



Blackfeet Nation

Commercial Wind Development
Blackfeet Reservation, Montana

Advantages

- 300,160 acres of tribally-owned land available for commercial wind development
- Wind resource of class 3-7
- Local anemometer towers actively recording data
- Close proximity to transmission lines
- Renewable portfolio standards in Montana and nearby states
- History of successful business endeavors

Greetings from the Tribe

The Blackfeet Nation is pleased to present you the major wind development opportunities among our community. The following pages will introduce our history and our people as well as the promising future for economic development of wind energy on the reservation.

Since 1994, the Tribe has undertaken various wind assessment and development projects. These projects have proven our potential for success and sustainability as a growing nation. We look forward to discussing prospective business arrangements to further our economic development.

Thank you for taking the time to meet with us. We genuinely appreciate your interest in our community.

Sincerely,



Willie A. Sharp, Jr.
Chairman
Blackfeet Nation

Introduction

While the Blackfeet strive to uphold Indian tradition and heritage, we are also looking to expand business endeavors. The tribe will continue to pursue business opportunities that ultimately provide us economic sustainability. Ongoing projects include:

- Big Rock Gas Field in the northeastern corner of the Reservation,
- Several significant oil and gas fields and prospects,
- Sand and gravel development

Blackfeet Renewable Energy Business Structure

The Blackfeet Tribal Business Council, the governing body within the Blackfeet Nation, passed the development of BREI, the Blackfeet Renewable Energy Inc., to improve economic conditions for the community through renewable energy development. BREI is a wholly owned development corporation, and is federally chartered under Section 17 of the Indian Reorganization Act. The creation of this business entity allows the Blackfeet Nation to make effective and prudent business decisions necessary for major economic development efforts.

The People

The Blackfeet Indians are one of four, closely related bands of Plains Indians -- all members of greater Algonquian linguistic family. Prior to treaties with the U.S. and the Indian Reorganization Act, the Blackfeet people led a nomadic lifestyle hunting buffalo in the northern plains, and in Canada.

Today, the Blackfeet include approximately 15,560 enrolled members of which 8,560 are off-reservation and 7,000 are on-reservation. Some of the tribal members are original allotted and un-allotted land owners and others lease or rent.

The Blackfeet Tribal Business Council

consists of nine members elected to two year, non-staggered terms. The executive officers (chairman, vice-chairman, and secretary) are nominated by the Council. The Blackfeet Nation, in its relationship with the federal government as a "domestic sovereign" Indian nation, is recognized as a nation within a nation through treaties, agreements, laws and executive orders.

Location and Climate

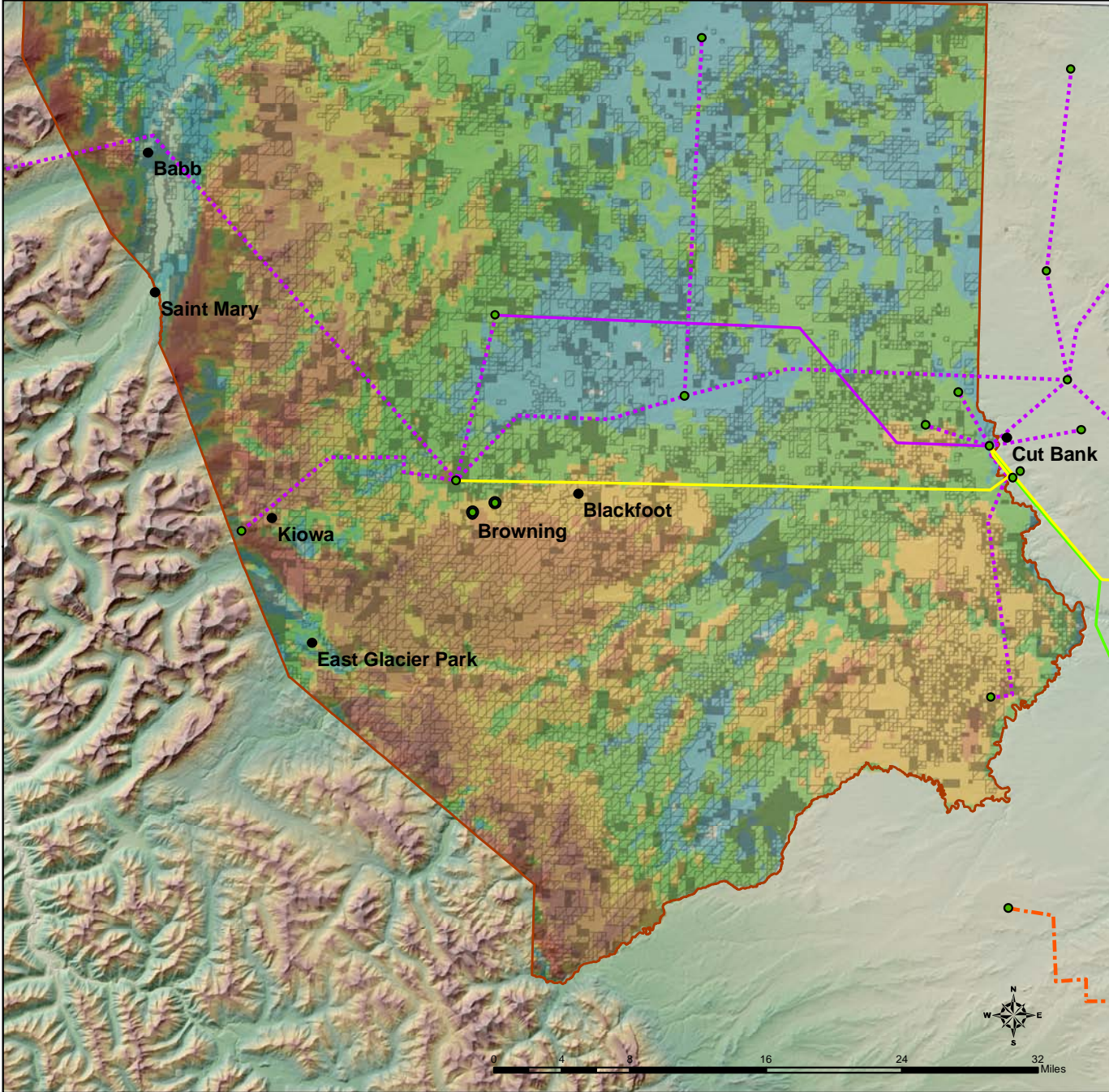
The Reservation sits on 1.5 million acres in northwestern Montana, and includes most of Glacier County. See Figure #1. Chief Mountain, at over 9,000 feet elevation, is one of the most imposing features on the Reservation and a popular tourist attraction.

To the north, the Reservation borders the Canadian province of Alberta. To the west, it shares a border with Glacier National Park, and to the southwest the Reservation borders the Badger-Two Medicine portion of the Lewis & Clark National Forest. Elevations vary from a low of 3,400 feet at the southwest boundary, to a high of over 9,000 feet on the northwest boundary. Average summer temperatures range from a high in the 70s Fahrenheit to a low of 40 degrees, while in winter months average highs are in the 30s.



Figure #1: Blackfeet Reservation Location

Blackfeet Wind Resource and Surface Ownership



Map produced by DEMD using data from NREL, Platts, and the National Geospatial Resource Center.

Legend













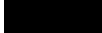


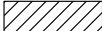
	Blackfeet Reservation Boundary	COMPANY, VOLTAGE	Wind Power Class
	substations		 3
	Power Plant		 4
	cities		 5
Surface Ownership			 6
	Tribal		 7
	Allotment		

Figure #2

Wind Resource

The Blackfeet Reservation has 1.5 million acres of wind potential ranging from power class 3 to power class 7. More specifically, the total acreage of each wind class is:

- Class 3 - 334,317 acres
- Class 4 - 563,283 acres
- Class 5 - 325,965 acres
- Class 6 - 220,410 acres
- Class 7 - 56,070 acres

This estimates to approximately 30 GW of possible electricity production. Of the total wind resource surface area on the Reservation, 300,000 acres is tribally owned and 640,000 acres are allotted. A map of this resource and the surface ownership is shown in Figure #2.

Infrastructure and Site Access

Currently, about nine transmission lines cross through the middle of the Reservation, 8 of which are 34.5kV and 1 of which is 115kV. However the current carrying capacity of these lines is unknown and further investigation will be needed to determine if connection is feasible. There are also several roads throughout the Reservation that could provide access to any future development. A map of the roads and transmission lines on the Reservation is shown in Figure #4.

A new, 1000 mile, 500 kV transmission line is being installed 180 miles southeast of the Reservation in Harlowton, MT and will extend Las Vegas, NV. The new line will have the capability of transmitting 3,000 MW of power, half of which is reserved specifically for wind power generation.

A map of Harlowton with the location of local transmission lines is shown in Figure #3.

Additionally, a TransCanada Chinook Project from Canada with the potential of 3,000 MW of capacity is in the works. Open season for reserving capacity ends May 31, 2009.

There also is the Northern Lights Project, as well as a potential added capacity on the Montana/Alberta transmission line, and a WAPA request for proposed construction for additional capacity.



Transmission Lines to Harlowton

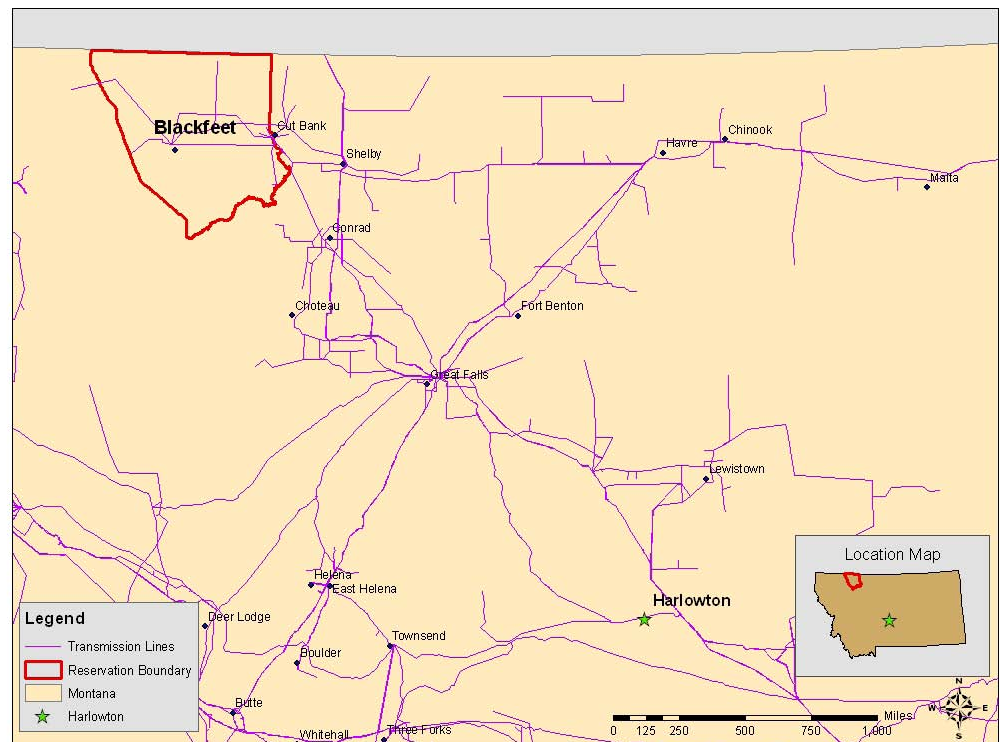
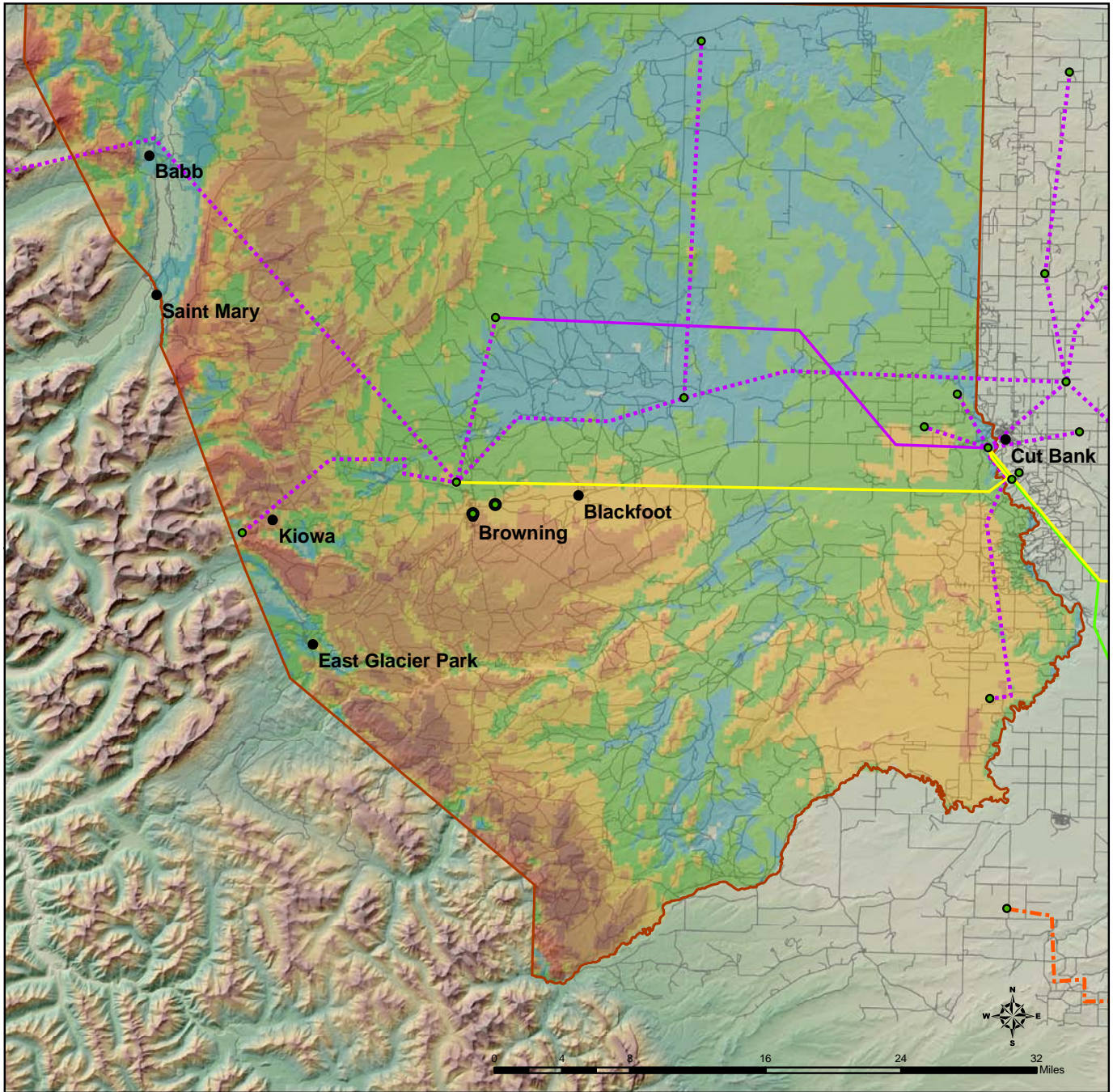


Figure #3

Blackfeet Infrastructure and Site Access



Map produced by DEMD using data from NREL, Platts, and the National Geospatial Resource Center.

Legend

- Blackfeet Reservation Boundary
- substations
- Power Plant
- cities
- roads

COMPANY, VOLTAGE

- Clark Fork & Blackfoot, LLC, 115
- Glacier Electric Coop, Inc., 115
- ⋯ Glacier Electric Coop, Inc., 34.5
- - - Sun River Electric Coop, Inc., 69
- Western Area Power Administration, 115

Wind Power Class

- 3
- 4
- 5
- 6
- 7

Figure #4

Market for Wind Power Generation

Renewable Portfolio Standards

The Renewable Portfolio Standard (RPS) for the state of Montana is 15% by 2015. In addition to Montana, nearby states of interest for the Blackfeet wind development project include:

- Washington - RPS of 15% by 2020
- Oregon - RPS of 25% by 2025 (large facilities) and 5-10% by 2025 (small facilities)
- North Dakota - state goals of 10% by 2015
- South Dakota - state goals of 10% by 2015

See Figure #5.

Wind development on the Blackfeet Reservation could aid these states in meeting their standards and goals through Power Purchase Agreements (PPA's) with utilities and with the sale of Renewable Energy Certificates (green tags) to non-utility partners. The PPAs and green tags can be bundled together with a PPA or in some cases sold separately to the utility or other entities.

Additional potential will arise with the installment of the new 500kV transmission line in Harlowton. With 50% of the capacity being committed to only wind power generation, the wind development market extends to the southwestern states as well.

Possible Business Arrangements

- Tax Equity Flip Project
- Lease land to developer
- Joint Venture

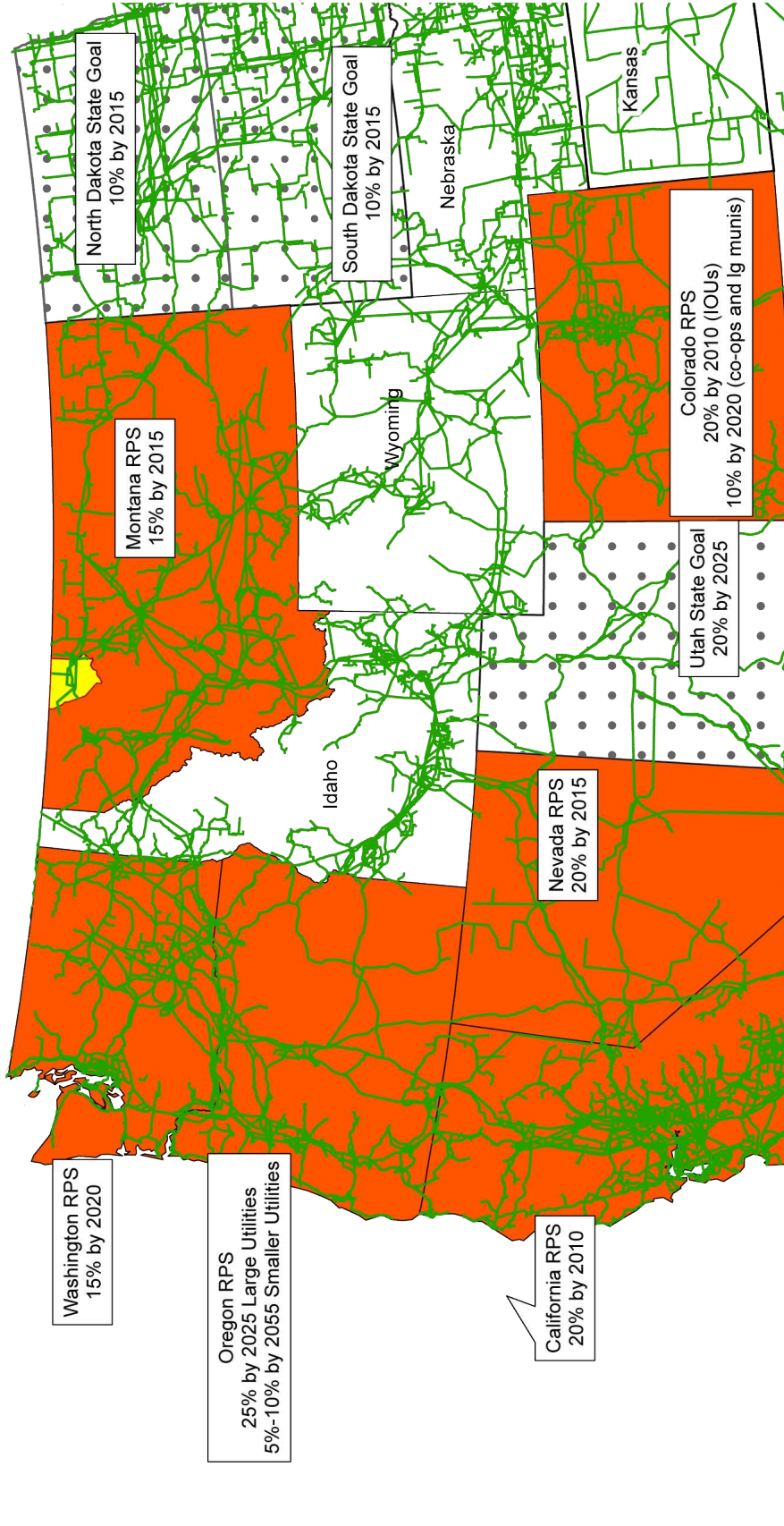
Wind Development Activity

The Blackfeet Nation is actively involved in many wind energy assessments and development projects on the Reservation as well as the national level. These activities include:

- Wind Powered Wastewater Treatment Plant
 - Four installed 10kW turbines in Browning, MT, in 1999
- Small Scale Wind Turbine Demonstration and Feasibility Study
 - 1994-1996,
 - Measurement of wind resources
 - 100 kW wind turbine installed
- Two New Wind Projects under development
 - Small 20-25 MW Wind Project
 - Large Scale Wind Project
- Pre-Project Development steps
- WAPA Wind Hydro Feasibility Study
- Wind Turbine Guidelines Advisory Committee



Renewable Portfolio Standards (RPS) and Transmission Lines in the Northwestern US



Legend






-  transmission_lines
 -  Blackfeet Reservation
 -  State Renewable Portfolio Standard (RPS) Objective
 -  State Goal Objective (No RPS)
 -  No State RPS or State Goal Objective
- 0 95 190 380 570 760 Miles



Figure #5

Pre-Project Development Steps

The pre-project development activities entail working out all required steps necessary for wind development to take place on the Reservation in order to maximize economic potential for the Tribe. This involves creating a project on paper which includes wind data, transmission agreements, power purchase agreements, design and specifications, permitting, turbines and other equipment, debt financing, and operations and maintenance agreements.

Specific steps the tribe has already taken include:

- Tribally owned 60m anemometer tower recording data on the Reservation,
- Discussions with electric company regarding power delivery to potential purchasers.

Environmental Impact Regulations

Many regulations exist for the development of wind generation facilities. These include regulations pertaining to environmental impact and the various agreements between the land owners, project owners, developers and power purchasers.

Environmental concerns include interference with avian and bat migration, existing stream and river channels, local airports and aviation facilities, local community noise disturbances, and other potentially harmful pollutants. No study has yet been completed and will need to be done before any development takes place.





Permits, Compliances and Leases needed for Wind Development

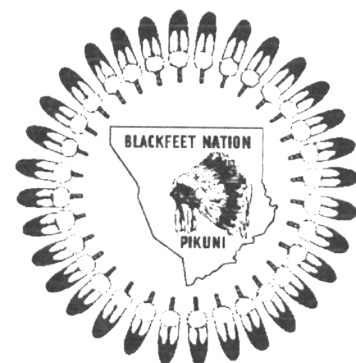
- Avian Protection Plan Guidelines
- Bureau of Indian Affairs Land Use Lease or Easement
- Tribal Employment Rights Office Licenses
- National Environmental Policy Act Compliance
- Archaeological Resource Protection Act Compliance
- Sacred Sites compliance
- National Ambient Air Quality Standards Compliance
- National Electric Safety Code Compliance
- National Electric Code Compliance
- Fish and Wildlife Act
- U.S Fish and Wildlife Service
- Federal Aviation Administrations Lighting Regulation Compliance
- Noise Control Act of 1972 Compliance
- Clean Air Act Compliance
- Resource Conservation and Recovery Act Compliance
- U.S. Army Corps of Engineers

Other consultations

- Advisory Council on Historic Preservation
- Endangered Species Act
- Federal Aviation Administration: 49 USC 44718
- EPA: Oil Pollution Act - Spill Prevention, Control, Countermeasure (SPCC) Plan
- Bats study

Tax Credit

Although the Tribe does not pay state or federal taxes, an income tax credit exists for renewable energy production that a developer could take advantage of depending on the business agreement. The value of the credit is \$0.021/kWh produced, and it is set to expire December 31st, 2012.



Blackfeet Nation



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