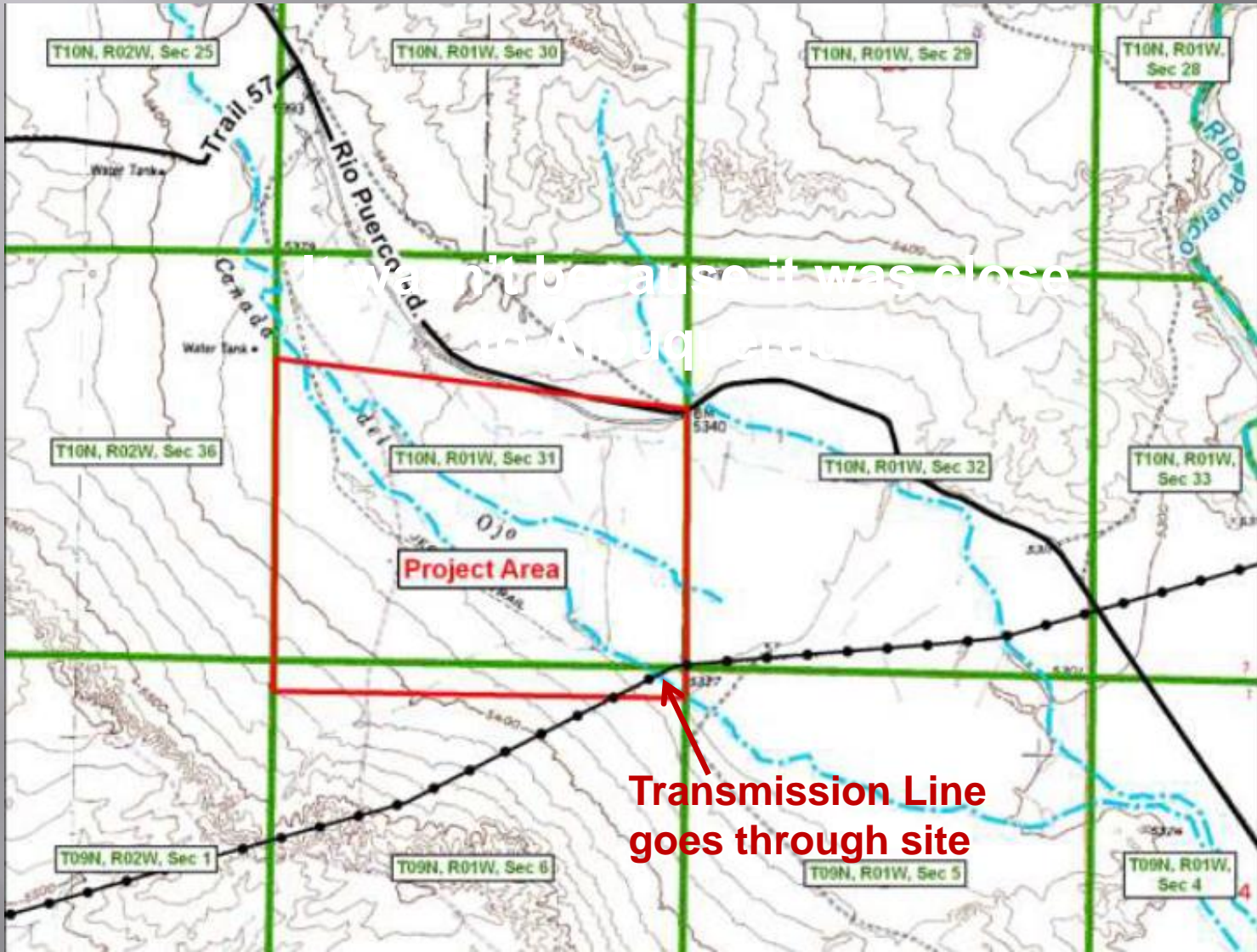
Distance from Albuquerque

Albuquerque Vicinity Map



19 miles from the
center of Abq.

Why This Site?



It was also close to the project area.

Transmission Line goes through site

Next Steps Upon DOE Grant

- **Seek Development/Industry Partner:**
 - Determine transmission capacity – WAPA helped
 - Interviewed more than a dozen firms
 - Found ones who had money & desire

- **Created Written Agreement:**
 - Negotiated a 2 year agreement – just renewed!
 - Firm committed money & expertise to project
 - Community & TEDI pledged site & cooperation

- **Start the Work:**
 - What has to be done to get lease approved
 - What has to be done to get project financially viable
 - Who can we sell power to?

Working With Our Development Partner

- Entered into an agreement with solar panel provider **SUNPOWER** of San Jose, California:
 - Help us with funding for site development.
 - Help us with financial modeling based on energy to be generated at site.
 - Help us with Power Purchase Agreement discussions and negotiations.
 - Help us with site development & construction management.
 - Important in approval process with Chapter.

Our Solar Team Now – in order of being hired.



Janov Law Offices,
P.E.



ATERWYNNE LLP

ATTORNEYS AT LAW



Site Design & Lease Approval – Go Hand in Hand

□ Lease Approval Needs:

- Environmental Assessment
- Archeological & Historical reports
- Hydrology study & Site survey
- Appraisal of site as is
- Finding Of No Significant Impact - FONSI
- Revenues: base income + profit sharing
- Lease between Chapter & TEDI
 - Negotiations with Chapter
 - Negotiations with BIA



□ Site Design:

- Where to put panels to maximize production
- Where to put sub-station – critical
- Where to avoid construction – see lease items

Steps we have taken so far

CULTURAL RESOURCES COMPLIANCE FORM

THE NAVAJO NATION
HISTORIC PRESERVATION DEPARTMENT
PO BOX 4950
WINDOW ROCK, ARIZONA 86515

*File
10/2/03*

ROUTING: COPIES TO
NM SHPO
XX REAL PROPERTY MGT/330
SWCA

NNHPD NO. **HPD-10-871**
OTHER PROJECT NO.
SWCA 2010-309

PROJECT TITLE: A Cultural Resources Inventory for the Proposed Tohajilee Solar Generation Facility, Tohajilee, Bernalillo County, New Mexico

LEAD AGENCY: BIA/NR

SPONSOR: Michael Utter, Rural Community Innovations, 210 Cirque Driver, Bozeman, MT 59718

PROJECT DESCRIPTION: The proposed undertaking will involve the construction of a solar generation facility. The facility will include an array of Sun Power 400 or 425 watt series of Photovoltaic modules with SunPower T0 tracker electric motor drives for collection solar energy, pad-mounted transformers with combiner boxes and inverters on 200-acres. Ground disturbance will be intensive and extensive with the use of heavy equipment.

LAND STATUS Tribal Trust

CHAPTER: Tohajilee

LOCATION: T.10N, R.1W - Sec. 31; T.9N, R.1W - Sec. 6; La Mesita Negra Quadrangle, Bernalillo County, New Mexico NMPM

PROJECT ARCHAEOLOGIST: John Risetto, Jennifer Walborn, & Matthew Bandy

NAVAJO ANTIQUITIES PERMIT NO.: B10372

DATE INSPECTED: 07/12/10 - 07/23/10

DATE OF REPORT: 07/23/10

TOTAL ACREAGE INSPECTED: 492.7-ac

METHOD OF INVESTIGATION: Class III pedestrian inventory with transects spaced 15 m apart.

LIST OF CULTURAL RESOURCES FOUND: (5) Sites (NM-S-64-8, NM-S-64-9, NM-S-64-10, NM-S-64-11, NM-S-64-12); (35) Isolated Occurrences (IO); (1) In-Use Site (IUS)

LIST OF ELIGIBLE PROPERTIES: (1) Site (NM-S-64-8)

LIST OF NON-ELIGIBLE PROPERTIES: (4) Sites (NM-64-9, NM-S-64-10, NM-S-64-11, NM-S-64-12); (35) IO; (1) IUS

LIST OF ARCHAEOLOGICAL RESOURCES: (1) Site (NM-S-64-8)

EFFECT/CONDITIONS OF COMPLIANCE: **No historic properties will be affected with the following conditions:**

Site NM-S-64-8:

1. Site boundary will be flagged/ fenced by a qualified archaeologist prior to ground disturbing activities.
2. Site will be avoided by all ground disturbing activities by a minimum of 50-ft
3. Two track road will be closed to project-related traffic.
4. All construction activities within 50-ft of the site will be monitored by a qualified archaeologist.
5. A monitoring report/letter will be submitted to NNHPD within 30-days of monitoring.

Archeological Approval

HPD-10-871 / SWCA 2010-309

Page 2, continued

Site NM-S-64-11:

1. Full recordation of the site & consultation with NNHPD has exhausted all research potential, however, features 9 & 11 of the site will be flagged for avoidance by a qualified archaeologist prior to ground disturbing activities.
2. Features 9 & 11 of site will be avoided by all ground disturbing activities by a minimum of 50-ft
3. All construction activities within 50-ft of the features will be monitored by a qualified archaeologist.
4. A monitoring report/letter will be submitted to NNHPD within 30-days of monitoring.

Sites NM-S-64-9, NM-S-64-10, NM-S-64-12:

No further work is warranted.

In the event of a discovery ["discovery" means any previously unidentified or incorrectly identified cultural resources including but not limited to archaeological deposits, human remains, or locations reportedly associated with Native American religious/traditional beliefs or practices], all operations in the immediate vicinity of the discovery must cease, and the Navajo Nation Historic Preservation Department must be notified at (928) 871-7148.

FORM PREPARED BY: Tamara Billie

FINALIZED: December 27, 2010

Notification to

Proceed Recommended: Yes **XX** No

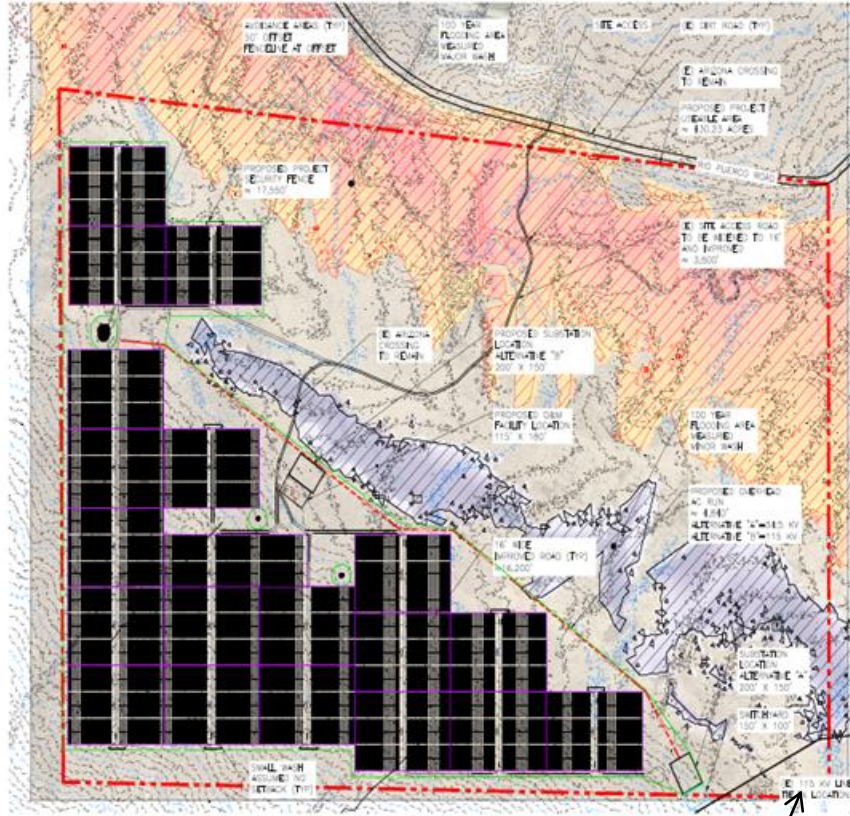
Conditions: Yes **XX** No

Man S. Downer 1-4-11
Man S. Downer, Navajo Nation
Historic Preservation Officer Date

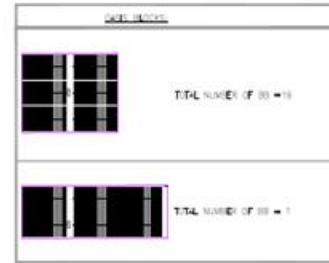
Navajo Region Approval: Yes No

Billie 1-31-11
Billie Regional Director Date

Solar Farm On Trust Site



UTM ZONE
 LATITUDE = 35.024000
 LONGITUDE = -106.953600



PNM Transmission Line

① ARRAY LAYOUT
 SCALE: 1" = 300'

1. THIS DESIGN ASSUMES THAT THE SITE WILL BE GRADED AND CONTROLED PREPARED BY THE OWNER AS REQUIRED TO MEET ALL REQUIREMENTS OF THE PROPOSED TRACKER ARRAY (TRACKER) DESIGN. REQUIRED GRADING IS NOT SHOWN ON THIS PLAN.
2. TO MINIMIZE SOIL EROSION.
3. ARRAY SPACING ON TRACKING WITH 10' CONTOUR INTERVAL DERIVED FROM PHOTOGRAMMETRIC DATA. ARRAY ALSO SHOWN WITH 100' FLOOD ELEVATION (PFA) AND ARRAY IS DESIGNED TO AVOID ALL 100' YEAR FLOODING EVENTS.

PROPOSED SYSTEM SPECIFICATIONS:
 36,720 sq. ft. = 30 Acres
 (86,400) HIGH EFF. (BISOL) MODULES
 10,000 WATTING, 8,440 STINGS
 120 DRIVE MOTORS, 12,280 WHEELS
 20 EQUIPMENT PADS, 1 SUBSTATION
 CONCRETE
 4.30% TILT, 0.5%

NOTE: THE PROPOSED ARRAY LAYOUT SHOWN IS BASED ON THE TRACKING CONCEPT AS THE AREA DESCRIBED ON THIS DRAWING AND MODULE QUANTITY, TIME AND LAYOUT ARE SUBJECT TO CHANGE BASED ON COMPLETED NEGOTIATIONS OF ACTUAL SITE CONDITIONS AS WELL AS ON MODULE AVAILABILITY AT THE DATE OF ORDER.

SUNPOWER
 PHOTOVOLTAIC SYSTEMS
 10000 BRADDOCK DRIVE
 ALBUQUERQUE, NM 87124

CLIENT: **HAIJILEE NAVAJO CANADA DEL OJO 31**
 PROJECT: **TO TRACKER ARRAY LAYOUT**

REV	DATE	DESCRIPTION	BY	CHK
1	10/1/2011	ISSUED FOR PERMITTING	W.P.	W.P.
2	10/1/2011	REVISIONS	W.P.	W.P.
3	10/1/2011	REVISIONS	W.P.	W.P.
4	10/1/2011	REVISIONS	W.P.	W.P.
5	10/1/2011	REVISIONS	W.P.	W.P.
6	10/1/2011	REVISIONS	W.P.	W.P.
7	10/1/2011	REVISIONS	W.P.	W.P.
8	10/1/2011	REVISIONS	W.P.	W.P.
9	10/1/2011	REVISIONS	W.P.	W.P.
10	10/1/2011	REVISIONS	W.P.	W.P.
11	10/1/2011	REVISIONS	W.P.	W.P.
12	10/1/2011	REVISIONS	W.P.	W.P.
13	10/1/2011	REVISIONS	W.P.	W.P.
14	10/1/2011	REVISIONS	W.P.	W.P.
15	10/1/2011	REVISIONS	W.P.	W.P.
16	10/1/2011	REVISIONS	W.P.	W.P.
17	10/1/2011	REVISIONS	W.P.	W.P.
18	10/1/2011	REVISIONS	W.P.	W.P.
19	10/1/2011	REVISIONS	W.P.	W.P.
20	10/1/2011	REVISIONS	W.P.	W.P.

DESIGNED BY: W.P.
 CHECKED BY: W.P.
 DRAWN BY: W.P.
 DATE: 10/1/2011
 SHEET: 1

Steps we have taken so far

DRAFT ENVIRONMENTAL ASSESSMENT FOR THE TO'HAIJILEE SOLAR PROJECT

Prepared for:

U.S. DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS
NAVAJO REGION
P.O. Box 1060
Gallup, New Mexico 87305

On behalf of:

RURAL COMMUNITY INNOVATIONS
210 Cirque Drive
Bozeman, Montana 59718

And

TO'HAIJILEE ECONOMIC DEVELOPMENT, INC.
P.O. Box 3168
To'Hajilee, New Mexico 87026

Prepared by:

SWCA ENVIRONMENTAL CONSULTANTS
5647 Jefferson St. NE
Albuquerque, New Mexico 87109
(505) 254-1115

SWCA Project No. 16715

March 2011

EA



United States Department of the Interior
Navajo Region
P.O. Box 1060
Gallup, NM 87305

MC/200/Division of Environmental, Cultural, & Safety Management

Ms. Coleman Burnett, Natural Resources Planner
SWCA Environmental Consultants, Inc.
5647 Jefferson Street, NE
Albuquerque, NM 87109

RE: Final Environmental Assessment for the To'Hajilee Solar Project

Dear Ms. Burnett:

The Environmental Assessment, EA-10-148, for the To'Hajilee Economic Development Incorporated (TEDI), proposed To'Hajilee Solar Project, located on Canyoncito Band of Navajo Indians trust lands in To'Hajilee Chapter, Bernalillo County, New Mexico has been reviewed in the Division of Environmental, Cultural and Safety Management, Navajo Regional Office. A Finding of No Significant Impact (FONSI) has been determined for the proposed action. It will not have a significant impact on the quality of the natural and human environment. An Environmental Impact Statement for the proposed project is not required.

Should you require additional information, you may contact Ms. Harrilene J. Yazzie, Navajo Regional NEPA Coordinator, at (505) 863-8287.

Sincerely,

Acting Regional Director, Navajo Region

Enclosure

FONSI



MAY 3 1 2011

EA-10-148

Steps we have taken so far



Cañoncito Band of Navajos

P.O. Box 3992 To'hajiilee New Mexico 87026

Phone: 505-908-2730 Fax: 505-908-2731

Raymond Santos, President
Mark Beggs, Vice President
Keith Peters, Secretary/Treasurer
Lorraine Peters, Council Delegate

RESOLUTION: TOH 10-07-01

RESOLUTION OF THE CAÑONCITO BAND OF NAVAJOS/TO'HAJIILEE CHAPTER APPROVING AND AUTHORIZING APPLICATION BY TO'HAJIILEE ECONOMIC DEVELOPMENT, INC. FOR BUSINESS LEASE ON 489.1 ACRES OF CAÑONCITO BAND LAND LOCATED IN PARTS OF SECTIONS 31 AND 6, IN ACCORDANCE WITH APPLICABLE RULES AND REGULATIONS IN 25 USC AND AS LAND OWNERS, TO DEVELOP AND CONSTRUCT A SOLAR ENERGY PLANT TO PRODUCE RENEWABLE ENERGY ON SAID CBN LANDS

WHEREAS:

1. The Cañoncito Band of Navajos ("CBN") was granted by the United States Government certain lands in New Mexico to be held in trust for CBN by the Act of August 13, 1949 and with this recognition the CBN/To'Hajiilee Chapter government has provided services to the CBN people; and
2. The CBN/To'Hajiilee Chapter ("Chapter") government currently provides services to enrolled members of the Cañoncito Band of Navajos; and
3. The Chapter delegated to the To'Hajiilee Economic Development, Inc. ("TEDI") the Chapter's responsibility for and performance of economic planning and development and other ventures and activities for the To'Hajiilee community and members of the Cañoncito Band of Navajos; and
4. Although TEDI was originally wholly owned by Dine Development Corporation ("Dine"), on September 9, 2009, full ownership was transferred from Dine to the Chapter at no cost to the Chapter, pursuant to CBN Resolution No. TOH-09-09-08-01, dated September 8, 2009, in which the Chapter requested and accepted full ownership of TEDI; and
5. In December 2008, TEDI made a formal request to the Chapter to secure a Business Lease to develop a solar energy project ("the Solar Project") on CBN land located in parts of Sections 31 and 6; and
6. The Chapter approved TEDI's request for a Business Lease at a meeting held on December 18, 2008, but the written resolution approving said request was never signed; and
7. The Chapter wishes to confirm its support of the Solar Project and approval of TEDI's request for a Business Lease for that purpose; and

**Chapter Resol. approving
site for solar farm & Lease**

Next and Final Steps

- **Final approval of lease by BIA:**
 - Chapter had to approved lease – March 7th
 - BIA (including solicitor) was involved for 2 years with its content
 - Signed last week – 5 months later

- **Studies on Transmission line:**
 - Capacity determined by Interconnect Study – done
 - Next study determines sub-station issues – 5 mo.
 - Last is the interconnection agreement – 2 mo.
 - Transmission capacity – 1 mo. or so.

- **Sell Power:**
 - Negotiating with buyers
 - Their agreement is with us and with transmission

- **Finalize Financing – 2 years of work already done**

Interconnection Study Completed

**Transition Definitive Interconnection
System Impact Study**

Cluster 1

IA-PNM-2011-02 and IA-PNM-2011-04

May 2012

Prepared by:
Public Service Company of New Mexico

**Required by Federal
Energy Regulatory
Commission (FERC)**



Next and Final Steps, cont.

- **Finalize Ownership in Limited Liability Corporation:**
 - Work started a year ago – Shandiin Solar LLC
 - Further removes tribal politics from business
 - TEDI sub-leases site to LLC
 - Chartered in Delaware
 - Allows for legal remedies suitable for investors and lenders.
 - Allows for tribal and non-tribal ownership
 - Allows tax payers to put money into project in exchange for tax benefits
 - When tax benefits expire (5-7 years) they exit ownership
 - Provides 50% equity – reduces price per kwh
 - Tribe/tribal corporation then owns majority/ exclusive shares of company

What Chapter Voted To Do With Rent Income

- Senior Affairs
- Veterans Affairs
- Education & Scholarship
- Community Health Needs
- Community Infrastructure Development
- Economic Development
- Housing Needs
- Emergency Fund
- Land Acquisition

- NO PER CAPITA PAYMENTS EVER

**We (our partners, team & TEDI)
are very excited about
To'Hajiilee' s new
SHÁNDÍÍN
Solar Farm.**

Please feel free to ask for our help!

