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NTEC purchases partial ownership in Four Corners Power Plant, a first for a Navajo enterprise

FARMINGTON, N.M. – Navajo Transitional Energy Company (NTEC) has closed a transaction in which it acquired a seven percent ownership interest in units 4 and 5 of the Four Corners Power Plant (FCPP). Under the purchase and sale agreement (Agreement), NTEC purchased the seven percent interest from 4C Acquisition, LLC (4CA), an affiliate of Arizona Public Service Company, which operates the FCPP. The Agreement was executed last week, and the transaction closed on July 2, 2018.

As a result of the transaction, NTEC, a business entity wholly owned by the Navajo Nation, becomes an owner of a coal-fired power plant, a first for a Navajo Nation enterprise.

“This is a milestone for NTEC. One of our primary goals has been to manage the assets of NTEC responsibly to allow for growth and prosperity as a Navajo Nation owned enterprise. This news is great for NTEC and we look forward to maximizing the benefits of this milestone,” said Clark Moseley, NTEC CEO.

Concurrently with NTEC’s purchase of the FCPP interest, NTEC and Arizona Public Service Company (APS) also entered into an amended and restated coal supply agreement, which governs FCPP fuel purchases from NTEC. The amended and restated coal supply agreement provides NTEC with more flexibility in the sale and purchase of coal from NTEC’s Navajo Mine.

In connection with these transactions, NTEC was also able to pay-off the remaining balance of its term loan that was used to refinance NTEC’s purchase of the Navajo Mine from BHP Billiton in 2013.

“NTEC has been working long and hard on securing and finalizing this deal. In this time and era, Navajos are seeking a seat at the energy table and NTEC is providing the means to make that happen,” said Steve Grey, governmental and external affairs director.

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About NTEC



Navajo Transitional
Energy Company

NTEC is a single member limited liability company, organized under the laws of the Navajo Nation, that owns Navajo Mine, located south of Fruitland, New Mexico. The mission of NTEC is to be a reliable, safe producer of coal, while diversifying the Navajo Nation's energy resources to create economic sustainability for the Nation and the Navajo people. NTEC is 100 percent owned by the Navajo Nation. For more information about NTEC, visit www.navajo-tec.com.