

Renewable Energy Development: Partnerships

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Partnership Development

- NTUA has worked with various entities to develop partnership opportunities
 - Seek Out Municipal Utilities, Cooperatives, Investor Owned Utilities and Developers
 - Kayenta Solar Project – NTUA has sold displaced energy and renewable energy credits to Salt River Project
 - NTUA Wireless – NTUA entered into project development agreement with Commnet, wherein NTUA maintains 51% ownership for a last mile wireless communications services
- NTUA has taken on a leadership role in developing renewable energy projects within the Navajo Nation
 - To address some job and economic losses from reduction of the Navajo Nation's coal economy
 - Promotes skills enhancement and renewable workforce development



Projected Impact From NGS Partial Closure

❖ Navajo Generating Station

- ❖ 2250 MW coal-fired plant, located in the Navajo Nation
- ❖ Over 70% the employees are Navajo
- ❖ Looking at approximately 750MW of closed production by 2020
 - ❖ At approximately 100 Navajo employees at the plant projected to lose their jobs
 - ❖ Navajo Nation projected to lose \$4.75M in revenue annually
 - ❖ Could result in the furlough of 50 NN government employees
- ❖ Kayenta Mine supporting the plant will experience at least a 30% reduction in jobs, which is approximately 80 employees.
- ❖ Projected energy use reduction by Kayenta Mine would result in a 33% increase in NTUA's residential customer electric rates
- ❖ 230 JOBS WOULD BE LOST!



CUMULATIVE NEGATIVE ECONOMIC IMPACT

- ❖ **Average per capita income is \$10,695, compared to the U.S. average per capita income of \$27,915.**
- ❖ **38% of the population live below the poverty line.**
- ❖ **Unemployment has remained at 52% since 2005.**
- ❖ **THE PROJECTED NEGATIVE IMPACT TO THE NAVAJO ECONOMY:**
 - ❖ **AT LEAST 950 LOST JOBS**
 - ❖ **Unemployment rate will increase above 52%**
 - ❖ **+\$24M OF ANNUAL REVENUE LOSSES TO THE NAVAJO NATION FROM LOSS OF COAL MINE ROYALTIES**
 - ❖ **NTUA CONSUMER ELECTRICITY RATES PROJECTED TO INCREASE BY NEARLY 10%**



RENEWABLE ENERGY – VALUE PROPOSITION

- **Seeking to mitigate negative economic impacts from reduced capacity of coal-fired generation facilities**
- **Seeking to strengthen and diversify Navajo economy**
- **Seeking to address wide-ranging Economic Benefits to the Navajo Nation, the Local Community, the Navajo People, and NTUA**
 - **NTUA seeks to create some green jobs for Navajo residents**
 - **Seeking to create Navajo Nation tax revenue**
 - **Would provide local – Chapter tax revenue**
 - **NTUA seeks to maintain lower rates**
- **Positive Environmental Impact Resulting from NGS sun-setting**
- **NTUA can assist off-taker in meeting wholesale energy acquisition from minority/tribal sources**



NTUA PARTNERSHIP ADVANTAGES

Activity	Details
NTUA Advantages	Experience Addressing Navajo Regulatory Process Experience In Permitting Environment
	Largest Tribal Utility in the United States Access to Tax Equity Financing – Sell to Third Party
Benefits to the Navajo Nation	Provides Revenue To Navajo Nation Revenue to the Local Community Revenue to NTUA to Keep Consumer Rates Down Creates Hiring of Local Employees



LARGE SCALE RENEWABLE DEVELOPMENT PROSPECT

- **NTUA proposes to co-develop up to 500MW of Solar Energy in coordination with a partner**
 - Looking for Offtaker
 - Minimum project size 100MW
 - Seeking 51%-49% Partnership
- **Project location would allow for direct inter-tie to transmission**
- **NTUA/NN possesses site control**
 - NTUA would complete environmental permitting**



QUESTIONS?

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