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To Whom It May Concern:

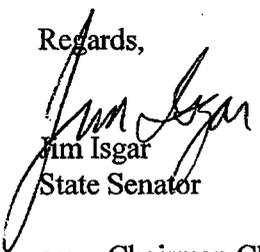
I'm pleased to provide testimony to this scoping hearing being hosted jointly by the Department of the Interior and the Department of Energy pursuant to Section 1813 of the Energy Policy Act of 2005. This process will be helpful in analyzing the status of compensation and consent issues involving energy-related rights-of-way across tribal lands.

Representatives from energy companies with interstate pipelines across tribal lands have asserted that the compensation demands made by Indian tribes for use of their lands are unfair and add unreasonably to the cost of energy to consumers in Colorado and other western States. Representatives from Indian tribes have asserted that the right-of-way acquisition costs are an insignificant component of consumer energy prices and that determining acceptable compensation for use of their lands is a fundamental aspect of tribal sovereignty. Additionally, tribes point to compensation from rights-of-way as being a significant source of revenue for funding tribal governmental operations.

I hope the study provides us with an analysis of the costs to consumers associated with the compensation received by tribes for energy-related rights-of-way across tribal lands. If those costs are an insignificant percentage of overall consumer energy costs, we may very well conclude that the cultural value associated with preservation of tribal governments is worth that cost. On the other hand, if the cost to energy consumers is a major factor in soaring energy costs, there may be a need to alter the status of current law.

I applaud the two Departments for working together to address this issue and I trust that the outcome will assist us in understanding the policy implications related to this contentious issue.

Regards,


Jim Isgar
State Senator

cc: Chairman Clement J. Frost, Southern Ute Tribe
Chairman Manual Heart, Ute Mountain Ute Tribe

