

*A Presentation for the*  
***United States Department of Energy***  
*Office of Indian Energy - Tribal leaders Forum*  
***"CPN Ground Source Geothermal Projects"***  
Oklahoma City, Oklahoma  
Citizen Potawatomi Nation, John A. Barrett - Tribal Chairman





# “Four points”

## Citizen Potawatomi Nation

1. The essential component of our “Green Energy Projects” is **\$ green.**
2. Tribes cannot depend on the regulatory generosity of the state or the whims of a utility monopoly for successful energy projects. It has to be **real \$.**
3. All energy projects must have **vertical integration.**
4. All energy projects must have **horizontal integration.**

# ONE

**The essential component of our  
“Green Energy Projects” is \$ green.**

“Green” technology must earn 5 times its cost without a tax dodge.

Tribes don’t pay the type of taxes that allow for depreciation deductions and investment tax credits. Federal law inhibits our ability to attract outside investors to utilize tax benefits.

Solution – leasehold mortgages and Sub-S corp.

## TWO

**Tribal energy \$ savings and environmental benefits cannot be illusions like ethanol and windmill farms. The \$ must be real.**

Ethanol has a devastating effect on animal agriculture, food costs, carbon footprint, farm subsidy waste, commodity market prices, fuel economy, vehicle life, and fuel distribution costs.

- “And the beat goes on.”

Replacement windmills will cost more than net income unless input into the grid is paid fairly.

The government “giveth and taketh away”. “Taketh” for sure.

# THREE

All energy projects must have **horizontal integration.**

Use Ground Source Heat Pump technology and the associated vertical integration for in-kind matching, investment attractions, collateral enhancement.

- Bank the Geo-thermal deals – conversions

- Indirect Cost negotiations.

# FOUR

All energy projects must have *vertical integration.*

Use your drilling rig for both vertical ground source geothermal wells and potable or farm water wells.

Use your foam insulation machine for Shotcrete construction, metal building life extension and waterproofing, stucco in place of EFSS.

Use your horizontal boring machine for utility connections, communications, drainage, irrigation, etc.

Use ponds for fish, recreation, irrigation, gray water.

# Adding Significance to Sovereignty

No Tribe is truly sovereign while economically dependent on others. Sovereignty is a governmental right that must carry an equal obligation.

Sovereign governments exist over time only with the consent of the governed. Potawatomi consent to be governed is traditionally based on tribal leadership's ability to protect and improve the quality of the life in the tribal community.

# The real “unlevel playing field”

**FROZEN CAPITAL** - True perfection of Leasehold Mortgages on trust land requires the consent of the trustee to foreclose.

**FROZEN COLLATERAL** - The Assignment of Claims Act

**FROZEN DEFENSES** – No Sub-chapter S Corporations

## Joint Venture Sub-chapter S Corporations

Non-profit 501-c(3) corporations and “C” corporations are allowed “S” elections – NOT TRIBAL CORPORATIONS

There are NO DEFENSES on tribal assets in contract disputes in state courts.

Limited liability advantages and comfortable consent to state courts for joint public works projects with cities, counties and states.  
Quantifiable risk.

# **FROZEN COLLATERAL**

## **The Assignment of Claims Act**

Tribal governments are the only government contractors denied the ability to assign government contract proceeds as collateral.

The government's objections are illogical and inconsistent with their own policies.

# **LEASEHOLD MORTGAGES ON TRUST LAND**

**FROZEN CAPITAL** - True perfection of Leasehold Mortgages on trust land requires the consent of the trustee to foreclose. Waffled lawyer opinions.

Requires only a change in policy by the Secretary of the Interior, not legislation. Assist in obtaining possession.

Revenue neutral

Very large collateral growth attractive to banks.

# Sustainability Through Reinvestment *The Citizen Potawatomi Nation Tradition*

## “Don’t Eat the Seed Corn”

The foundation of tribal economic growth lies in selling the concept to tribal citizens that the a secure tribal economic future can only be achieved through continuing reinvestment. The future “crop” requires more than just seed. Seed will not flourish in an uncultivated field. Economic also success requires competent consistent management.

# The Grand Casino

Pond Source and Ground Source combined



Air Quality objective – 8 changes per hour

## FireLake Discount Foods retrofit





# *New Elder Housing – Father Joe Murphy Drive*



# *New Elder Housing – Father Joe Murphy Drive*



# *The Bowling Center at FireLake*

*24 lanes by Brunswick, Electronic Games,  
Subway, Bar, Bowling Supplies*



# *The West Clinic – Serving Our Families*

Geothermal Cooling and Heat



*West of The Grand Casino*

# *The Arena at FireLake*

*5000 seats, multipurpose, full screen graphics*



*Tornado Shelter Bathrooms*



First National Bank – an essential partner of the  
Citizen Potawatomi Community Development Corporation

- \* Loan participations
- \* Capital & Capability Leverage

# **Citizen Potawatomi Nation Assets:**

**First National Bank and Trust Co.**  
**FireLake Grand Casino**  
**FireLake Entertainment Center**  
**FireLake Discount Foods**  
**FireLake Express Grocery**  
**FireLake Travel Plaza**  
**FireLake Convenience Store**  
**FireLake Golf Course**  
**FireLake Design**  
**FireLake Gifts (CPN Gift Shop)**  
**FireLake Ready Mix Concrete**  
**FireLake MiniPutt**  
**CPN Farms**  
**CPN Pecan Farm**

# Citizen Potawatomi Nation Government Services:

- CPN Community Development Corporation
- CPN Health Clinic
- CPN Housing Authority
- CPN Utility Authority
- Rural Water District #3
- Environmental Health Department
- Environmental Protection Authority
- Tribal Court Services - Child Protection, ICW, Tag Agency
- Law Enforcement
- Language Preservation
- Job Training, Emergency Fund
- Health Aids Foundation

# **Services Continued**

- CPN Child Development Center
- CPN Construction
- Job Pride
- Women's Infants, and Children's Nutritional Service
- Electrical Services
- Geothermal Services
- Fleet Services
- Over 2000 employees, Pottawatomie County's largest employer. BBB+ Moody's rating.

## Four things

THANK YOU