

RESOLUTION OF THE
NAABIK'ÍYÁTI' STANDING COMMITTEE OF THE

23rd NAVAJO NATION COUNCIL -- Fourth Year, 2018

AN ACTION

RELATING TO THE NAABIK'ÍYÁTI' COMMITTEE; STATEMENT OF POLICY
REGARDING CONTINUED OPERATIONS OF THE NAVAJO GENERATING STATION
AND KAYENTA MINE

WHEREAS:

- A. The Navajo Nation established the Naabik'íyáti' Committee as a Navajo Nation Council standing committee and, as such, empowered Naabik'íyáti' Committee to coordinate with all committees, Chapters, branches and entities concerned with all Navajo appearances and testimony before Congressional committees, and departments of the United States government. See 2 N.N.C. §§ 164 (A)(9), 700 (A), 701 (A)(8).
- B. The Navajo Generating Station (NGS), located in LeChee Chapter, provides electricity to customers in Arizona and Nevada by operating a 2,250 megawatt power station burning low sulfur bituminous coal from the Peabody Western Coal Company's Kayenta Mine, both of which employ hundreds of Navajo workers and contribute millions of dollars to the Navajo Nation government on an annual basis.
- C. In February 2017, the current owners of NGS abruptly announced that they would not operate NGS past December 2019.
- D. In June 2017, the 23rd Navajo Nation Council approved a lease between the Navajo Nation and Salt River Project Agricultural Improvement and Power District, Arizona Public Service Company, Tucson Electric Power Company, Nevada Power Company d/b/a NV Energy, and Department of Water and Power of City of Los Angeles (the "NGS owners"), which would allow NGS operations through December 2019 and decommissioning of NGS and remediation of the NGS site post-2019 ("Extension Lease"). The Extension Lease was executed by the Nation and the NGS owners, and was approved by the Secretary of the Interior on November 29, 2017.
- E. Given the large negative economic impacts the Navajo Nation would experience if NGS and the Kayenta Mine were to shut

down next year, the Nation immediately began a search for a potential new owner for NGS. After negotiations with a potential new owner fell through this past fall, the Navajo Nation leadership requested that the Navajo Transitional Energy Company, LLC ("NTEC") step in and try to negotiate a deal for the acquisition of NGS and the Kayenta Mine. This would allow operations beyond December 2019 and preserve crucial Navajo jobs and revenue to the Navajo Nation government.

- F. The Naabik'iyáti' Committee realizes understands that NTEC's discussions with key NGS stakeholders are ongoing, including discussions with the Navajo Nation government, the NGS owners and the United States. The Committee also realizes that a great deal of work must be done, including NTEC's due diligence efforts related to NGS and the Kayenta Mine and the necessary environmental reviews. The Naabik'iyáti' Committee also understands and respects that it will be the decision of the 24th Navajo Nation Council to approve or not approve any agreements resulting from NTEC's acquisition of NGS and the Kayenta Mine and will make a thoughtful decision on the matter.
- G. Given the importance of this issue to the Navajo Nation, and given the fact that it was this 23rd Navajo Nation Council that approved the Extension Lease, the Naabik'iyáti' Committee feels compelled to issue this Statement of Policy in support of NTEC's efforts.

NOW, THEREFORE, BE IT RESOLVED:

The Naabik'iyáti' Committee of the 23rd Navajo Nation Council fully supports NTEC's ongoing efforts in exploring the possibility of NTEC acquiring NGS and the Kayenta Mine and negotiating such a deal, subject to the finalizing of the necessary agreements, including those agreements that need to be approved by the Navajo Nation and the 24th Navajo Nation Council.

CERTIFICATION

I, hereby, certify that the foregoing resolution was duly considered by the Naabik'iyáti' Committee of the 23rd Navajo Nation Council at a duly called meeting in Window Rock, Navajo Nation (Arizona), at which a quorum was present and that the same was passed by a vote of 09 in Favor, and 00 Opposed, on this 27th day of December 2018.



Jonathan Perry, Chairman Pro Tem
Naabik'iyáti' Committee

Motioned: Honorable Davis Filfred
Second : Honorable Olin Kieyoomia

Chairman Pro Tem Jonathan Perry not voting

Pursuant to § 700 (D), A quorum of the committee shall be satisfied by the presence of two (2) members of each Standing Committee or a majority of delegates of the Navajo Nation Council.

NAVAJO NATION

RCS# 1187

12/27/2018

Naa'bik'iyati Committee

11:01:39 PM

Amd# to Amd#
MOT Filfred
SEC Kieyoomia
Legislation 0449-18: Statement
of Policy Regarding Continued
Operations of the Navajo
Generating Station and...

PASSED

Yea : 9

Nay : 0

Excused : 0

Not Voting : 15

Yea : 9

Bates
Begay, K
BeGaye, N

Bennett
Filfred

Jack
Kieyoomia

Tso
Yellowhair

Nay : 0

Excused : 0

Not Voting : 15

Begay, NM
Brown
Chee
Crotty

Damon
Daniels
Hale
Perry

Pete
Phelps
Shepherd
Slim

Smith
Tosie
Yazzie