



FOR IMMEDIATE RELEASE
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President Shelly signs into law Resolution No. CD-60-13 Legislation passed by Navajo Nation Council, finalizes purchase of Navajo Mine



On Dec. 27, 2013, Navajo Nation President Ben Shelly signed into law Resolution No. CD-60-13 and finalized provisions for the Navajo Nation to obtain performance and reclamation bonds required for the purchase of Navajo Mine from BHP-Billiton. President Shelly said the purchase secured the economic future of the Navajo Nation and strengthened the energy policy. (Photo by Rick Abasta)

During the evening hours of Dec. 27, Navajo Nation President Ben Shelly signed into law Resolution No. CD-60-13.

“This legislation allows us to move forward with the purchase of Navajo Mine for the benefit of the Navajo Nation,” President Shelly said. “We have secured a vital revenue stream for the Nation with this purchase.

“The coal mine purchase secures our economic future, strengthens our Navajo Nation

Energy Policy and the portfolio of the Nation,” he added.

Martin Ashley, executive director for the Office of the Navajo Tax Commission, said the Navajo Nation receives between \$50 to 70 million annually in royalties, taxes and leases from both the power plant and the mine.

“There are people who want renewable energy to fund the Nation, but for the generation of electricity, solar and wind are more expensive than coal.

Coal is a cheaper way to produce electricity,” Ashley said.

The 22nd Navajo Nation Council approved the legislation by a vote of 17-5, which was applauded by a majority of the people in the gallery. Speaker Johnny Naize signed the legislation before it was sent across the street to President Shelly to sign into law.

The Council’s resolution outlined provisions for the Navajo Nation to obtain performance and reclamation

bonds required to finalize the purchase of the Navajo Mine from BHP-Billiton.

To complete the transaction, an approval of an alternative forum for enforcement of binding arbitration and ancillary proceedings pursuant to the Navajo Nation Sovereign Immunity Act was required.

The special session began after 3 p.m. on Dec. 27, after the day was spent debating the legislation during a work session requested earlier in the week.

Discussion on Legislation No. 0367-13 originally began on Dec. 23 and was debated by the Naabik'iyati' Committee during a special session.

On that date, delegate Lorenzo Bates (Nenahnezad, Newcomb, San Juan, T'iistoh Sikaad, Tse'Daa' Kaan, Newcomb, San Juan, Upper Fruitland) sponsored the legislation and underscored its importance to the Nation.

Bates said, "For 54 years, this Nation has sat on the field, on a bench, collected and had no say on a resource that we have 100 years of. We are here today, by virtue of your vote, to have a say, to be able to determine a future of that coal."

During the session, discussions were halted after an outburst from protestors opposing the legislation. Subsequently, the committee adjourned and forwarded the legislation for consideration by the full Council, which convened for another special session later the same afternoon.

Navajo Police were also called in to quell any further disturbances.

During that session, delegates reached an impasse from discussions regarding the voting requirements for the legislation.

Delegate Russell Begay (Shiprock) motioned for the legislation to be passed by a supermajority, or two-thirds vote of the Navajo Nation Council. Begay's motion sparked a flurry of opinions on the floor.

Delegate Katherine Benally (Chilchinbeto, Dennehotso, Kayenta) eventually motioned for a work session to thoroughly discuss the legislation and the voting requirements. Subsequently, the legislation was tabled and a work session was scheduled for Dec. 27.

During the Dec. 27 work session, Navajo Nation Attorney General Harrison Tsosie spoke about the decision to purchase the mine after owners of Four Corners Power Plant and BHP-Billiton could not reach

agreement on the price of coal in July 2012.

Other considerations factored into the decision making process included the Arizona Public Service Company's power plant lease expiration in 2016, which if closed, would have a negative impact on the Navajo Nation's economy.

"The one thing that I want to reiterate that's important to this (decision) is the fragile economy of the Navajo Nation," Tsosie said. "What we're actually doing here today is in essence, preserving an economy that exists here on the Navajo Nation."

He explained that coal is extracted daily and is utilized to generate electricity, a product of the Navajo Nation that is sold to the outside world.

"This particular activity generates an income 24 hours a day, seven days a week. It's one of the few industries that exists on the Navajo Nation that generates that kind of income," Tsosie said.

Because the legislation passed, the purchase of BHP Navajo Coal Company was completed on Dec. 30, 2013 and ownership was transferred to NTEC. The same day, NTEC and Four Corners Power Plant executed a coal supply agreement from July 2016 through 2031.

Steve Gundersen, chairman of Navajo Transitional Energy Company Board, said the purchase of Navajo Mine saved over 800 direct jobs executed between the mine and the power plant. Additionally, it has maintained a large portion of the Navajo Nation's budget.

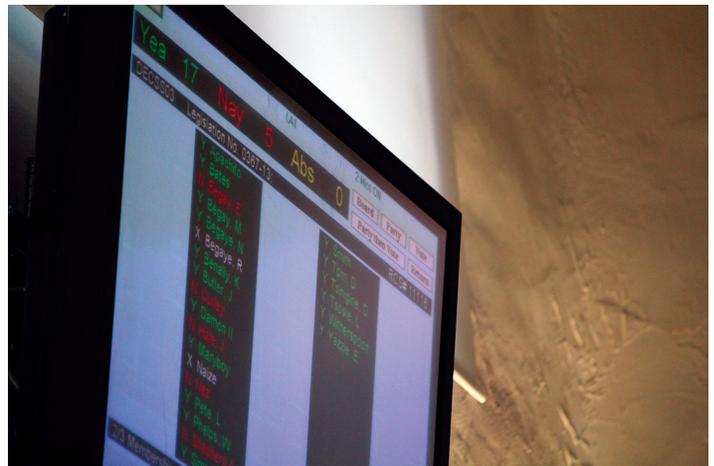
"I'd like to thank the leadership for their vision and commitment to building the Nation's economy, including the Nation's commitment to bring about a cleaner and more sustainable world," Gundersen said.



President Shelly was happy the legislation was finally passed and signed into law, especially since the future economic stability of the Navajo Nation hinged on its passage. (Photo by Rick Abasta)



Speaker Johnny Naize signed the legislation at his office before sending it across the street to President Shelly to be signed into law. Naize said it was a big step for the Navajo Nation. (Photo by Rick Abasta)



The 22nd Navajo Nation Council passed Legislation No. 0367-13 by a vote of 17-5. Notably absent from the work session and the special session was delegate Russell Begay, who made the motion for the supermajority vote. (Photo by Rick Abasta)