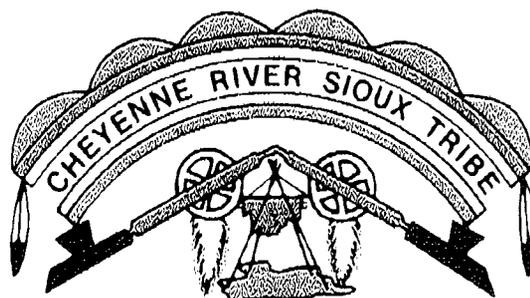


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June 21, 2004

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Via email: [UGPDakotasWindTS@wapa.gov](mailto:UGPDakotasWindTS@wapa.gov)

RE: WAPA Dakotas Wind Transmission Study Comments

Dear Mr. Harris:

The following are comments and recommendations from the Cheyenne River Sioux Tribe regarding the draft scope of studies associated with the Dakotas Wind Transmission Study (DWTS) for the placement of 500 megawatts of wind generation in the Dakotas. It is our understanding from the federal register notice published May 20, 2004, by WAPA that WAPA is soliciting comments designed to provide feedback and recommendations on the draft scope language and this process is still evolving. We would like to submit the following comments to WAPA to consider in its final determination of the scope of this ongoing technical study and process.

We realize that this study is a technical review of alternatives and issues, and not marketing or purchasing study. However, as governments and communities that have borne the disproportionate negative effects of the hydroelectric projects and associated transmission system in the Upper Great Plains region, the Cheyenne River Sioux Tribe and other Missouri Basin Tribes have a significant legislative and policy interest in this study. Specifically, our concern is that the analyses and recommendations that will support alternative technologies, routes or placement of new or expanded transmission facilities rely on assumptions and valuations of rights of ways and access to Tribal territories - new developments for which the Cheyenne River Sioux Tribe did not originally anticipate with the primary generation and transmission project(s). That is not to say that the Cheyenne River Sioux Tribe does not wish to promote and accommodate wind energy production on its lands or in its territories. In fact, we hope and intend to pursue vigorously opportunities to do so. Rather, at this time, we seek to share with

The blue represents the thunder clouds above the world where live the thunder birds who control the four winds. The rainbow is for the Cheyenne River Sioux people who are keepers of the Most Sacred Calf Pipe, a gift from the White Buffalo Calf Maiden. The eagle feathers at the edges of the rim of the world represent the spotted eagle who is the protector of all Lakota. The two pipes fused together are for unity. One pipe is for the Lakota, the other for all the other Indian Nations. The yellow hoops represent the Sacred Hoop, which shall not be broken. The Sacred Calf Pipe Bundle in red represents Wakan Tanka - The Great Mystery. All the colors of the Lakota are visible. The red, yellow, black and white represent the four major races. The blue is for heaven and the green for Mother Earth.

WAPA our view that the assumptions made and introduced into the modeling process have inherent valuation assumptions which may be outdated and, if projects are located on Tribal lands, could be viewed as an asset rather than a potential liability.

As we understand it, and as the draft scope of study language identifies, the 2003 legislation that authorized this transmission study for wind development(s) in the Dakotas contained no restrictions on specific siting per se. In that vein, we would like to recommend strongly that this process and study remain as flexible as possible to take into consideration emerging projects as appropriate. The legislative intent was not restrictive and the study should be reflective of that intent in its process.

The notice states its intent to include coordination with current technical study work in the region, which will require a certain amount of openness to new and emerging real projects in the region. We believe that this openness should also incorporate a reasonable amount of transparency and interactive flexibility. Periodic updates and meetings with Tribal governments, state governments, landowners, and other stakeholders should be scheduled in order to provide feedback and submit recommendations to WAPA or its study consultants. This transparent, regular consultation and flexibility in considering new and emerging projects is highly recommended as this study anticipates it will take *at least* a year for its completion.

With specific respect to the Tasks identified in the notice, the Cheyenne River Sioux Tribe requests clarification regarding Task Three and Task Four. During these Tasks, your draft notice posits that four (4) wind generation zones are to be identified as "most favorable" and will be then evaluated for interconnection. Specifically, we request clarification and recommend that WAPA regards the selection as "most favorable" not as an endorsement or siting commitment decision but rather dynamic modeling examples of potential favorable regions in which wind projects could be sited. We strongly request that this final selection of study sites be regarded as a flexible, interactive process where the study can appropriately reflect market and project development advances, especially in consideration of the large potential capital commitments by wind developers to move forward with preliminary siting work. We do not wish to see WAPA or the federal government approach their work as an academic exercise, but rather the project should be approached in consideration of the environment in which it will operate - that of a competitive marketplace whose transmission system is regulated by federal laws and policies.

With specific regard to Task Four, which authorizes a *Study the Delivery to Markets of New Wind Generation*, the most favorable zones will be evaluated and delivery studies performed for markets inside and outside of the Dakotas. The notice sets forth that transmission improvement options will be ranked by technical feasibility, right of way impact and cost. We would like to reiterate our concern that Indian Tribes in the Dakotas have been disproportionately impacted by the energy development of the Missouri River and its attendant transmission facilities that traverse our lands and territories. In light of this, the "impacts on rights of way" necessarily implies impacts to tribal communities, tribal economies and tribal development opportunities. We insist that this Tribal impact be reflected in the valuation of overall project impacts. Moreover, we would submit that should Cheyenne River Sioux Tribe be capable of siting its own wind project(s), then those impacts be noted as potential assets rather than unknown potential liabilities for future assessments on transmission expansion(s). We do

not seek to inhibit wind development, but we also do not want to compound the negative impacts of energy development that have already affected our lands, communities and economies.

With respect to the *Next Phase of Study*, the notice specifically considers the best use of any funding remaining and has identified concepts to be explored, which include: 1) a development cost-share loan and/or grant program for partially funding transmission studies for wind projects in the Dakotas; and 2) updating models for Tasks Three and Four. Since WAPA has requested comments and feedback on these concepts, we wish to strongly recommend and request that a specific amount of funding be set aside through this process to ensure that a cost share loan and/or grant program be established which will allow serious wind generation developers an opportunity to utilize WAPA study information in order to conduct site specific transmission studies. We request that WAPA give priority to this concept, which would be driven in part by real project development rather than conducting ongoing modeling after the initial study task phases.

The prioritization for the cost sharing program for specific studies should follow DOE and federal policies which promote and encourage development in enterprise zones, HubZones and Indian lands that can demonstrate economic viability in their development and in their participants. Projects already "in queue" do not adequately reflect the ability to interconnect and transmit wind to market, otherwise WAPA would not have undertaken this project to assess the ability to move wind generation on its system. It makes no sense to provide priority or increased access to projects "in queue." What makes more sense is to undertake a process by which projects could be realistically evaluated by the strength of their technical merits and by the ability of the participants to demonstrate their economic commitment to develop a wind project.

The Cheyenne River Sioux Tribe would like to submit these comments and recommendations on the record and also be on record that only Cheyenne River Sioux Tribe can speak for the Tribe at this time. We intend to submit comments and queries to WAPA as this process unfolds and invite WAPA to contact us for additional information if needed. Thank you for your consideration of our comments.

Sincerely,



Harold C. Frazier  
Chairman