For Immediate Release
February 16, 2013

President Shelly Supports NGS Lease Extension Legislation

WINDOW ROCK, Ariz.—Navajo Nation President Ben Shelly announced his support for Navajo Council legislation to approve a lease extension for Navajo Generating Station that would bring the Navajo Nation more than $40 million annually of additional revenue if approved.

“A new lease agreement is fully underway. After rounds of negotiations, the lease extension is favorable and gives us room for a growing Navajo Nation. Looking ahead to our future, we will bring $40 million more starting in 2019,” said President Shelly as he spent the evening with Speaker Johnny Naize.

The proposed legislation (0042-13) was released for public comment late Friday afternoon. The legislation outlined the Navajo Nation would receive approximately $42 million a year in lease payments beginning 2019 through 2044. That annual payment is substantially larger than $608,400 outlined in the original lease approved in 1969. The president encourages public comment.

Another important aspect of the lease extension is jobs, President Shelly said.

“We are protecting existing jobs on the Navajo Nation,” said President Shelly. “We are building a job base well into the future. This is part of our drive for economic self-sufficiency.”

Between NGS and Kayenta Mine, the sole coal supplier for NGS, more than 900 people are employed and more than 85 percent are Native American, but most are Navajo.

President Shelly appointed a lease negotiating team shortly after he took office. The eight person negotiating team, led by Navajo Nation Attorney General Harrison Tsosie, finalized terms of the lease recently.

“I appointed a negotiating team that had experts about power plants, Navajo Nation laws, Navajo natural resources and other aspects of Navajo resources. It’s important to me that
when we are negotiating large terms that politics are kept out of the discussion. We can’t risk compromising a deal due to politics,” President Shelly said.

The original lease also stated that the NGS owners had the option of extended the lease with or without Navajo Nation consent.

“We are thankful that Salt River Project and the other owners extended good business practices and considered the position of the Navajo Nation. The terms of the lease extension continues a good working relationship we have developed over the years,” President Shelly said.

The legislation can be viewed at http://www.navajonationcouncil.org.

###