

INDIAN AFFAIRS MANUAL

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Irrigation and Power
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2.1 Purpose. This chapter identifies the authorities and establishes the policies and responsibilities for building, operating, maintaining, and rehabilitating Indian Affairs' electric power utilities.

2.2 Policy. It is the policy of Indian Affairs to:

A. Deliver electric power and support services to consumers serviced by Indian power utilities;

B. Provide opportunities for customer participation in matters that impact power utility operations;

C. Construct and maintain power utilities in accordance with applicable technical and safety standards;

D. Charge local market rates for electric power consumption;

E. Prepare contingency plans for events or emergencies which might interrupt the delivery of electric power; and

F. Ensure power utility requirements are considered in power grid management.

2.3 Authority.

A. 25 U.S.C. § 385c, Appropriation and Disposition of Power Revenues; and

B. 25 CFR Part 175, Indian Electric Power Utilities.

2.4 Guidance. Operating Instructions for each Utility are available from the cognizant Regional Office where the utility is located.

2.5 Responsibilities.

A. Assistant Secretary - Indian Affairs. Approves Public Notices of rate setting.

B. Commissioner or Deputy Commissioner of Indian Affairs. Concurs on Public Notices of rate setting.

C. Director, Office of Trust Responsibilities.

(1) Defines and implements policies, standards and procedures for management of power utilities;

(2) Approves Funding Documents to utilities.

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D. Chief, Division of Water and Land Resources

- (1) Coordinates Indian Affairs' electric power utility management program and reviews activities;
- (2) Serves as liaison with other federal, state, local and tribal governments regarding electric power utility management; and
- (3) Provides technical assistance and training for Indian Affairs' personnel on electric power utility construction; operation and maintenance; and requirements imposed by statutes, regulations, judicial decrees, and policies.

C. Chief, Irrigation and Power Liaison and Compliance Section.

- (1) Coordinates the investment of power revenues with the Division of Accounting Management and the Office of Trust Funds Management (OTFM);
- (2) Initiates, in conference with OTFM, the action to purchase or redeem long-term securities; and
- (3) Reviews debt referral packages before submitting to Department of Treasury;
- (4) Prepares Funding Documents for approval by the Office of Trust Responsibilities based on a review of revenues collected, interest earned and expenditures at each electric power utility; and
- (5) Serves as liaison between individual utilities and the Regional Offices, the Division of Accounting Management, and the Office of Trust Responsibilities.

D. Chief, Division of Accounting Management.

- (1) Invests funds received from payment of assessments until the proceeds are needed for utility operation; and
- (2) Apportions interest earnings to individual utilities based on cash balances at the utilities and records the distribution.

E. Regional Directors.

- (1) Establish and maintain Operating Instructions for the administration of each electric power utility;
- (2) Recommend service fees and electric power rates and provide for annual review of fee structure;

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(3) Receive and decide appeals from people adversely affected by a decision regarding the consumption of electric power generated from an Indian electric power utility or use of electric power support services;

(4) Advise the Commissioner or Deputy Commissioner of issues affecting power utilities within the Regional jurisdiction;

(5) Provide technical leadership, advice, and assistance to power utilities within Regional jurisdiction; and

(6) Evaluate and determine adequacy of power utility operations.

F. Electric Power Utility Managers.

(1) Provide operation and maintenance (O & M) of power utilities;

(2) Evaluate adequacy of power O & M program, anticipate evolving conditions, and take action to ensure continued, successful utility operations;

(3) Compile and maintain utility monitoring reports to establish historical record of electric power utility operations;

(4) Train utility staff in utility operations and other applicable federal requirements;

(5) Determine utility financial requirements and recommend power rates and service fees to Regional Director; and

(6) Deposit collections promptly to maximize earnings.

2.6 Power Marketing. Power in excess of that required by the irrigation project and purchased power are available for marketing to local consumers at market rates.