



Energy Keepers, Inc.

General Overview
March 25, 2015



Kerr Dam is located on a significant sight from cultural, religious, and resource perspectives



Lower Flathead
River Before Kerr
Dam

CSKT

Our People



- The Tribal confederacy is comprised of the Bitterroot Salish, the Pend d'Oreille, and the Kootenai Tribes.
- Historically, the three tribes were allies with ancestors who shared territory in areas now known as western Montana, parts of Idaho, British Columbia, and Wyoming.
- Presently, there are approximately 7,500 Tribal members.



CSKT

Our Resources



- The Tribes preserved the Flathead Indian Reservation as a permanent homeland for Tribal people by the terms of the Hellgate Treaty of 1855.
- The Reservation is 1.317 million acres in size. Although the Reservation was opened to non-Indian settlement as a result of historic federal policies, CSKT has diligently protected its ownership interests and diligently pursued reacquisition of federally-divested interests so that CSKT now owns over 70% of Reservation lands including the bed and banks of the south half of Flathead Lake.
- The Reservation is located in the mountains and valleys of Northwest Montana in the upper Columbia River Basin.
- The Kerr Plant is located on CSKT-owned land on and adjacent to the Flathead River six miles downstream from Flathead Lake.



Reacquiring CSKT Assets Since 1934

Our Government and Businesses



- The Hellgate Treaty establishes the Tribes as a sovereign entity and formalizes our government-to-government relationship with the United States.
- The Tribal government was established in 1934 pursuant to the terms of the Indian Reorganization Act; CSKT is a constitutional government governed by a popularly-elected ten-member Tribal Council.



- CSKT administers 30 government agencies with a collective annual budget of approximately \$146.3 million and employs approximately 1,200 government workers.
- CSKT owns six for-profit businesses engaged in banking, electronics manufacturing, information technology, engineering, aerospace, environmental restoration, gaming, and hotel/hospitality services.
- **CSKT operates Mission Valley Power, a federally-owned electrical utility, serving approximately 22,000 customers, located on the reservation, with annual revenue of approximately \$23.8 million.**

Planning Acquisition for 30 Years

Kerr History



- **The Kerr Project was developed as result federal assimilation policies implemented on the Flathead Indian Reservation from 1908-1934**
 - Allotting of the land
 - Creation of the Flathead Indian Irrigation Project (irrigation and power)
 - Development of power sites by non-Indian business entities

- **1921** Applications are filed for licenses to develop five power sites on the Flathead River within the Flathead Reservation.
- **1930** The Federal Power Commission issued the first 50-year license to the Rocky Mountain Power Company for the Kerr Dam site.
- **1939** Rocky Mountain Power Company transferred its interest in the License to the Montana Power Company ("MPC"). Kerr Dam began producing power.
- **1976** CSKT filed a competing application with the Federal Energy Regulatory Commission ("FERC") for relicensure of Kerr .
- **1980** The first license expired and FERC issued a series of one-year licenses to MPC.
- **1985** the Tribes successfully negotiate co-licensee status with the MPC and the option to acquire Kerr as the sole owner in 2015. New License issued to MPC and CSKT for a 50-year term through 2035.
- **1999** PPL Montana (PPLM") acquires Kerr from MPC and FERC transfers MPC's License interest to PPLM.
- **2015** CSKT prepares to exercise its exclusive and unilateral right to acquire Kerr through Energy Keepers Inc.

Kerr Dam

- A 200 foot high, 381 foot long concrete arch dam
- 194 MW facility producing 1.1M mwh/yr
- Kerr's reservoir is the top ten feet of Flathead Lake with 1.2 MAF

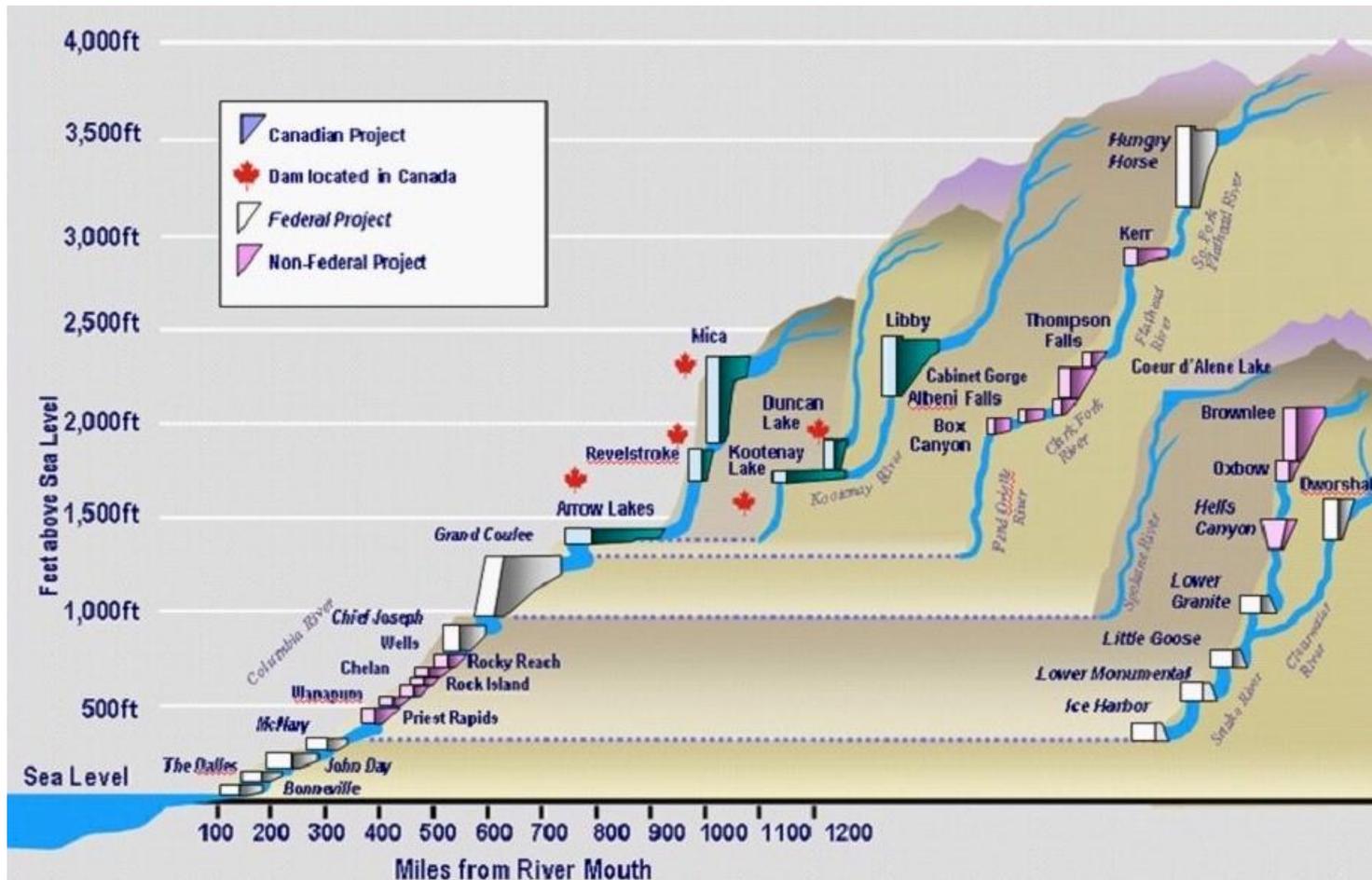


5/13/2015



- Kerr is part of the Columbia River basin flood control system coordinated through the Pacific Northwest Coordination Agreement.
- Recent engineering and safety studies indicate the facility is in good operating order and has an expected useful life that exceeds the balance of the FERC license term (i.e. 2035)

Kerr is a part of the Columbia Hydroelectric Resource Base



Energy Keepers Inc.

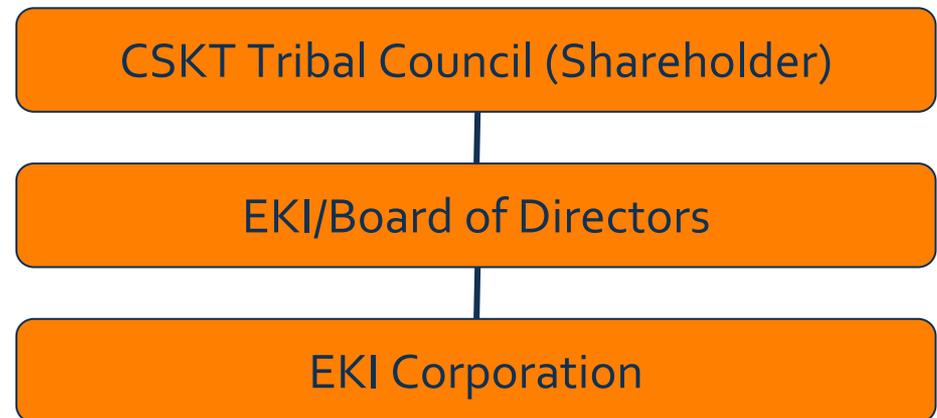


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- IN KOOTENAI- KSUKŁIŁMUMAŁ 'A-KAŁMUKWA' ITS
- WE DO BUSINESS AS - ENERGY KEEPERS, INC.
- WE ARE THE TRIBALLY OWNED CORPORATION OF THE CONFEDERATED SALISH AND KOOTENAI TRIBES TASKED WITH ACQUIRING, OPERATING, MANAGING, AND MARKETING THE POWER FROM THE KERR HYDROELECTRIC PROJECT ON THE FLATHEAD INDIAN RESERVATION.

Energy Keepers Inc.

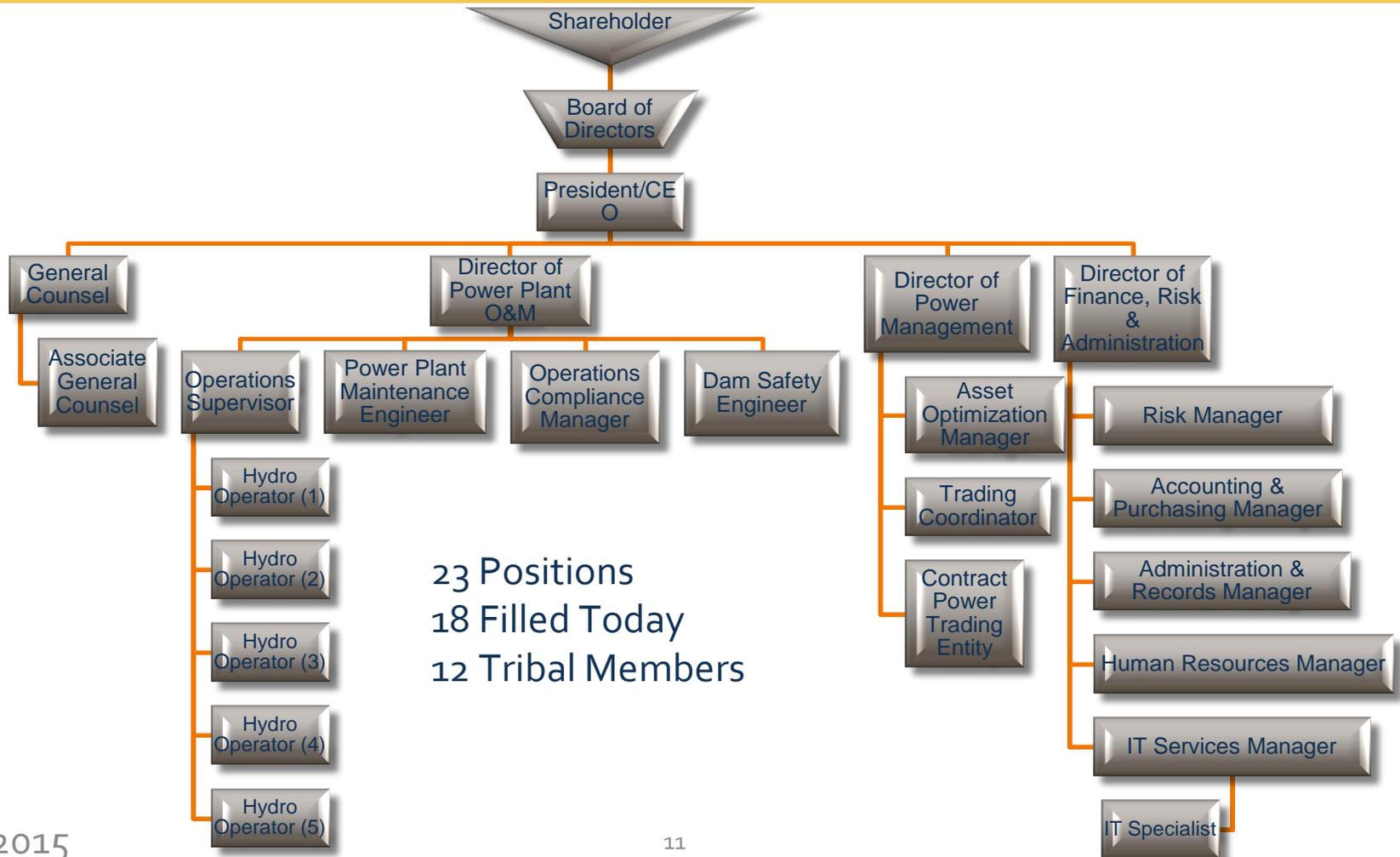


- EKI is a Indian Reorganization Act, Section 17, Federally Chartered Corporation
- EKI is Wholly owned by the Confederated Salish and Kootenai Tribes



Energy Keepers Inc.

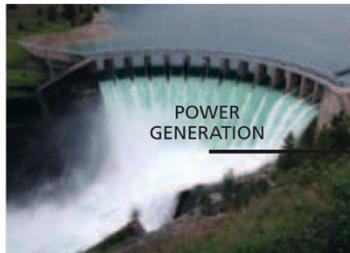
Staffing



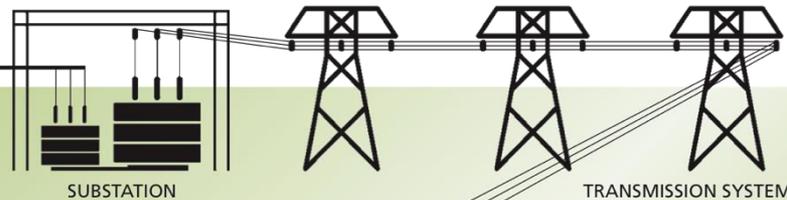
EKI Strategy

Independent Power Producer (IPP)

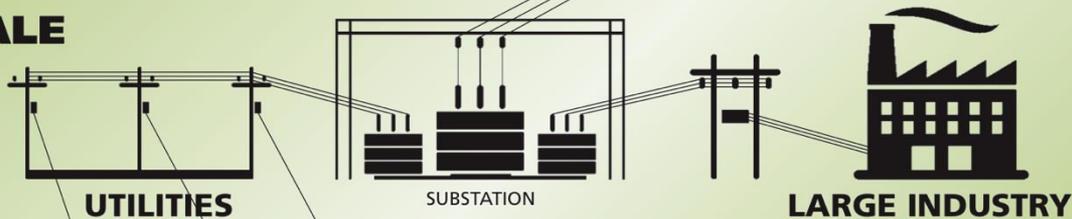
EKI will sell power generated at Kerr in the wholesale market to a variety of customers who will either use it directly or resell the power in the retail market.



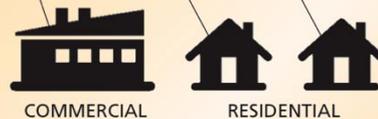
KERR PROJECT



WHOLESALE MARKET



RETAIL MARKET



Challenges



- Staffing
- EKI/CSKT Status under part 2 of the Federal Power Act to market power
- Risk Management
- Financing
 - Start Up and Acquisition
 - Operation (LOC)

Summary Conclusion



- 9/5/2015 - EKI/CSKT acquire Kerr Dam
- 1st time in 80 years we will have control of one of our major resources, Flathead Lake and the Lower Flathead River
- We will create 22 well paid jobs
- Most of those jobs will be filled with skilled and trained Tribal Members
- Through EKI as a Section 17 Corp. CSKT will realize all of the economic benefit of the facility.

Stay Connected

energykeepersinc.com

ENERGY KEEPERS, INC.
A CORPORATION OF THE CONFEDERATED SALISH & KOOTENAI TRIBES

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SX-NGÉ? ELS L SUWÉČM / KSUKÉ IĒ MUMAL 'A-K'ÁL MUKWA'ITS, INC., WHICH DOES BUSINESS AS ENERGY KEEPERS, INC., IS THE TRIBALLY OWNED CORPORATION OF THE CONFEDERATED SALISH AND KOOTENAI TRIBES TASKED WITH MANAGING THE ACQUISITION OF THE KERR HYDROELECTRIC PROJECT ON THE FLATHEAD INDIAN RESERVATION.

When the Tribes exercise their option to acquire the dam in 2015, they will become the first Tribes in the nation to own and operate a major hydropower facility.

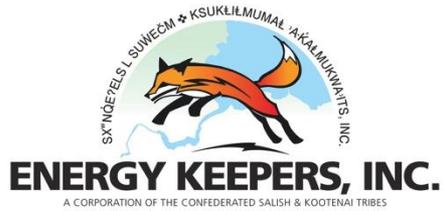
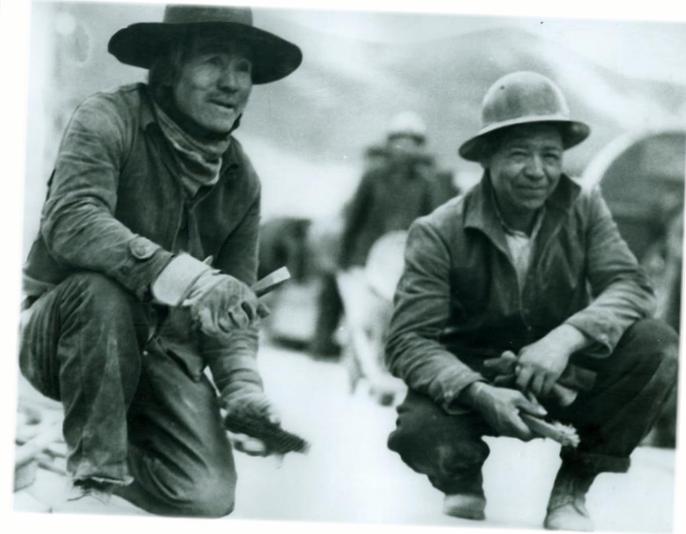
The Kerr Project, located about five miles southwest of Polson, encompasses a three-unit hydroelectric plant with the capacity to generate 194 megawatts of electricity. The annual generation of the plant averages 1,100,000 mega watt-hours of electricity or enough to supply 100,000 to 110,000 homes annually.

Currently, the Confederated Salish and Kootenai Tribes have the exclusive right to acquire the Kerr Project in 2015 under provisions in the current Federal Energy Regulatory Commission license. When the Tribes exercise their right to acquire the dam in 2015, they will become the first tribes in the nation to own and operate a major hydropower facility.

Owning and operating the Kerr Project will be a milestone for the Tribes as they continue to reacquire, manage and protect Flathead Reservation resources taken by the 19th century assimilation policies of the U.S. Government.

COUNTDOWN TO KERR DAM TRIBAL ACQUISITION

05/03/22/14/01



Questions?