ENERGY DEVELOPMENT TO BENEFIT TRIBAL COMMUNITIES

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Presented By
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On Behalf of the
Navajo Tribal Utility Authority
• NTUA was created in 1959

• A non-profit enterprise of the Navajo Nation

• Today – NTUA continues to address the multi-utility needs of the Navajo Nation

• Service Territory – 27,000 square miles across the Navajo Nation

• Seven District Offices – serve as a central point for business operations

• Extends – Electricity, Water, Wastewater Treatment, Natural Gas, and Photovoltaic services

• In recent years added: Communications – Internet, Cell Phone, Data Storage Services, Renewable Energy Generation
Navajo Nation – Southwest USA

- 186,500 Citizens
- Territory larger than the State of West Virginia
- Unemployment rate of 48.5% - (9 times current U.S. average)
- 38% of Navajo people live below poverty line
- Avg per capita income of $10,695 vs U.S. avg of $48,377

31% of all Navajo homes lack plumbing
38% lack water
86% lack natural gas

28% lack kitchens
32% lack electricity
60% lack landline phone services
While one family celebrates a turning on a light switch for the very first time ..... 

There are approximately 15,000 homes throughout the Navajo region that do not have electricity
Thousands of families still haul water at least three times a week – often driving more than 20 miles one way.
And thousands also rely on wood and coal to heat their homes.
For many Navajos, it’s been a long wait in the dark

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Colton Shone
Cronkite Borderlands Initiative

LUKACHUKAI - For more than 80 years of his life, William Yazzie didn't know what it was like to flick a switch in his own home and have light flood the room.

While others could eat in their living rooms in front of blaring television sets, Yazzie ate his dinner over a kerosene lamp in silence. If nature called in the middle of the night, he didn't have the luxury of walking down the hall to go to the bathroom; Yazzie would have to answer by fumbling in the dark for a nearby flashlight and walking 100 yards in pitch darkness to the outhouse he built himself.

Yazzie first asked his chapter house for electricity in 1967. For the next four decades, he campaigned relentlessly, insisting that the power lines be extended to his small house in a remote corner of the Navajo reservation in northeastern Arizona. The lines finally reached him in 2008.
Navajo Homes Have Electricity For the First Time

People who live in some of the remotest areas of the country have electricity for the first time ever.
KAYENTA SOLAR PROJECTS

• Kayenta Chapter Resolution in 2015 approved 300+ acres for the construction of the Kayenta Solar Project
• NTUA obtained an additional 65 acres for the expansion
• NTUA coordinated with the local community to host multiple local job fairs
  – Over 1150 applications received in person, scores received on-line
  – Phase I – 284 employees at peak construction; Phase II – up to 230 employees at peak construction
    • The majority (over 80%) are locally sourced employees
NTUA Solar Development:
**Helping Navajo Communities Prosper**

- Infrastructure development
  - Increase electric distribution lines
  - Increase water distribution lines
  - Increase communication assets
  - Solar Generation for Navajo use
- New Tax dollars to Navajo Nation for more infrastructure construction and utility use
- Creating a new energy workforce to increase job opportunities for Navajo
  - Providing specialized solar training for the Navajo people
- Increase additional scholarship/internship opportunities for students in Navajo Chapters
- Create expenditure of dollars in the local community, e.g., hotels, food, arts and crafts vendors, and local services
KAYENTA SOLAR PROJECT – PHASE I

Overall Financial Benefits to Navajo Nation

- The construction generated $3,017,055 in taxes to the Navajo Nation
- The first year tax revenue is expected to exceed $211,852 at 5% sales tax rate
- The remaining 29 year useful life at a 6% sales tax rate will generate approximately $7,372,450 in tax revenue to the Navajo Nation
- Projected $850,000 in additional NN sales tax dollars provided from wages that were spent within the Navajo Nation
- Returns from Phase I are being used to pay for the electrification of Navajo Homes, including the #LightUpNavajo Project
KAYENTA SOLAR PROJECT – PHASE I

Direct Benefits from Phase I

- Navajo people were paid $5.2 M as result of the construction of this project
- The $5.2 M generated over $15.6 M in economic activity in Kayenta region
- Approximately 10 homes electrified and now have water service
- As a result of job creation - Navajo people received over 4,700 hours of specialized training
- Specialized training opportunities for Navajo people, including creating long-term Solar operation & maintenance jobs

Phase I Job Fair
Kayenta Chapter House
550 people waited for hours just to submit applications

During height of construction
284 people worked on the Project
85 percent were Navajo
KAYENTA SOLAR PROJECT – PHASE II

Projected Financial Benefits to Navajo Nation

- 14 employees started 12-3-18 -- Up to 150 hires during height of construction
- The construction is projected to generate $2,217,192 in taxes to the Navajo Nation
- The first year tax revenue is expected to exceed $172,835 and the 30 year total will generate approximately $5,185,044 in tax revenue to the Navajo Nation
- Projected that $1,200,000 in additional NN sales tax dollars provided from wages spent within the Navajo Nation
- Returns from Phase II will used to pay for the #LightUpNavajo Project, in order to bring electricity to unserved Navajo homes
KAYENTA SOLAR PROJECT - PHASE II

Projected Direct Benefits From Phase II

- Navajo people are projected to be paid $6.2 M to $7.5 M as result of the construction of this project
- The $6.2 M to $7.5 M should generate over $18.6 M to $22.5 M in economic activity in the Navajo Nation and Kayenta region
- Additional homes will be electrified
- Additional College Scholarships for award to students in the Kayenta Chapter.
- As a result of job creation - Navajo people expected to receive over 3,000 hours of specialized on-the-job training – such as receiving specialized training opportunities for Navajo people, including creating long-term Solar operation & maintenance jobs
KEY TAKEWAYS:

PROMOTE ENERGY DEVELOPMENT WHERE:

• The local utility has confirmed that the proposed project will advance infrastructure development within the local tribal community;

• The majority of those employed by the project will be local tribal residents;

• The majority of profits will be used to bring electricity, water and other utility resources to the unserved and underserved citizens of the local tribal community

• The project will directly and indirectly promote and provide economic development and job training to the local tribal community.

PROMOTE LEGISLATION THAT REFLECTS THESE INITIATIVES WHILE MAINTAINING MARKET RATES FOR ALL CONSUMERS