

Aletha Tom, Tribal Chairwoman, Moapa Band of Paiutes

**Before the Senate Committee on Indian Affairs:
“S. 2132, to amend the Indian Tribal Energy Development and Self-Determination
Act of 2005”**

Washington, DC – April 30, 2014

Mr. Chairman and Members of the Committee,

Good afternoon. I am Aletha Tom, Tribal Chairwoman of the Moapa Band of Paiutes. My purpose in testifying today is to provide our story on Energy Development utilizing one of the most abundant natural resources; solar energy.

Significant land holdings are important in developing solar energy. Since time immemorial, the Southern Paiutes, the Nuwu, have occupied the Southern Great Basin, including Southern California, Southern Nevada, Northern Arizona, and Southern Utah. The Moapa Band of Paiutes is one of several bands, which make up the entire Southern Paiute Tribe of Nuwu. In 1874, the Moapa Band of Paiutes Reservation encompassed 2.2 million acres which stretched to the Colorado River in the South and Las Vegas to the east. However, subsequent government action reduced our land holdings to 1000 acres. In 1980 we got back a portion of our ancestral land pursuant to P.L 96-491 which restored 70,500 acres of land. Upon our returned land, the Moapa Band of Paiutes have engaged in significant economic development opportunities by working with industry leading partners to establish large, commercial solar voltaic arrays.

The Moapa River Indian Reservation’s location is unique to other parts of Indian Country because we have an energy corridor going through our Reservation that contains electronic power lines and gas lines. Additionally, adjacent to our reservation sits two power substations that have capacity to transport the renewable power

produced by our solar plant. Hence, we are fortunate to be in this prime development location.

Currently, the Moapa Band of Paiutes, has three projects that will supply over 500 Megawatts of Renewable Energy and we are also considering a fourth project that could bring in another 100 megawatts of clean renewable energy. This means we have the potential for 600 megawatts of clean energy that will not add any green-house gases into the atmosphere. Furthermore, we have talked with potential partners who are interested in building even more solar voltaic systems on our land.

Government must act as a facilitator to produce more renewable energy. Currently the federal government has made renewable energy investment very attractive by providing an investment tax credit for renewable energy that will end in 2016. This tax credit provides incentives for companies who invest to receive thirty percent tax break for renewable energy investment and significant depreciation tax.

We want to see the Solar Investment Tax Credit (ITC) extended to provide additional tax incentives for business to invest in Indian Country. Of course, we want Indian Country to benefit as energy producers, however, very few tribes would have the multi-millions or billions to invest in such large scale projects, but if there was other government spending to invest so that Tribes could capitalize more on the renewable energy market as energy producers it would be the most favorable option.

Business entities who rent tribal land should not be afraid to comply with the substance of our Tribal Employment Rights Ordinance (TERO). TERO requires Indian Preference in employment, subcontracting, and business opportunities on the reservation. Complying with TERO is not burdensome because it puts the onus on the tribes TERO officer to provide lists of employable natives and potential training for employment opportunities. Once the tenant company engages the TERO officer and provides a request for assistance the TERO officer has the burden to produce lists of qualified individuals for the tenant company. The tenant company can go beyond entry

level and skilled positions it provides additional capabilities for Tribal members to move up to executive positions within the tenants company. Complying with TERO is a vital component to the success of these projects. It provides immediate access to workforce, it provides opportunities to strengthen the workforce, and strengthens the socioeconomic status of the tribe and its community.

Tribes who want to engage in solar energy must be aware of the substantial transaction cost in developing these projects. Developers can facilitate the projects by assisting with biological and environmental compliance requirements by supplementing the expertise with the federal agencies in charge of overseeing these regulations. Substantial costs can also be attributed to legal analysis and reviewing each stage of regulatory compliance. Tribes must be prepared to absorb these known and unknown costs.

If the Tribe has the financing to complete a renewable energy project then this is the optimum route to develop a project. However, in the beginning of a project, do not be surprised to work with a development team, skilled in obtaining energy contracts called Purchase Power Agreements with major utilities, based upon sound resource data. Investors will then be interested in funding these projects for the Solar Investment Tax Credit.

Tribes that are interested in renewable energy assistance should work with the Department of Energy, Office of Indian Energy who will provide an integral technical assistance to better understand how Tribal projects fit into the renewable energy market.

Tribes can utilize the government to government relationship to push for legislation and administrative actions that will facilitate renewable energy investment on Indian land. Senator Harry Reid has been a leader on this issue in Nevada and attended the groundbreaking for the first utility scale solar project on tribal lands.

Limited waivers of certain Tribal Laws are inevitable. Tribes need to work diligently to protect their sovereignty but be aware that the investors also want to limit their financial risk as they invest multi-millions and billions of dollars in these projects. Investors also want longer term deals which have been facilitated by your committee who recently passed the HEARTH act that allows for longer term ground leases.

Do not back down from fighting for your rights. At the same time that the Tribe was beginning to venture into renewable energy, the Tribe sued the old Nevada Power to close down their power plant located adjacent to the Reservation. The Tribe and the Sierra Club sued to shut down the Reid Gardner Power plant, which lies adjacent to our reservation and tribal citizens homes, because the pollution coming from the plant was detrimental to the health of our Tribal members. One result of the lawsuit and other political pressure contributed to the recent Nevada State legislation, SB 123, which directed Reid Gardner to close its 1, 2 and 3 stacks by the end of this year and the large stack by 2017.

As the Energy Industry changes so do relationships. Nevada Power is now owned by Nevada Energy, a subsidiary of Mid American Holding Company, which is owned by Warren Buffett. We have worked with the new Nevada Energy President, Paul Caudill and we hope to work positively to develop new renewable energy projects with the company.

In conclusion, we have outlined that renewable solar energy projects can be accomplished with participation of Federal and State Governments. We endorse government going down this green road and supporting policies that promote substituting green-house gases for clean energy.

We appreciate the Senate Committee on Indian Affairs for holding this worthwhile hearing and listening to input from the Moapa Band of Paiutes. Thank you.