



NAVAJO TRIBAL UTILITY AUTHORITY

AN ENTERPRISE OF THE NAVAJO NATION

March 22, 2024

Via Electronic Mail only

Bureau of Reclamation
Attn: LTEMP SEIS Project Manager
125 South State Street, Suite 800
Salt Lake City, UT 84138
LTEMPSEIS@usbr.gov

RE: GLEN CANYON DAM LONG-TERM EXPERIMENTAL AND MANAGEMENT PLAN (“LTEMP”) DRAFT SUPPLEMENTAL ENVIRONMENTAL IMPACT STATEMENT (“DSEIS”) – 89 FR 9147, February 9, 2024

The Navajo Tribal Utility Authority (“NTUA”) appreciates the opportunity to provide comments on the U.S. Bureau of Reclamation’s (“Reclamation”) LTEMP DSEIS, issued February 9, 2024, and noticed at 89 Fed. Reg. 9147-9148.

NTUA is a wholly owned enterprise of the Navajo Nation, a federally recognized Native American Tribe. NTUA is organized under the laws of the Navajo Nation and was established on January 22, 1959, to address the absence of utilities on the Navajo Nation, and NTUA has grown into the largest tribally owned and operated multi-service utility provider delivering a portfolio of services. NTUA provides for the operation, maintenance, and expansion of electric, communications, natural gas, water, wastewater, and generation services for the Navajo people at a low and reasonable cost. NTUA strives to serve a population of approximately 165,000 spread across the Navajo Nation, an area of about 27,000 square miles that encompasses a large part of the state of Arizona and portions of Utah and New Mexico. Within the Navajo Nation, 35% live below the poverty line, compared to 12.6% for the United States. NTUA’s service territory is remote, and NTUA serves 43,000 electric customers from its own transmission and distribution systems.

NTUA’s headquarters are located in Fort Defiance, Arizona. Because of the vast size of NTUA’s service territory, NTUA also maintains district offices throughout the Navajo Reservation, including (in Arizona) at Kayenta, Tuba City, Chinle, Red Mesa, and Dilkon, and (in New Mexico) at Shiprock and Crownpoint. To meet the energy needs of its customers, NTUA relies on both its own generation resources and transmission service from various

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surrounding utilities, including Arizona Public Service Company, Public Service Company of New Mexico, and Tucson Electric Power Company.

Of NTUA's total generation resources, 40% is from hydropower, which is a cheaper energy resource than other alternatives. NTUA relies on clean hydropower to keep rates affordable for its Navajo customers, who cannot afford more expensive electric bills. If hydropower is not available for NTUA's use, NTUA must purchase replacement power, which may be from natural gas powerplants and more expensive. At peak hours, replacement power is two-to-four times more expensive than hydropower.

NTUA receives an allocation of Colorado River Storage Project ("CRSP") hydropower, which is a cheaper source of power than alternatives. NTUA has partnered with 12 tribes who are entitled to an allocation of CRSP hydropower. As discussed further below, NTUA has entered into benefit arrangements whereby NTUA receives the other tribes' allocation of hydropower and, in return, NTUA sends the tribes a payment. These payments go into tribal funds and help support programs for the community.

Reduced and/or bypassed generation at Glen Canyon Dam ("GCD")/CRSP, as discussed in the DSEIS, has implications and potential impacts to NTUA, including the affordable delivery of electricity to the Navajo people and to counterparties. From a tribal perspective, hydropower is necessary for our Navajo people to be able to pay their electric bills. Basic necessities such as electricity, water, internet are still not adequately met on the Navajo Nation, which is unacceptable. With the risk of interruption or congestion affecting hydropower resources, such impacts will exacerbate an already serious problem.

NTUA is concerned with specific transmission congestion impacts that are appearing in the models. Data generated by the National Renewable Energy Laboratory ("NREL") found congestion effects due to reduced GCD generation, including potential congestion impacts that may affect NTUA. For example, the NREL data found congestion impacts from Kayenta to Longhouse as an effect of reduced GCD generation. Analysis by Argonne National Laboratory ("Argonne") found that the reduction in generation at GCD significantly affects the transmittal of energy to Four Corners and Northern loads.

Moreover, the models relied upon in the DSEIS do not include WAPA's work and should include WAPA's analysis. WAPA's work includes the March 11, 2024 WAPA Desert Southwest Region, "Impact of Reduced Glen Canyon Generation on Transmission Reliability 2024." ("WAPA Report"). The WAPA Report would help in understanding the broader picture as to transmission reliability and ability to weather impacts of reduced GCD output. Section 3.3 of the DSEIS should be revised to include analysis undertaken by WAPA, as well as the information from NREL and Argonne noted above.

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Further, there is not yet a CRSP rate analysis that provides a complete picture of rate impacts and any effects as to funding of Basin Fund. The DSEIS states at 3-19 that: "By bypassing the electrical generators at Glen Canyon Dam, the experiment will reduce hydropower generation. Accordingly, WAPA will be required to purchase replacement power to fulfill its contractual obligations to customers. The experiment would markedly increase the amount of non-reimbursable costs drawn from the Basin Fund and returned to the Treasury." While acknowledging impacts if the Basin Fund balance falls below \$70 million, the DSEIS does not analyze in Section 3.3 the likelihood and degree of a shortfall under the \$70 million level (and likelihood of triggering a cost-recovery charge, as noted in DSEIS at 3-27), or other quantitative analysis of the impacts to the Basin Fund. The DSEIS should reflect such analysis.

Lastly, the DSEIS at 3-220 acknowledges that some tribes "operate their own electric utilities and receive power directly from WAPA. Power received directly from WAPA tends to be lower cost than other resources. A reduction in WAPA power allocation, therefore, translates into higher costs for Tribal utilities." The DSEIS continues by discussing benefit crediting arrangements and their importance to tribes. However, the DSEIS does not analyze whether reductions in GCD output will adversely impact these benefit crediting arrangements nor attempt to quantify any such impact. The DSEIS should undertake this analysis.

NTUA appreciates Reclamation's consideration of these comments and urges Reclamation to update and reissue a public draft SEIS as recommended herein.

Sincerely,

NAVAJO TRIBAL UTILITY AUTHORITY



Walter W. Haase, P.E.
General Manager