



NEWS RELEASE



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Kayenta Solar Farm to Expand; Commitment between NTUA and SRP to Develop Renewable Energy Projects on Navajo Nation

PHOENIX, AZ – With the signing of a landmark agreement between the Navajo Tribal Utility Authority (NTUA) and Salt River Project, a solar plant on the Navajo Nation will soon be expanded to provide more renewable energy to the Nation. The agreement also paves the way for future renewable energy projects.

The Navajo Tribal Utility Authority (NTUA) and its wholly-owned subsidiary NTUA Generation, Inc., will expand the Kayenta Solar generation facility, labeling it Kayenta II. The announcement was made Friday on the same day NTUA and the Phoenix-based Salt River Project (SRP) signed a long-term solar confirmation for the sale of firmed energy and the Environmental Attributes from Kayenta II along with a Memorandum of Understanding (MOU) for future energy development on the Navajo Nation.

“The Kayenta Solar Project has become the Navajo Nation's showcase renewable energy project to demonstrate that the Navajo Nation is ready for large scale renewable energy development and operation,” said NTUA General Manager Walter Haase. “Kayenta II will further prove that such development is viable within the Navajo Nation and further move economic development related to renewable energy forward for the Navajo Nation.”

“This is a pivotal step in demonstrating the Navajo Nation’s ability to successfully develop renewable energy competitively and is an essential platform that will make it possible for SRP and NTUA to continue to pursue future development projects,” said Mark Bonsall, SRP General Manager and CEO. “Additionally, the renewable energy credits from this project will help SRP expand its renewable portfolio to further reduce carbon emissions.”

The announcement of Kayenta II coincides with the signing of a Memorandum of Understanding in which the parties commit to working together to pursue the development of additional renewable energy projects on the Navajo Nation, recognizing that the Kayenta Solar Projects are the platforms for such further ventures.

The MOU identifies that SRP will provide technical support in developing interconnection facilities for large scale renewable development within the Navajo Nation, as well as provide procurement and financing expertise related to the development and ownership of such projects. The agreement targets the development of at least 500 MW of renewable energy projects over the next 5-10 years within the Navajo Nation.

During the development of the Kayenta Solar Facility, SRP signed a two-year Energy and Environmental Attribute contract. As a result of the commitment to jointly pursue additional projects, SRP will add another year to such contract following Kayenta II reaching Commercial Operation, with options for further extensions.

“This agreement builds upon the success of Kayenta Solar and opens more doors to create new jobs and generate additional economic benefits to the Navajo Nation,” Haase said, explaining that the overall objective for both parties is to develop renewable energy projects to the benefit of Navajo communities over the next five years. “We appreciate the willingness of SRP to continue to work alongside NTUA and the Navajo Nation on renewable energy development to benefit the Navajo people.”

The parties officially signed the Solar Confirmation for Kayenta II and the MOU on Friday, January 26, 2018. The signing was witnessed by Navajo Nation President Russell Begaye, Speaker of the Navajo Nation Council LoRenzo Bates, and Chairman of the Navajo Nation Resources and Development Committee Alton Joe Shepherd. Also in attendance for the signing representing SRP was Vice President John Hoopes, General Manager and CEO Mark Bonsall, and Deputy General Manager Mike Hummel.

“In the past, energy developed on the Navajo Nation was sent away for the benefit of others,” President Russell Begaye said. “Now under this administration, Navajo has taken steps to produce energy for ourselves. The partnership between NTUA and SRP to build Kayenta Solar Facility laid the groundwork to expand toward Kayenta II. This is a healthy step for the Navajo Nation as it's become an energy producing tribe.”

Currently, the 27.3 megawatt Kayenta Solar Project provides electricity to Navajo communities served by NTUA, generating power for an estimated 18,000 homes. At the height of construction, close to 278 people of whom 236 (85%) were of Navajo descent, worked on the project. It is expected that Kayenta II will employ a greater number of Navajo for the workforce.

In addition, the Navajo workforce was paid \$5.2 million and received over 4,700 hours of specialized training in solar utility construction for the Kayenta Solar Project. Kayenta II is expected to produce similar salaries to the Navajo workforce. The construction also generated \$3,017,055 in taxes paid to the Navajo Nation. Overall, it is estimated that \$15.6 million in economic activity occurred within the surrounding communities during the construction period.

“We anticipate the same economic success with Kayenta II,” Haase said. “We calculated that construction is expected to generate approximately at least \$2 million in taxes to the Navajo Nation. Kayenta II promises another winning combination of more jobs and promising economic activity to the region. This partnership is all about progress.”

The Kayenta II will generate an additional 27.3 MW and will take advantage of the existing interconnect, the trained workforce, and existing site. Kayenta II is scheduled for Commercial Operation on May 1, 2019.

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Photos available at srpnet.com/newsroom.

About NTUA: NTUA has continuously served the Navajo people for 58 years. The NTUA was established on January 22, 1959, to address the absence of utilities on the Navajo Nation, and NTUA has grown into a thriving tribally-owned enterprise delivering a portfolio of services. The NTUA is organized for the operation, maintenance and expansion of electric, communications, natural gas, water, wastewater and generation, including photovoltaic (solar) services for the Navajo people at a low and reasonable cost. Other objectives of the NTUA are to promote employment opportunities on the Navajo Nation, and to improve the health and welfare of the residents of the Navajo Nation and raising the standard of life in Navajoland.

About Salt River Project: SRP is a community-based, not-for-profit public power utility and the largest provider of electricity in the greater Phoenix metropolitan area, serving more than 1 million customers.