Kaw Nation Wind-Biomass Energy Project — Feasibility Phase DOE Denver Briefing

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Renewable Energy
Development on Tribal
Lands

FY 2002 Projects

Dept. of Energy Grant

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Kaw Nation-Wind-Biomass Energy Project Feasibility Phase Briefing Outline

- Project Overview
- Project Location
- Project Participants
- Objectives
- Project Status
- Future Plans
- Questions

Project Overview Gift to the Wind People

- In considering Energy Resources it is relevant that the Kaw, or Kanza, utilize the gift of wind power.
- The Nation's name derived from three subdivisions:
 - Tadje jinga: "Makes-a-breeze-near-the-ground"
 - Ak'a unikacinga: "South Wind People"
 - Tadje unikacinga: "Wind People"
- The Kanza have revered the South Wind in all ceremonial activities. (Kau-zau or Konzas, second syllable scarcely audible)

Project Overview

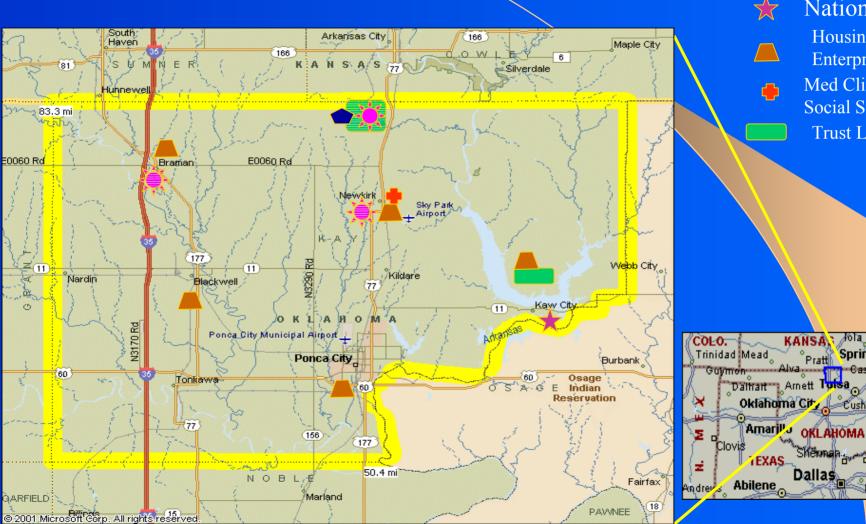
(continued)

Project Goal:

Identify optimal low-cost, renewable energy to serve tribal members and enterprises.... while providing opportunity for sustainable economic expansion on tribal lands.



Project Location





KANSA

Pratt

Dallas

Springfield

Cushing Smith

ARK.

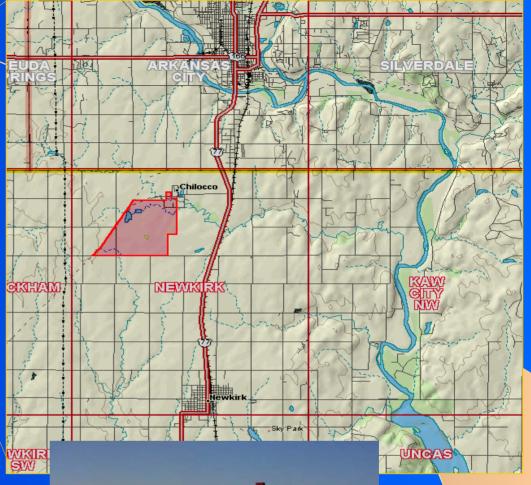
Project Location (continued)

Kay County, OK



Joint Tribal Ownership

Kaw Ponca Pawnee Otoe-Missouria Tonkawa





Project Location (continued)

- Kay County, Oklahoma
 - Chilocco Area development of trust lands
 - Integrated development (Inter-tribal coop)
- **Examples of Major Developments**
 - NA Tech. Training Center
 - Wind Center of Excellence
 - Associated inter-tribal enterprises
 - Other jobs in region
 - Aircraft Machine Shop to support regional aircraft manufacture in Wichita, KS
 - Operate Wind DEG system to power other Chilocco developments (e.g.)
 - Native American Diabetes Ctr (5+ yrs)
 - Native American Community College at Chilocco renewed campus (5+ yrs)
 - NA School of Government (NCIC)
 - Elder Care Facilities



Project Participants

- Kaw Nation
 - General & Executive Councils
 - Utilities Commission (KNUC)
 - Environmental Dept (KNED)
 - Cultural Cmte (Cultural Studies)
- Chilocco (NC) Inter-Tribal
 Council & Other NA Nations
- Oklahoma Wind Power Initiative (OWPI, State)
- OG&E Power Distributor
 - Oklahoma Municipal Power Authority (OMPA)
 - SW Power Pool (SPP)
- Kay County communities

- Contractors
 - Dale Osborn, Distributed
 Generation Systems (Disgen)
 - Ed McCarthy (Met Studies)
 - Western EcoSystems Technologies, Inc. (Avian Assessment)
- Intertribal Council on Utility Policy
 - Bob Gough (Secretary)
- Council of Energy Resource Tribes (CERT)
- DOE Labs
 - NREL, Sandia, Berkley

Objectives

Feasibility Assessment & Subsequent Wind Development

- Maximize Tribal Economic Benefits
 - Explore ways to employ Wind power to lower electric rates &/or offset production costs
 - Determine tribal energy requirements for services, enterprises & proposed Chilocco enterprises
 - Determine cost/benefit potential: selling local power vs exporting to regional markets to create revenues
- Create NA Employment opportunities
 - Proposed wind development will address:
 - # jobs & skills to operate & maintain proposed facilities
 - Staff current & future needs of present tribal ops
 - Staff businesses & services for proposed Chilocco development

Objectives (continued)

Feasibility Assessment & Subsequent Wind Development

- Technology Transfer to tribal members, resource & enterprise management
 - Disgen to provide Kaw Nation w/training materials to assess & develop wind facilities
 - Establish skill set within tribal membership
 - Project success will enable enterprise expansion & realization of Tribal energy self-sufficiency to offset current energy costs (Facilities Energy Audits/Conservation)
- Develop Energy Sources
 - Primary: Wind Power
 - Supplement: Power company grid distribution capacity

Project Status

Feasibility Assessment & Subsequent Wind Development

- Accomplishments
- Technical & Management Issues
- Activities Yet to Be Completed

Project Status (continued) Kaw Nation Wind Energy Project Background

- In 2002 Department of Energy awarded the Kaw Nation \$280K for wind energy feasibility assessment.
- Distributed Generation Systems, Inc. (DISGEN) co-wrote the application and is the contractor serving the Kaw Nation.
- DISGEN also is a contractor for the Northern Cheyenne in Montana, the Menominee in Wisconsin and the Rosebud Sioux in South Dakota

Project Status (continued) Accomplishments

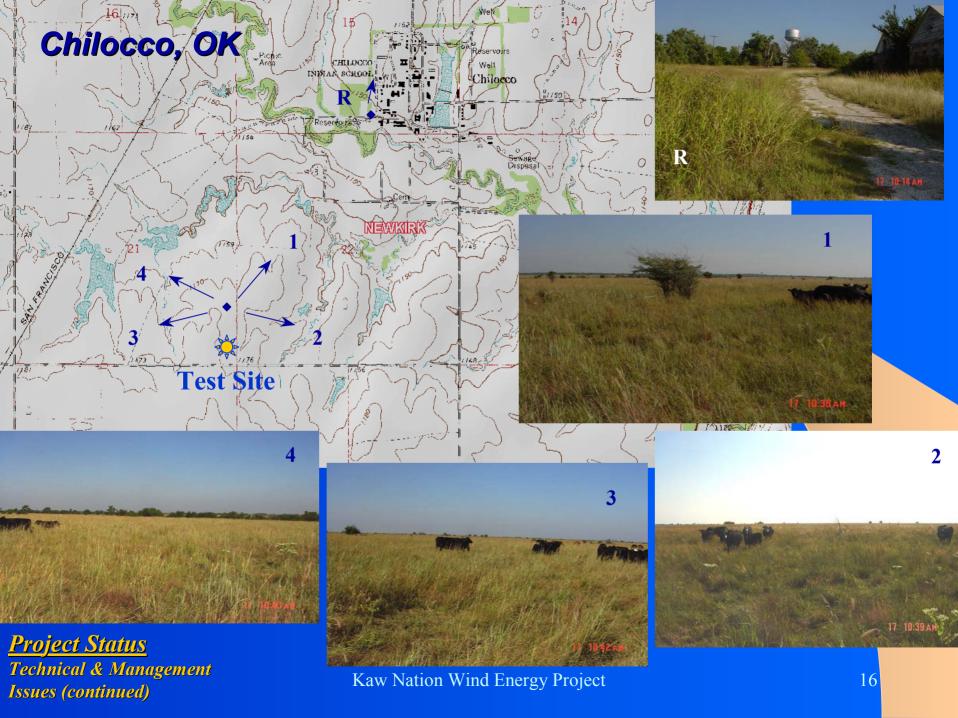
- Resource Assessment (70%)
 - A meteorological tower was installed at Chilocco in November 2002 and data is recorded monthly. First yrs data collected.
 - The wind speed has averaged 15.0 mph to date, better than expected.
 Little variability in wind resource power potential.
- Transmission Capability & Power Market Assessment (70%)
 - Prelim discussions w/ transmission entities indicate a willingness to work with the Kaw Nation on the project.
 - Includes Southwest Power Pool, OG&E and OMPA
- Phase I Environmental Impact Assessment (60%)
 - A preliminary avian assessment has been completed with no significant impacts identified.
 - KNED preparing for other NEPA studies

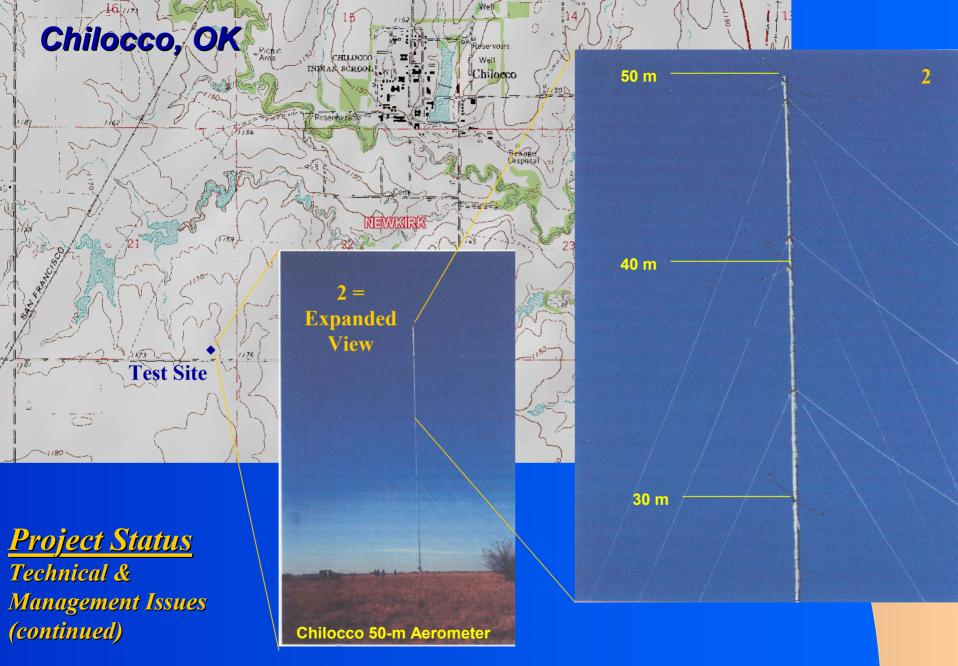
Project Status Accomplishments (continued)

- Cultural & Socioeconomic Impacts (50%)
 - Cultural studies will be completed before the end of 2003.
 - NA member interviews to be continued in development phase
 - GPR conducted at selected locations to ID FFA & define more detail work requirements during Development Phase.
 - Evaluating biomass potential, so far see limitations:
 - USDA & ODA NCOK studies reviewed
 - Feedstock transportation costs likely prohibitive
 - Long-term biomass fuel sources limited, energy gencap limited
 - Attending support infrastructure needs development along with byproduct marketing studies
- Doc & Rpt on Econ Benefits & Business Plan Develop. (40%)
 - Currently completing Pro-forma & Proj. Econ Evaluations
 - The Feasibility Study will be completed in early 2004.

Project Status (continued) Technical & Management Issues

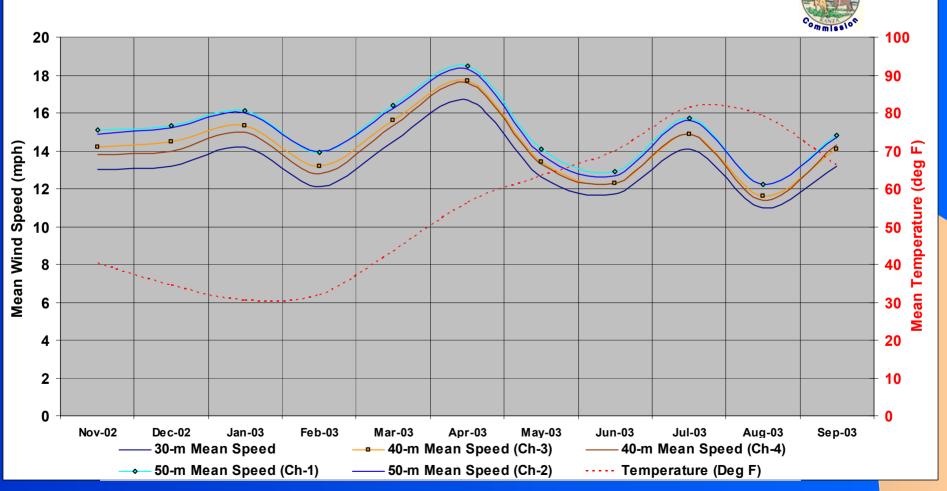
- Wind Resource Adequate
 - Small variations month to month, steady power
 - Class 3-4 Wind Resource at 50m
 - Grid and farm production feasible
- Management Issues
 - Personnel changes overcome
 - GC education on Wind Energy issues and building KN community interest continues
 - FP cost & schedule in line for timely completion





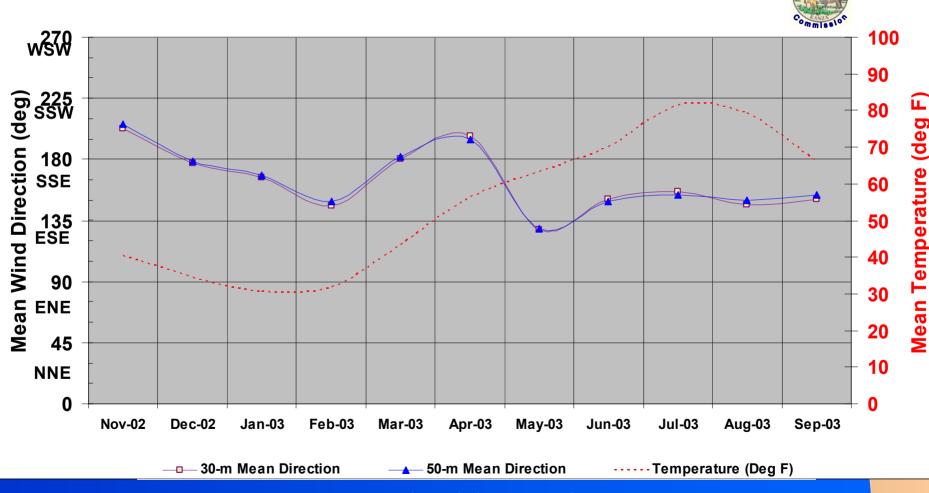
Project Status Technical & Management Issues (continued)

Chilocco Test Site Mean Monthly Wind Speed



Project Status Technical & Management Issues (continued)

Chilocco Test Site Mean Monthly Wind Direction



Project Status (continued) Activities to be Completed

- By late November complete cultural studies and provide requirements for development phase.
- By early December 2003, the economic model will be completed. The potential economic benefits to Kaw Nation will be better defined.
- Complete the Feasibility Report and provide pro formate economics & Business plan by early Jan 2004.

Future Plans

- Options for Tribal ownership or third party financing will be analyzed and explained for EC/GC decision.
- By end Jan 2004, the Nation will decide whether or not to apply for a Development Grant.
- Obtain direction by Resolution from Kaw Nation on the Development Grant Application.
- Prepare Grant Application for review and approval by EC for DOE submittal.



? Questions?

Your Turn



(Good-Bye)

