



Navajo Generating Station (NGS)



Diversifying the economy is a critical priority for the region near Page, Arizona and the Navajo and Hopi Nations. With the anticipated closure of NGS in 2019, economic opportunities are essential to the liability of the community.

- **Coconino County asks for federal support in order to create alternatives needed in the region:**
 - economic planning and development.
 - broadband development; and
 - educational attainment.

- **Background**

The Navajo Generating Station (NGS) is a 2,250 megawatt coal-fired power plant owned by a consortium and operated by the Salt River Project and located on the Navajo Indian Reservation, near Page, Arizona. The plant was authorized by Congress in the late 1960s and provides electrical power to customers in Arizona, Nevada, and California. It also provides the power for pumping Colorado River water for the Central Arizona Project (CAP). The plant and the associated Kayenta (Peabody) coal mine employ more than a thousand people when operating at full capacity.

- According to NAU's Rural Policy Institute, NGS makes a \$51 million economic contribution to the City of Page alone.
- This does not include economic contributions of the Kayenta mine to the region, and therefore, the numbers are somewhat conservative.
- Currently NGS is slated to stay open until December 31, 2019 with decommissioning to start soon thereafter.
- The Navajo Generating Station (NGS) agreement to prolong the closure of NGS beyond 2019 helped stabilize the regional economy and kept property taxes steady for school districts, the hospital district and local governments.
- The delay also allowed time to better absorb the economic impacts and will help area stakeholders invest in job training and help diversify the economy in northern Arizona.
- There has been some discussion regarding a possible sale of NGS, however, nothing is finalized.





- **Key Issues:**

- The region has some major challenges. Jobs losses at NGS and the Kayenta Mine will have a very significant impact on the region and these jobs are not easily replaced.
- Lack of reliable, commercial grade broadband prevents the region from engaging in today's economy.
- Some impacts that are already noticeable include: decreasing school district enrollment; positions held vacant at NGS; decreasing revenues; and very significantly, losses in population on the Navajo Nation.

- **Recent Developments:**

- The County secured a USDA grant for an economic development plan for the Lake Powell Region. The plan was prepared by the Economic Collaborative of Northern Arizona (ECoNA).
- The County secured a \$300,000 POWER grant from the federal Economic Development Administration. The grant will be used to help the County train workers, which is vital to the future economic growth and diversification of northern Arizona.
- A \$29,000 USDA grant was secured to create a Strategic Economic Plan for the Lake Powell Region.
- Coconino Community College, Northern Arizona University, Dine College, and Navajo Technical University signed an agreement to start developing a "Higher Education Consortium Project" in Page.

