

# Message to the membership from Power & Water

During the past five years we have experienced unprecedented price drops in the wholesale energy market in the Northwest.

There are several factors that have changed the landscape for energy producers in the Northwest. The two biggest factors are renewable energy resources and natural gas.

At any given hour we can see wind generation go from zero megawatts to 4,000 megawatts. This has a big impact on market prices and affects all available energy to meet demand.

The other renewable resource affecting the market price is solar power. This resource is coming on strong and we will see more and more solar in the coming years.

The number of new renewable energy developments has increased in the Northwest, and by all accounts will continue to increase through the next decade.

The other large influence causing energy prices to remain low is

the current price of natural gas, another fuel supply for power stations in the region.

Right now natural gas prices are at the same levels they were back in 1991. A new method for extraction through a process called fracking has increased the supply, making it more economical to generate power with gas turbines like the combined cycle combustion turbines.

## Enterprise dividend

Because of a large supply of low cost fuel, gas fired plants are running at lower operating costs, which in turn drives energy market pricing down.

In 2015, we struggled due to the price drops, and the dividend payment was met with reserve funds from Warm Springs Power & Water Enterprises (WSPWE) investments.

We will be hard pressed based on what we know today to continue using reserves to pay a dividend.

*...the dividend payment will be potentially reduced to levels not typical from WSPWE.*

The board of directors has made it very clear we must take drastic measures to insure we as an operating division of the tribes stay financially solvent. With that, the dividend payment will be potentially reduced to levels not typical from WSPWE.

## Geothermal

We will continue to explore other generating opportunities, and see if we can put together a viable project that will be needed in the renewable energy requirements that the large utilities will be required to have in the near future.

We received a grant to explore

our renewable energy potential here on the reservation. This year we did some surface work to identify where the highest potential may be for a geothermal resource for a power plant.

That information yielded enough positive information to submit a request to further our exploration and drill at a few sites in the Warm Springs River Basin area upstream from Kah-Nee-Ta.

## Water rights

Tribal Council has also authorized us to explore the consumptive water rights we have in the Deschutes basin. That is underway and a report for Tribal Council will be delivered in 2016.

We continue to be optimistic that this business will survive if we manage it prudently. Declaring dividends from surplus revenue and not reserves is something that the enterprise is going back to, and will place a high level of importance on extracting the most value out of this

project as possible.

## Habitat restoration

Hydroelectric power will continue to have a place in the Northwest energy market. It has operating characteristics that wind and thermal plants don't.

The Pelton Project continues to follow the resource management requirements as described in the federal license we were issued.

There are many objectives described in the license that we must follow. We, along with our partner PGE, have invested over \$16 million in habitat restoration in the basin. We also have improvements that need to be undertaken to keep the powerhouses up-to-date and operating reliably. These two expenses are a necessity to insure we are being prudent and responsible operators on the river.

**Jim Manion**, general manager, Warm Springs Power & Water Enterprises.

## Indian Business Talk

# Self help legal advice can cause serious consequences

By **Bruce Engle**

Loan officer  
W.S. Credit Enterprise

Go carefully into that dark night.

Legal business affairs need to be carefully handled by people with legal expertise. That usually means by an attorney or after consultation with an attorney.

Don't be a legal "Do-it-Yourselfer".

If you have not done your due

diligence, you may be a danger to yourself and to your business.

For example, the legal meanings of many words or phrases are often not the same as the "street" meanings. I have seen people lose cases because of some very simple misunderstandings.

Do-it-Yourselfers often turn to Self-Help sources for legal guidance. Those providers are often not trained in the law. All they can do, and should do, is refer you to sources.

That leaves it up to you to un-

derstand what you are reading.

The danger is when an untrained provider offers legal advice.

I have seen an untrained unlicensed store owner's advice result in a couple bankruptcies down home.

Remember, legal advice cannot be relied upon from anyone who is not an attorney. They must be properly licensed by a state. And they must be insured.

That's your safety blanket if they mess up. You can sue one of them. You can't sue yourself.

You can shop for an attorney. You should. The first short interview often won't cost you. Ask.

What does that mean for Warm Springs? In Tribal Court, all legal spokesmen must have taken and passed the Tribal Bar Exam. You don't want to saddle your spokesman in court with a case that started out because you got and acted upon poor legal advice from an incompetent.

Errors made in a self-help job will cost you. Count on it.

Also remember the old saying, "An attorney who represents himself has a fool for a client." We who are not attorneys would be even more foolish. Not good!

Our limited knowledge and experience, when combined with our emotions, can and will make us fair game to an expert on the other side. The rule is, "Pros beat amateurs."

Another way of saying that is, "You don't win the Derby with a Donkey."

## Letter to the editor

### Honest opinion

April 15 caught 85 mill workers and their families by surprise when the mill went belly up. In the past when workers were let go, the mill paid them "severance pay". But none of the mill workers were given severance pay at this time, nor were any given 60 days notice of the mill operations closing. When the workers learned of it, it was front page news in the local newspaper, so people in Madras knew of it the same day the millworkers were let go.

When the tribe asked VanPort to turn it over to them, things have been steadily going downhill at the mill ever since. And now we learn that whoever was in charge of paying for incoming logs, etc., wasn't doing so. Logs have been

sold outright to Japan and China bypassing the milling of the logs by tribal members. The question in everyone's mind is where did the money go from the sale of those logs? Shouldn't that money have been used to pay off the mill debts? Now the entire mill, we have learned via the grapevine, is going to be dismantled for good without any hope of future work for mill workers. It will be interesting to "follow the money" from the sale of the mill's machines and heavy duty equipment. Too bad severance pay isn't in the minds of those who are in charge, nor is retirement.

Whoever has been making decisions for the Tribe these days hasn't kept tribal members in mind. Even though the tribe has won several million dollars in lawsuits, the money wasn't shared with tribal members, who are still wondering where ex-

actly did every cent of those lawsuits go?

Another contested lawsuit won by Cobell for government misuse of funds was to be shared by injured tribes of Yakama and Warm Springs, resulting in \$17,000 awarded to each tribal member of Yakama. Yet not one tribal member of Warm Springs received a penny. It was allocated elsewhere under authority of the Tribal Council without permission of individual tribal members who were supposed to receive those funds. No specific accounting has been tallied. Now we see the U.S. government is not the only entity that has been misusing incoming funds. Warm Springs tribal leaders have learned well from the white man!

People outside the Rez thought that "Warm Springers" were getting beaucoup bucks from their casino,

but although other tribes share casino income with their tribal members, Indian Head Casino has never shared even a penny with any tribal member... ever! So the question is: who really owns the Warm Springs casino.

Other outsiders have speculated that tribal members were each receiving enormous "per capita". Whereas in reality each member was receiving only \$100 a month... that

it until this last when all per capita for children under 18 was completely cut off, and the \$100 per adult was cut down to \$25 a month, and seniors pension was cut. Try living on that when you don't have a job. Now poverty is rampant, and tribal leaders have turned to raising marijuana as a means of income. Now we know why it is called "dope".

**Willard Tewee.**



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