



**RESOLUTION OF THE
WHITE MOUNTAIN APACHE TRIBE OF THE
FORT APACHE INDIAN RESERVATION**

**(Approving Modification of the Tribe's Benefit-Credit Arrangement
with the Ak-Chin Indian Community/Ak-Chin Energy Services)**

- WHEREAS,** pursuant to Article IV, Section 1(a) of the Constitution of the White Mountain Apache Tribe, *inter alia*, the Tribal Council has the authority to represent the Tribe and act in all matters that concern the welfare of the Tribe; and
- WHEREAS,** the Tribe obtained an allocation of Western Area Power Administration (Western) hydroelectric power from the Colorado River Storage Project (CRSP) in 2004; and
- WHEREAS,** the Tribe could not directly receive that energy due to the lack of a tribal electric utility authority; and
- WHEREAS,** as an alternative the Tribe entered into an agreement with the Ak-Chin Indian Community whereby they receive and use the electricity from that allocation and in exchange the Tribe is issued a monthly credit; and
- WHEREAS,** that credit is based on a formulary that incorporates on and off-peak pricing and use, an administrative deduction and occasionally substitutes a "proxy" price rather than relying on the Western replacement power price to measure the credit value; and
- WHEREAS,** Page Electric, from the City of Page, offered the Tribe an alternative arrangement in February 2006 which is still available today; and
- WHEREAS,** that arrangement calculates the Tribal benefit as 90% of the average Western replacement power price for the prior year with a maximum value of \$50/MW-hour and a minimum value of \$36/MW-hour; and
- WHEREAS,** the Tribe was recently offered a modified arrangement by the Ak-Chin Energy Services enterprise whereby they would eliminate the administrative fee they have imposed and calculate the Tribal benefit as 90% of the average Western replacement power price for the prior year with a maximum value of \$51/MW-hour with a minimum to be arranged; and
- WHEREAS,** this modification would be more predictable each year and would allow for better verification of contract performance than the current arrangement with its "proxy" reference values; and
- WHEREAS,** when compared with the prior year, this modification would have increased the Tribe's CRSP credit by approximately \$125,000 because the average Western price was \$60/MW-hour, generating the maximum \$51 credit basis; and

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WHEREAS, while there are no guarantees as to future energy pricing, the White Mountain Apache Tribe could obtain an increased value for its CRSP resource if it modifies its arrangement with Ak-Chin; and

WHEREAS, after review and consideration, the Tribal Council finds that the terms of its arrangement with the Ak-Chin Indian Community (through Ak-Chin Energy Services) should be modified as described herein as negotiated by the Tribal Attorney or his designee.

BE IT RESOLVED by the Tribal Council of the White Mountain Apache Tribe that it desires to modify its benefit-credit arrangement with the Ak-Chin Indian Community/Ak-Chin Energy Services as described herein is noted in this resolution.

BE IT FURTHER RESOLVED by the Tribal Council of the White Mountain Apache Tribe that the Chairman, or in his absence, the Vice Chairwoman, is hereby authorized to execute any and all document necessary to effectuate the intent of this Resolution.

The foregoing resolution was on **JUNE 7, 2007** duly adopted by a vote of **TEN** for and **ZERO** against by the Tribal Council of the White Mountain Apache Tribe, pursuant to the authority vested in it by Article IV, Section 1 (b), (h), (i), (s), and (t) of the Constitution of the Tribe, ratified by the Tribe September 30, 1993, and approved by the Secretary of the Interior on November 12, 1993, pursuant to Section 16 of the Act of June 18, 1934 (48 Stat. 984).



Chairman of the Tribal Council



Secretary of the Tribal Council