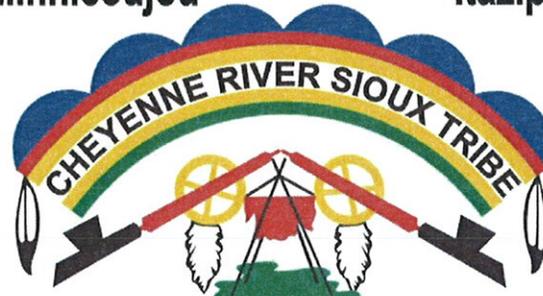


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Siha Sapa **1868** **Oohenumpa**

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May 4, 2011

Mr. Robert Harris
Regional Manager
Upper Great Plains Region
Western Area Power Administration
2900 4th Avenue North
Billings, MT 59101
406-255-2900 (fax)
UGP2021@wapa.gov

Dear Regional Manager Harris:

The Cheyenne River Sioux Tribal Council is vested with authority under the Tribal Constitution, Article I § IV(b) "To present and prosecute any claims or demands of the Cheyenne River Sioux Tribe of Indians." Accordingly, on behalf of the Tribe I submit the following comments.

The Cheyenne River Sioux Tribe (hereafter "CRST") has a contract with the United States Department of Energy Western Area Power administration in allocation of hydroelectric power supplemented by coal. Pursuant to the President's Executive Order 13175 on November, 6, 2000, and to consultation with Tribes, establishes the government-to-government consultation policy. The recent memorandum from President Obama affirms the government to government relationship between federally recognized Indian Tribes and the United States. Moreover, President Obama has required that all federal agencies develop consultation policies to guide their dealings with Tribal Nations. Does WAPA have such a policy developed or completed?

TRIBAL COUNCIL MEMBERS

DISTRICT 1

Ardys Cook
Bryce In The Woods

DISTRICT 2

Theodore Knife, Jr.

DISTRICT 3

Edward Widow
Maynard Dupris

DISTRICT 4

Sharon Lee
Todd Ward
Merrie Miller
Frank Thompson

DISTRICT 5

Ryman Lebeau
Robin LeBeau
Robert Walters
Raymond Uses The Knife

DISTRICT 6

DeAnna LeBeau
Dixie LeCompte

A letter dated March 7, 2011 from Department of Energy, Western Area Power Administration, Upper Great Plains Customer Service Region, Billings, MT, was published in the Federal Register dated March 4, 2011, Volume 76, No. 43, Page No. 12104, entitled "Pick-Sloan Missouri Basin Program—Eastern Division, 2021 Power Marketing Initiative Proposal." Western Area Power Administration (hereafter, "WAPA"), which markets the Pick Sloan Missouri Basin Program –Eastern Division power, seeks comments regarding the 2021 Power Marketing Initiative (2021 PMI) proposal. The CRST hereby notifies WAPA that it believes that WAPA should have directly consulted with the Tribes rather than holding mere public forums concerning the 2021 PMI proposal.

Council Representative Bryce In The Woods attended the April 20, 2011 in Bismarck, North Dakota and meet Doug Helleken, Gary Hoffman and spoke with John Pankratz, the 2021 PMI Project Manager as well as Jim Bach, Field Representative. In that informal conversation Council Representative In The Woods discussed with Messrs. Pankratz and Bach future proposals and developments for the CRST regarding the CRST allocation of power. In this conversation information was requested as to whether Western provides technical assistance to Indian Tribes concerning such planning and development. Accordingly, the CRST requests WAPA's budget as well as requisite information needed to help the CRST in its future energy development activities. These activities will likely include:

- A future proposed Tribal Electric Service in which CRST allocation can be distributed to the CRST membership.
- Technical assistance which is allowable from WAPA.
- Consultation is needed with CRST and Mr. Bach stated he would be able to present to our CRST Tribal Council which will be set up in the near future.
- Information was to be sent to Mr. In The Woods concerning the existing CRST contract with WAPA; Mr. In The Woods was told that he would receive this information by e-mail on May 2, 2011.

Consultation is critical in this issue of power allocation for the CRST as a government and as *parens patriae* for our membership. WAPA's deadline for receiving comments is today, May 4, 2011, concerning the proposed 2021 PMI. Because this issue directly affect us as customers and as a potential future electric service provider and because WAPA failed to consult with the CRST on a government to government basis, the CRST reserves the right to submit additional comments after today, May 4, 2011, as to its interests in the 2021 PMI proposal.

Comment: Representative Bryce In The Woods stated: "I do not feel we had the time to effective comment on the 2021 PMI and request additional time through our Chairman's Office and our Tribal Council with WAPA."

CRST Recommendations:

The CRST is developing wind power production in partnership with Citizens Corp and we are requesting support and partnership with WAPA in this renewable effort for cleaner power. The Preliminary Feasibility Study that is developing up 9,500 to 12,500MW transmission capacity is

technically feasible WAPA needs to support Tribal Wind. The CRST are requesting support in our partnership with WAPA to be able to utilize and build on transmission development of Tribal Wind in renewable energy.

The CRST is aware of the transmission planning, cost allocation with the Open Access Transmission Tariff (OATT) Intraregional transmission planning regarding the Wind and Hydropower Feasibility Study Sec. 2606 – Energy Policy Act 1992 amended Sec 503 (a) Energy Policy Act of 2005. Question Is the Tribal Wind injection project that is subject to the Western Open Access transmission Tariff (OATT) process feasibility study complete?

The CRST recommends additional studies in the evolution of technology with other agencies such as NASA that can again strengthen renewable energies and lighten the load of coal-fired emissions that contributes to global warming.

The CRST is in need of information under consultation that will strengthen the Federal – Tribal – Customer partnerships that can contribute to the energy security of the United States.

The CRST questions the two estimates using calculator – one with a productive tax credit and without assumptions was 5 cents per KWH 2011 plus tax credits estimate that was completed by using assumptions agreed to by project team and assumptions agreed to by Tribal Representatives participating though a conference call.

WAPA should not limit Tribal Wind development as CRST is in process now but support the renewable energy drive that is needed in this country. If legislation is needed to support more wind/hydropower development to make it compatible also the evolution of technology factored in and is needed to benefit all customers and partnerships. Question: Are renewable mandates needed with Tribal Nations – WAPA – and proposed legislation that will assist WAPA in incorporating renewable energy as Tribal Wind/Hydropower?

The CRST proposes to supplement these comments later on the following issues:

Amending Marketing Plan Principles:

1. Contract Term – FES contracts
2. Resource Pools – 1 per cent marketable resources under contract at the time for eligible new preference beginning January 1, 2021 to December 12, 2050.

Extending Marketing Plan Principles

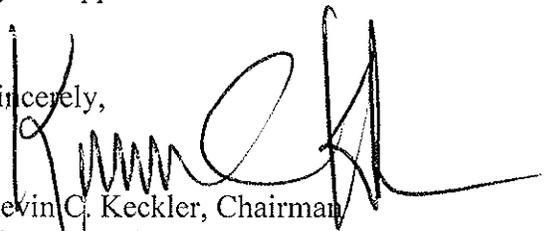
1. Marketable Resources
2. Marketing Area
3. Load Factors Limit and Withdrawal Provisions

- a. Load Factor Limit
- b. Project Use Withdrawal Provision
- c. Hydrology & River Operation Withdrawal Provision

4. Marketable Future Resources

Regional Manager Harris, again, the CRST strongly protests the manner in which WAPA sought comments from Indian Tribes who gave the most for hydroelectric power, the Tribes of the Upper Missouri River Basin, i.e., the Three Affiliated Tribes of North Dakota, the Standing Rock Sioux Tribe, the CRST, the Crow Creek Sioux Tribe, the Lower Brule Sioux Tribe, the Yankton Sioux Tribe and the Santee Sioux Tribe. We look forward to your written response affirming our ability to supplement these comments.

Sincerely,



Kevin C. Keckler, Chairman
Cheyenne River Sioux Tribe