

Crow Creek wind project moves ahead

By: Melanie Brandert, The Daily Republic, www.mitchellrepublic.com 20 December 2010

FORT THOMPSON — A wind project proposed by a Colorado company on the Crow Creek Indian Reservation is moving forward, despite an effort to stop it.

Paul X. McMenaman, founder and board chairman of Winterhawk Energy and Development Corp. in Evergreen, Colo., said last week that the project received final approval from the tribal council Nov. 16.

Winterhawk is proposing a 222 wind-turbine project that would provide more than \$4 million in revenue to the tribe annually. The project would generate 400 megawatts.

Winterhawk is looking for an out-of-state buyer that could offer a higher rate per kilowatt hour for the electricity than the Western Area Power Administration. WAPA, which distributes power from Missouri River dams, would still be used to transport energy from the turbines to that buyer. For example, that energy can be sold to Basin Electric for \$38 to \$42 per kilowatt hour, McMenaman said. If a California buyer could be found, that could draw about \$111 an kilowatt hour, McMenaman said.

"We're going to get the best price that's out there for that energy," he said.

McMenaman spoke to tribal leaders and residents last summer about the plan. He said then that he had the support of the tribal council, led by Chairman Duane Big Eagle.

The project would be owned by a limited liability corporation, which could be named Crow Creek LLC, McMenaman said. The tribe would receive one-third of the revenue, while the rest would go to Winterhawk and its investors. McMenaman said the tribe would have a chance to eventually own the whole project.

Many who attended last summer's meeting expressed support, but others were skeptical of the endeavor.

An effort is under way to halt the wind project, said Peter Lengkeek, a tribal council member who questioned McMenaman about a three-year suspension of his law license in 2006.

Lengkeek did not know what the group had planned to stop the project, but said those involved were confident that they would succeed.

He claimed the tribe would have no ownership in the project.

"All we would be doing is leasing them the land for a million dollars a year, while they are making hundreds of millions," Lengkeek said.

The tribe has a legally binding option easement agreement for the project that tribal officials signed in 2008, McMenaman said. A contract to develop the project was approved by the tribal council, signed by Big Eagle and filed with BIA.

"The difficulty with tribal politics is that the council people there and in other tribes I have been involved with don't seem to understand you can't undo things that are legally binding by passing a resolution," he said.

McMenaman also pointed out that the company had invested in a feasibility study on the project and installed two meteorological towers to assess the potential for wind production. Three more towers will

be installed in the northern part of the reservation in Hyde County in the coming days.

An aviary study for WAPA will be completed in March, he said. An environmental study also will be conducted for the Bureau of Indian Affairs' district office in Aberdeen, as well as an antiquities study to ensure the project will not desecrate any valuable American Indian assets.

Attempts to learn details about the study from BIA officials in Aberdeen and Washington, D.C., were unsuccessful.

McMenaman said he hopes to have an electricity purchase agreement in place by next summer. The turbines would be erected and online in fall 2011 or spring 2012, he said.

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