



DEC 15 2005



Dear Tribal Leader,

Section 1813 of the Energy Policy Act of 2005 (P.L. 109-58) requires the Secretaries of the Interior and Energy to provide Congress with a study regarding energy rights-of-way on tribal land. The study is due to Congress by August 7, 2006. We would appreciate receiving your thoughts and ideas as to how we should proceed with this work. Thus, and in accordance with Executive Order 13175, we are initiating consultation with your Tribe on this study. We will continue to solicit your advice and participation throughout the study effort.

Below, we describe the areas the study must address (as required by the law) and the approach we propose to use for completing this work. Please submit any written comments you may have on this proposed work-plan or the study in general to the address listed below. To aid us in completing the study in a timely manner, please provide your comments on the work-plan by January 9, 2006.

The law requires that the study address four subjects:

- 1) an analysis of historical rates of compensation;
- 2) recommendations for appropriate standards to determine fair and appropriate compensation;
- 3) an assessment of tribal self-determination and sovereignty interests implicated by applications for rights-of-way on tribal land; and,
- 4) an analysis of relevant national energy transportation policies.

The law also requires that this work be done in consultation "with Indian tribes, the energy industry, appropriate governmental entities, and affected businesses and consumers."

Proposed Workplan

1. Following your receipt of this letter, DOI and DOE plan to conduct a series of pre-scoping phone calls and meetings with selected tribal leaders, members of the energy industry, appropriate government entities and affected businesses and consumers to discuss the various aspects of the report called for by Section 1813. We expect this pre-scoping process to take approximately five weeks. Participants in this pre-scoping work group will be identified through suggestions from you, other prominent Indian groups, business associations, and government organizations. The outcome of these pre-scoping discussions will provide useful detail and direction for the subsequent stages of the workplan.
2. DOI and DOE propose to contract with a Department of Energy National Laboratory to

prepare an analysis of historical rates of compensation for pipelines crossing Indian land (as specified in 1813(b)(1)), using a case study approach. We plan to direct the analysts to solicit and collect data from the Bureau of Indian Affairs, Tribal Governments, the energy industry and other appropriate sources (e.g., the National Archives and Records Administration) for this analysis.

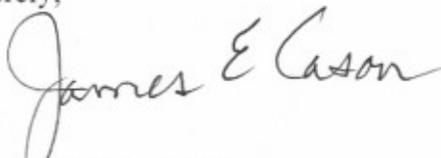
3. In February 2006, we plan to conduct a 2-day nation-wide scoping meeting with presentations from all affected groups, soliciting input on the subjects of appropriate standards and procedures for determining fair and appropriate compensation, tribal self-determination and sovereignty interests, and relevant national energy transportation policies. At this meeting, we propose to establish several working groups to solicit and further develop information on each of these subjects.
4. Between February and May 2006, DOI and DOE plan to conduct up to two workshops for each of these working groups. We expect to draw extensively on the results of the groups' efforts in preparing the report to Congress.
5. In May 2006, DOI and DOE plan to prepare a draft report, send copies to the tribes, and publish a notice of availability in the *Federal Register*.
6. Between May and mid-July, DOI and DOE plan to conduct three regional Tribal consultation meetings to present the draft report and to receive written and oral comments on the draft.
7. DOI and DOE will consider these comments in preparing a final report for delivery to Congress by August 7, 2006.

If you need further information, please call 202-219-0740 or write to:

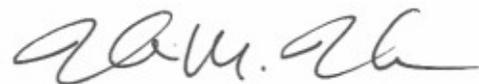
Office of Indian Energy and Economic Development
MS 2749, ATTN: Section 1813 study
1849 C Street, N.W.
Washington D.C. 20240

Thank you in advance for your interest and cooperation in preparing this study.

Sincerely,



James E. Cason
Associate Deputy Secretary
Department of the Interior



Kevin M. Kolevar
Director
Office of Electricity and Energy
Reliability