



HONOR THE EARTH



**INTERTRIBAL COUNCIL ON
UTILITY POLICY**



**INDIGENOUS
ENVIRONMENTAL
NETWORK**



**INTERNATIONAL INDIAN
TREATY COUNCIL**

ENERGY JUSTICE IN NATIVE AMERICA AND THE NEXT ADMINISTRATION Policy Statement- Presidential Transition 2009 December 17, 2008

OVERVIEW

When considering energy production, resource extraction, housing and energy efficiency it is essential that the incoming administration take into account the disproportionate impacts of climate change and energy development on American Indian reservation and Alaska Native villages, and the potential for catalyzing green reservation economies. We ask that the incoming administration consult with Honor the Earth, Intertribal Council On Utility Policy and the Indigenous Environmental Network, representing a network of 250 grassroots tribal organizations and tribes, to ensure input from impacted communities is fully taken into account, and to ensure Native American participation in the green economy of the future.

A just nation-to-nation relationship means breaking the cycle of asking Native America to choose between economic development and preservation of its cultures and lands; renewable energy and efficiency improvements provide opportunity to do both simultaneously. A green, carbon-reduced energy policy has major national and international human rights, environmental and financial consequences, and we believe that this administration can provide groundbreaking leadership on this policy. The reality is that the most efficient, green economy will need the vast wind and solar resources that lie on Native American lands. This provides the foundation of not only a green low carbon economy but also catalyzes development of tremendous human and economic potential in the poorest community in the United States- Native America.

HISTORY OF EXPLOITATION AND ENERGY INJUSTICE

The history of resource exploitation, including conventional energy resources, in Indian Country has most recently been highlighted by the Cobell lawsuit against the Department of the Interior on behalf of individual Indian land owners, which requires both accountability of the federal trustees and a just settlement for the Indian plaintiffs. The programmatic exploitation of conventional energy resources has run an equally long and often deadly course in Indian Country, with a distinctly colonial flavor where tribes have supplied access to abundant natural resources under trust protection at rock bottom prices in sweetheart deals promoted by the federal government, yet often go un-served or underserved by the benefits of such development. Even the most recent federal energy legislation and incentives are still designed to encourage the development of tribal

resources by outside corporate interests without ownership or equity participation of the host tribes.

The toxic legacy left by fossil fuel and uranium development on tribal lands remains today and will persist for generations, even without additional development. Mines and electrical generation facilities have had devastating health and cultural impacts in Indian country at all stages of the energy cycle- cancer from radioactive mining waste to respiratory illness caused by coal-fired power plant and oil refinery air emissions on and near Native lands. Native communities have been targeted in all proposals for long-term nuclear waste storage.

Compensation for uranium miners and their families has not been fulfilled from the last nuclear era, and every tribal government with uranium resources has opposed new uranium mining developments, including in the Grand Canyon, as an immoral and untenable burden for Native American communities. In addition, energy-related deforestation has serious climate change and human rights impacts for Indigenous communities globally. Approximately 20% of climate change-inducing emissions come from deforestation and land use, often from unsustainable energy projects, biofuel (agrofuel) and other monocrop development fueled by a need to satisfy tremendous foreign and World Bank debt obligations. On an international level, the US has yet to sign onto the United Nations Declaration of the Rights of Indigenous Peoples, we believe signing onto this important agreement is an essential early step in the context of next administration's dealings with Native America.

When considering energy and climate change policy, it is important that the White House and federal agencies consider the history of energy and mineral exploitation and tribes, and the potential to create a dramatic change with innovative policies. Too often tribes are presented with a false choice: either develop polluting energy resources or remain in dire poverty. Economic development need not come at the cost of maintaining cultural identity and thriving ecosystems. Providing incentives to develop further fossil fuels and uranium in Indian country will only continue the pattern of ignoring the well-being of tribes and Alaska Native villages in favor of short-sighted proposals that exploit the vulnerabilities of poor, politically isolated communities.

- 'Clean coal' is an oxymoron; mining coal is never 'clean,' coal plant emissions add to climate change impacts, carbon capture and sequestration technology is unproven financially and technically. Coal expansion on and near Native lands should not be incentivized by the administration.
- Nuclear power is not a solution to climate change: from mining to nuclear waste, the nuclear cycle is far from carbon neutral and disproportionately impacts Native communities. Nuclear power is also economically unfeasible, and will not address climate change at the speed required to mitigate the devastation ahead.
- Oil drilling in sensitive Arctic regions, including the off shore Outer Continental Shelf areas of the Beaufort and Chukchi Seas, threatens Alaska Natives' way of life, and perpetuates the nation's addiction to oil and GHG emissions. It is of utmost importance to institute a federal time-out on the proposed offshore development

within the Outer Continental Shelf areas in Alaska. It has not been proven whether or not cleaning up spills in broken ice conditions is possible, the implications to subsistence ways of life and human health of coastal communities have not been reviewed extensively and impacts to Polar Bears and other threatened and endangered Arctic marine species have not been studied.

- Importing 80% of the Alberta Canada tar/oil sands crude oil to feed US energy needs encourages unprecedented ecological destruction in Canadian Native communities and the use of a fuel far more carbon intensive than conventional oil. This tar sands expansion has been called the tip of the nonconventional fuels iceberg. This iceberg includes oil shale, liquid coal, ultra-heavy oils and ultra-deep off shore deposits. Extraction of these bottom-of-the-barrel fuels, emits higher levels of greenhouse gases and creates ecological devastation.
- Unchecked expansion of biofuels (agrofuels) production and agricultural monocrops threaten biodiversity and food security and contribute to climate change and the destruction of rainforests, impacting Indigenous communities worldwide.
- Impacts of climate change are greatest in Native communities because of the close cultural relationship with the land and subsistence farming, hunting and fishing. In Alaska, the entire Indigenous village of Shishmaref will need to relocate (at a cost of \$180 million) because rising temperatures have caused ice to melt and rapid erosion of the shoreline. Shishmaref is one of some 180 villages that will either move, at an estimated cost of \$1.5 million per household or be lost. All of these burdens fall on tax payers, although one Alaskan Native Village- Kivalina has sued 14 oil companies for the damages.

Our Native organizations and the communities and tribes we serve believe the Obama Administration should request the new Congress and direct the departments of interior, energy and treasury to review all energy subsidies that go to coal, gas, oil and nuclear industries which have climate or toxic waste impacts on Native communities and to redirect the billions in subsidies to actualize clean sustainable energy development in Native America. Subsidies for the nuclear, coal, gas and oil industry should be rapidly phased out with a proportional ramp up of subsidies for renewable technologies and locally administered conservation/efficiency improvements.

In particular, we believe that any climate change legislation should not allocate funds for nuclear or clean coal technologies, and proposals to provide liability guarantees to nuclear plants, and capitalize research on uranium in situ mining practices must be eliminated.

NATIVE AMERICA: IN NEED OF GREEN ECONOMIC DEVELOPMENT

Ironically, while some Native Nations and their reservation communities have borne the brunt of destructive energy development that has reaped massive profits for some, they are the poorest in the country, with high unemployment rates and inadequate housing.

- The unemployment rate on Indian reservations is more than twice the national rate.
- The median age in Indian Country is about 18 years, with a young and rapidly growing population in need of both jobs and housing.

- The poverty rate for Native Americans is 26%; more than twice the national average.
- More than 11% of Indian homes do not have complete plumbing. About 14% of reservation households are without electricity, 10 times the national rate.
- In rural Alaska where Alaska Natives predominately reside, 33% of the homes lack modern water and sanitation facilities.
- Energy distribution systems on rural reservations are extremely vulnerable to extended power outages during winter storms threatening the lives of reservation residents.
- Reservation communities are at a statistically greater risk from extreme weather related mortality nationwide, especially from cold, heat and drought associated with a rapidly changing climate.
- Reservations are waiting on more than 200,000 needed new houses.
- About 1/3 of reservation homes are trailers, generally with completely inadequate weatherization.
- Inefficient homes are a financial liability, leaving owners vulnerable to energy price volatility.
- Fuel assistance programs provide millions of dollars of assistance to tribal communities. While necessary in the short term, they do nothing to address the cycle of fuel poverty due to leaky inefficient homes, and the need for a localized fuel economy.
- Internationally, the present levels of deforestation and climate-related disasters are creating huge populations of environmental refugees. It is anticipated that within 20 years, we will be spending some 20% of world GDP on climate change related mitigation and disasters.

Unemployment rates, poverty and the need for efficiency improvements and renewable energy provide an ideal opportunity on tribal reservations and Alaska Native villages for maximizing the impact of a green jobs initiative. Local jobs weatherizing buildings, constructing, installing and maintaining renewable energy technology could be created. This has huge financial implications for rural economies, and for the overall US economy. The Obama Economic Stimulus Plan that incorporates a green economy and green jobs portfolio must include provisions for access of these resources by our Native Nations, our tribal education and training institutions and Native organizations and communities.

GREEN ECONOMIES IN NATIVE COMMUNITIES: MASSIVE POTENTIAL, MAXIMUM IMPACT

Providing clean renewable energy development and reversing the trend from exploitation toward energy justice should be top priority in administration energy decisions. Tribes must be provided federal support to own and operate a new crop of renewable electricity generating infrastructure providing the dual benefits of low carbon power and green economic development where it is needed most. Tribes should be targeted with efficiency programs to reduce consumption of fossil fuels for heating and cooling and creating local jobs weatherizing and retrofitting buildings, helping reduce the tremendous amount of money that exits communities to import energy.

- Tribal lands have an estimated 535 Billion kWh/year of wind power generation potential.
- Tribal lands have an estimated 17,000 Billion kWh/year of solar electricity generation potential, about 4.5 times total US annual generation.
- Investing in renewable energy creates more jobs per dollar invested than fossil fuel energy.
- Efficiency creates 21.5 jobs for every \$1 million invested.
- The costs of fuel for wind and solar power can be projected into the future, providing a unique opportunity for stabilizing an energy intensive economy.

Efforts should be made to invest locally first- from training green jobs workers locally to using local building materials to producing energy locally, closing the financial loop will help revitalize Native America's strangled economies, making them less vulnerable to volatile external costs and maximizing the positive impact of the new green revolution.

A green jobs economy and a new, forward thinking energy and climate policy will transform tribal and other rural economies, and provide the basis for an economic recovery in the United States. In order to make this possible, we encourage the Obama Administration to provide incentives and assistance to actualize renewable energy development by tribes and Native organizations.

- Increase the capacity of tribes and tribal colleges education institutions to train the next generation of green job workers and continue to boost the capacity of technical training programs. Included in these programs should be training to use natural local materials with lower embedded energy costs and greater passive survivability in the face of climate extremes.
- Create financial support for efficiency in federal fuel assistance programs, and for the installation of solar heating panels and other innovations which deflect rising fuel costs, and provide for local employment, especially in rural areas.
- Ensure the Production Tax Credit for renewable projects is renewed for at least 10 years and made applicable to tribes to encourage tribal ownership, as currently it penalizes tribal ownership of projects.
- Provide a renewable production refund for tribal projects that can't utilize tax credits. A refund at face value of the tax credit (valued at 2.1 cents) would be more economic to the federal government than the applied tax credit (valued at 3.5 cents).
- Provide special financial matching grants to capitalize renewable energy potential in tribal communities.
- Create a renewable energy specific Investment Tax Credit for tribes to attract the decreasing number of investors that have tax credits.
- Resolve timeline issues with Clean Renewable Energy Bonds (CREB); history shows that predicting the timeline for any kind of major energy development can be difficult, a reasonable amount of flexibility ought to be built into the program to ensure that project delays don't result in payback starting before a project is completed.

- Ensure priority access to the electrical grid for green energy, particularly in the Western Area Power Administration (WAPA) and Bonneville Power Authority (BPA) regions.
- Direct the WAPA and BPA to regard tribal projects as a “governmental instrumentality” much like the federal dams in terms of transmission preferences on the federal grids. (See: *Sovereign Power* decision (*Sovereign Power, Inc.*, 84 FERC P 61014 (1998))).
- Fully authorize the reconductoring of the WAPA transmission system in the Upper Great Plains and the integration of tribal wind power and federal hydropower on the WAPA grid to supplement diminishing federal hydropower and reduce regional carbon emissions.
- Fully authorize the implementation of a tribal solar project to cover the 355 miles of an open federal Central Arizona Project canal with solar photovoltaic cap to reduce 50,000 acre feet of evaporation, generate over 1500 megawatts of clean, efficient solar power in the desert Southwest and provide a just transition for tribal economies displaced by the closing of dirty coal plants.
- Continue Federal Energy Regulatory Commission (FERC) consideration of destructive dam projects like those on the Klamath River, Snake and other rivers, and replace such hydroelectric sources with renewable sources from tribal communities.
- Support Tribal Energy Resource Agreements (TERA) only if funded sufficiently to develop standards at least as strong as federal law, hire qualified staff, and not make approval any slower than it is now for tribal projects with US Fish and Wildlife Service and Bureau of Indian Affairs approval. Tribes need to have the legitimate ability to implement and the capacity for enforcement.
- Ensure international debt reduction programs, to reduce the pressure on governments and Indigenous communities to cut down their forests, or issue large lease holdings. Support preservation of biodiversity and Indigenous rights in these areas.
- Imposing international sanctions and wood tariffs to prevent deforestation.

A GREEN ECONOMY IS CORE IN THE DEVELOPMENT OF JUST RELATIONS WITH NATIVE AMERICANS- AND CAN PLACE THE US IN AN EXCELLENT LIGHT INTERNATIONALLY.

Now is the time to act to ensure that the next Presidential legacy is one that provides for the nation’s power needs while empowering this continent’s First Nations with sustainable economic development. Tribally owned and operated renewable energy, along with green jobs that help reduce dependence on fossil fuels are central to a sustainable and affordable low-carbon energy future. Energy decisions made by this administration will have significant domestic and international implications for many generations to come.

The most recent climate research indicates that it will be necessary to eliminate anthropogenic carbon dioxide emissions completely as soon as practical to stabilize the climate. Over 80% of U.S. greenhouse gas emissions are associated with fossil fuel use and it is technically and economically feasible to phase out fossil-fuel-related CO2 emissions

from the U.S. economy by mid-century. The US should adopt this as a goal. Taking bold steps toward creating a clean sustainable energy future will enable the United States to both achieve energy independence and reestablish our country's position as a respected international leader.

Respectfully Submitted,

Honor the Earth
Intertribal Council On Utility Policy
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