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Nation to double solar power generation

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KAYENTA – With the ability to power 18,000 Diné homes, the Navajo Nation's newest solar thermal plant will be another step in the tribe's clean energy transformation.

Kayenta Solar Project, constructed in 12 months by Navajo Tribal Utility Authority and Spanish renewable energy firm Isolux Corsán Group, includes a large field of photovoltaic panels called Kayenta I, a system that generates around 78,000 megawatts.

Now, Kayenta II, a system that will generate another 78,000 megawatts, will be annexed to the 27.3-megawatt project, making it perhaps the second-largest solar installation on tribal lands in the U.S.

The Moapa Southern Paiute Solar Project located on 2,000 acres in Clark County, Nevada, is the largest, powering about 111,000 homes in Los Angeles.

The Kayenta project was completed in early May last year and came online in June. A ribbon-cutting ceremony took place on Aug. 24, marking the official opening of the solar plant that had a budget of more than \$50 million.

Kayenta I is situated on 300 acres of land, on which the late Ella Todacheenie once grazed her animals. Todacheenie died at the age of 87 in August 2015, just a year after she gave up her grazing land – just 4.5 miles north of here – for the solar plant that now consists of 119,301 sun-tracking panels.

From afar they look like mirages.

Need for more land

But this land is not large enough to install Kayenta II, said Walter W. Haase, general manager at NTUA.

"We had to go out and get another 65 acres for Kayenta II," Haase said of the forthcoming 27.3-megawatt plant that should be underway by early fall.

"We didn't need to build a new interconnect (the fundamental access point for a solar project to deliver energy to the electrical grid) because we were

able to just upgrade the existing one very affordably," he said.

Kayenta II is expected to be on line on May 1, 2019.

And the cost?

Haase cannot say because NTUA has not yet signed a contract agreement with a successful bidder.

"At this point in time, I can't really say what it's going to be," Haase said. "We just released a bid for procurement and construction of it, and we're going to get bid results back probably early March and we'll be making an award in the contract timeframe of probably June or July, maybe a little sooner."

He added, "We'd like it to be sooner, if I can line up everything. It's a complicated project. There's lots of little things I need to finish up."

Haase says NTUA responded to PNM's proposal on Jan. 30 and NV Energy's proposal on Feb. 2 thus far.

A groundbreaking for Kayenta II will take place in either late summer or early fall, according to Deenise Becenti, spokesperson for NTUA. The utility company will also host another job fair.

Clean energy growing

The clean energy industry is rapidly growing in the U.S. Costs are going down, carbon emissions are being reduced, and new jobs are being created. This is in large part due to tax policies that accelerate this growth.

In fact, the federal tax credit extensions for wind and solar last year created more than 220,000 jobs and provided nearly \$23 billion to the U.S. economy, according to the National Resources Defense Council.

President Donald Trump's proposed 2019 budget – released on Monday, Feb. 12 – is a threat to this progress, as clean energy is on the chopping block.

But in this Monument Valley gateway community, the Kayenta project created 278 jobs at peak and added more than \$15.6 million to the local economy. And 85 percent of those jobs were occupied by Diné.

"As a result, the Navajo (workers)

received over 4,700 hours of specialized training," Haase said. "The payroll for the whole project – for just the people who are Navajo – was \$5.2 million. And \$5.2 million generates a little over \$15.6 million in economic activity in the region."

The economic impact would be much bigger still, Haase said, if the Navajo Nation had more products and services for the employees to purchase. Off the reservation, salaries translate into a 700 percent multiplier.

"A really good idea of what I mean is there are no car dealers available on Navajo," Haase said. "That's why it's not seven times, but three times, a downplay. And in Navajo, because of the way we're structured, it's not a one-for-one, so economic activity will last for a little bit more than a year."

Generating tax revenue

The multimillion-dollar project also generated \$3,017,055 in tax revenue, which was paid to the Navajo government since all of the energy from Kayenta I is consumed on the Nation. Kayenta I will produce about \$211,852 a year for the next 20 to 25 years.

"It declines a little bit in the end as it produces less energy," Haase said. "So, a 20-year total generates another \$4,104,910 in taxes to the Navajo Nation, for that 20-year period of time."

In terms of jobs, solar energy lags behind fossil-fuel plants because renewable energy projects like Kayenta Solar do not create long-term jobs. Solar plants don't take much manpower to operate. But they create construction jobs.

"And the construction jobs of long-term are only going to be two or three for a project (such as Kayenta I)," Haase said, adding that on-the-job training for Kayenta I has helped construction workers either advance their careers or follow jobs in the solar industry.

But Kayenta II will take advantage of the existing workforce and the existing interconnect, which needs only minor additions to it, said Haase.

"We're going to utilize most of the same workforce and we'll get some new

people in place," Haase said. "We expect that there will be another 3,000 hours of training during the construction of (Kayenta II). As a result, we're expecting that the first-year tax benefit for the construction of the facility is going to generate about \$2,217,192 in taxes."

Together, Kayenta I and II will generate around 156,000 megawatts, powering 36,000 Diné homes and businesses. Kayenta II alone is expected to generate \$3,901,452 in tax revenue, which will be paid to the Navajo Nation, over the course of 30 years. And the first-year tax dollars are expected to exceed \$144,029.

An economic impact

"We're expecting that Navajo construction workers will earn somewhere between \$6.2 and \$7.5 million," Haase said. "And we expect that to generate an economic impact to the Kayenta region of about \$18.6 to \$22.5 million in economic activity over a two-year period of time."

NTUA currently provides services to about 42,000 Diné homes, and about 50 percent is coming from renewable energy.

"There is not very much, if any, growth in renewable energy served in Navajo in the next few years," Haase said. "You can't balance it. It doesn't work on the electric grid because it's only one-third of the time and it's not there even a third of the time consistently because ... of the sun and the clouds and all of that good stuff. So, there's not a lot more that Navajo's going to consume."

NTUA on Jan. 26 signed an agreement with Salt River Project to expand the Kayenta Project. President Russell Begaye said the partnership is very important in providing energy to Diné homes.

"We are excited about this partnership beyond the immediate energy benefits it has to the Nation," Begaye said in a statement. "Looking forward, the Nation will work to produce 500 megawatts of electricity that will strengthen our ability to bring power to Navajo communities."