

Public Utility Land Use Rights Crossing Native American Trust Land

Public Scoping Meeting
Section 1813 of the Energy Policy Act
of 2005

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Determination of Land Rights Fees

- Independent MAI Appraiser
- Establish FMV based upon highest and best use
- Easement values as % of fee land value
- Private land easement grants are almost always in perpetuity
- Tribal Trust lands always temporary

Land Rights in Perpetuity vs Temporary Land Rights

- Ownership of land rights vs. use of land
- Utility investment returned over 20 years
- Existing 30+ year temporary land rights expiring and having to pay again for same or fewer rights
- Opportunity for land owners to take monetary advantage
- Utility relocation many times not feasible

Undesirable Environmental Impacts

- Land use encroachments – limited options
- Vanishing habitats
- Non-renewable natural resources to construct new facilities to replace existing
- Historical/Archaeological
- Planning and Design – shortest distance vs longer routes
- Avoid Trust, Military, Environmentally restrained, etc. lands

Impact of Current Policies/Practices

- Many instances of ROW fees that are large multiples of FMV
- Absence of well-defined negotiating timelines
 - Postponements
 - Refusal to enter into negotiations
 - Significant project cost increases
- Utilities avoid Tribal Trust lands whenever possible, choosing alternative routes with higher FMV, greater environmental impacts

Case Study

SDG&E Valley Rainbow 500 kv

- 2000 SDGE proposed Valley Rainbow 500KV Project
 - 30 Miles, approximately 120 towers
 - \$350 Million
 - 2010 Energy Resource Shortfall
 - No alternative routes

Case Study

SDG&E Valley Rainbow 500 kv

- 2005 Proposed Sunrise 500KV Alternative Project
 - 125 miles, 500 towers
 - \$1.4 Billion
 - 2010 Energy Shortfall
 - Crosses California Anza-Borrego Desert State Park
 - 4 X's the impacts

Conclusion/Recommendations

- Need to benefit the Tribe, Public and National interest
- Transparent , fair and equitable utility transmission ROW valuation standards and processing timeframes
- National energy transmission system reliability