

Final Report for Federal Grant Year FY2003
DE-FG36-03GO13040, A000

Diné Power Authority
Navajo Transmission Project (NTP)

Purpose

The Diné Power Authority is developing the Navajo Transmission Project (NTP) to relieve the constraints on the transmission of electricity west of the Four Corners area and to improve the operation flexibility and reliability of the extra-high-voltage transmission system in the region. The NTP creates the wholesale transmission capacity for more economical power transfers, sales, and purchases in the region. It will facilitate the development of Navajo energy resources, improve economic conditions on the Navajo Nation as well as allow DPA to participate in the western electrical utility industry.

Scope

The Diné Power Authority's Navajo Transmission Project entails the development of a 500 kV, 470-mile, alternating current (AC), high-voltage transmission line which will begin in the Four Corners area of Northwestern New Mexico and will proceed west to a point Southwest of Page, Arizona (Segment I, 189 miles) then south to the Moenkopi substation (Segment II, 63 miles), where it will then proceed on a western route to the Marketplace substation south of Las Vegas, Nevada (Segment III, 218 miles).

Background

Diné Power Authority was established in 1985 by the Navajo Nation Council to participate in energy development activities and projects, independently or with others, to provide the ownership, design, construction, maintenance, financing and operation of the activities and projects and the sale, distribution of power, energy and transmission services from these activities and projects. The authority of DPA is codified at 21 NNC §201, *et seq.*, and it carries out its legislated purposes pursuant to an approved Plan of Operation and a Navajo Nation appointed Board of Directors.

Some accomplishments to date are:

- The NTP project development began in 1992.
- A draft Environmental Impact Statement (DEIS) was issued in 1996.
- A final Environmental Impact Statement (FEIS) was issued in 1997.
- A Federal record of decision was issued in 1997.
- A State of Arizona Certificate of Compatibility (CEC) was issued in 2000.
- The Navajo Nation approved the right-of-way (ROW) across trust land and Big Boquillas fee land in 2002.

Program Objectives

DPA will complete cultural, biological, endangered species and certified land surveys along the NTP in order to bring the project nearer completion. In doing so, DPA will need to engage the services of outside consultants to complete cultural and biological surveys of the non-parallel areas. Non-parallel areas are areas where the NTP transmission lines do not run adjacent to existing power transmission lines in Segment I. The same work needs to be completed in Segment II,

which was delayed due to the issues surrounding the Hopi Statutory Freeze Area. Also, due to difficulty in negotiating with the Hualapai Tribe, it was determined to utilize the 2nd preferred route going around the southern boundary of the Hualapai in Segment III.

To be noted, the NTP is separated into three (3) segments. Segment I is from the Shiprock, NM substation to a point southwest of Page, Arizona. Segment II runs from the Page area to an area just north of the Moenkopi substation south of Cameron, Arizona. Segment III runs from the Moenkopi substation westerly to the Marketplace substation just south of Las Vegas, Nevada. DPA needs to complete all environmental phases of the NTP in order to secure all rights-of-ways. In order to do so, some unexpected developments occurred that required more general work in the environmental sector, such as the additional cultural and biological survey work, involved in the re-route around the southern border of the Hualapai reservation.

Planned Project Activities and Results

The tasks identified for 2003 Department of Energy funds are:

- **Biological and Cultural surveys to be completed on the non-parallel areas of Segment I to be done in coordination with the Navajo Nation Archeological Department (NNAD) and the Navajo Nation Historical Preservation Department (NNHPD).**
 - *In early FY 2003, due to Western Area Power Administration (WAPA) relinquishing the federal lead agency role, the NTP was without a federal lead agency to monitor the NEPA process for the Section 106, the Cultural Studies and the Section 7, Endangered Species Study. WAPA had made a request to the Bureau of Indian Affairs (BIA) to take over as Federal Lead Agency for the NTP. In early discussions, it was determined that the BIA did not have the resources, both financially and staff wise, to take on these responsibilities. Due to this situation, a request was made to the Bureau of Land Management (BLM) to take over the Federal Lead Agency responsibilities. This to some time for consideration and acceptance. BLM finally agreed to accept the responsibility for the Section 106 monitoring but did not have the expertise to handle the Section 7. Because of a lack of lead agency support, DPA continued with Biological and Cultural studies related to the Navajo Nation portion utilizing the Environmental Consultant, EPG of Phoenix. With the aid of the Consultant DPA was able to complete the Biological and Cultural studies needed on the remaining parallel sections within Segment I on the Navajo Nation.*
- **Biological and Cultural surveys to be completed on all of Segment II to be done in coordination with the Hopi Cultural Department (HCD).**
 - *Without support of a lead federal agency, DPA put on hold the planned sub-contracting of the HCD and worked on finishing all remaining Section 106 work on Segment II that did not require the HCD.*
- **Biological, Cultural and endangered species surveys to be completed on all of the Hualapai re-route to be completed in coordination with the Cultural Office of the Hualapai Tribe.**
 - *Again, without federal lead agency support DPA could not engage the Hualapai in the required sub-contract to do the biological and cultural studies in the reroute of the Hualapai section of the NTP. Preliminary studies were completed by EPG in these areas that did not require the Hualapai Cultural Office, such as the endangered species study and other biological studies that would be required by the NEPA regulations.*

- **Certified Land survey of all of Hualapai re-route.**
 - Land surveys were completed utilizing aerial photography technology identifying the ROW corridors and the boundaries that would require survey work by the environmental biological and cultural study teams.

- **Other accomplishments regarding the NTP federal funds.**
 - A majority of the coordination of issues with the Hualapai Tribe regarding the crossing of the Hualapai Reservation and came to an agreement to rethink the issue of crossing the Hualapai Reservation. Negotiations to continue.
 - DPA worked in the assimilation of cultural survey reports for portions of Segment III, including those areas west of the Hualapai Reservation, on the Lake Mead National Recreation Area and in Nevada.
 - DPA helped in preparation of the draft Biological Assessment and Biological Assessment and Evaluation for all three segments.
 - DPA worked in coordinating the issues associated with the change in lead federal agency from Western Area Power Administration to the Bureau of Land Management.
 - DPA, in coordination with BLM as federal lead agency and the third-party environmental consultant surveyed all right-of-way corridors and identified the areas still lacking cultural survey work (non-parallel areas of segment I), began survey work towards biological assessment for remote areas on the U.S. Forest service areas in the Kaibab National Forest area, continued other archeological studies required by the final environmental impact statement and mandated NEPA requirements.
 - A meeting was held, with BLM and BIA in Gallup, New Mexico to discuss the BIA taking the federal lead agency responsibilities for the agricultural and biological reviews for the NEPA process. The BIA declined the proposal citing lack of resources. On September 16, 2004 a meeting was held in Flagstaff, Arizona with BLM, BIA, USFS, NPS, Hopi, Hualapai and our environmental consultants to discuss the matter of the BIA overseeing the Section 7 and Section 106 areas as the federal lead with BLM overseeing the NEPA compliance as the federal lead for just that area. Further discussions will be on-going in the Washington offices and another meeting was held during the first part of November to make determination if BIA will accept this plan. The BIA was still hesitant to take over the responsibilities so the BLM accepted to continue the role for now.
 - DPA also continued preparation and refinement of additional right-of-way applications and completed significant fieldwork and data collection relevant to the biological and cultural resource studies.
 - Made amendments to the submitted Plan of Development (POD) and the application to the federal government for the right of way for the NTP to, now, go across the southern tip of the Hualapai Nation. Have met with the Hualapai Council twice and are planning follow up meetings regarding the NTP crossing their tribal lands.
 - The entire ROW for the trust lands crossing the Navajo Nation have been approved by the Navajo Nation Resources Committee and signed by the President of the Navajo Nation and is now with the Bureau of Indian Affairs (BIA) Realty Office awaiting final approval.

- o Engineering Consultant Black & Veatch engaged ETG to do an aerial and land survey to reestablish the legal monuments for the ROW area. The revised data is now with the BIA office. All pertinent data has been submitted to the BIA offices.

Problems and Areas of Concern:

The inability to identify a federal lead agency caused several delays in the progress of the NTP and required the amending of certain tasks previously identified in the submitted federal scope of work. Even though the delays caused a change in strategies, the overall goal to work toward the completion of permitting on the NTP is still the focus of the revised scope of work.

To be noted is that some of the biological work needed was seasonal so timelines were extended in order to facilitate that particular survey task. All required NEPA studies are now at about 60% complete and will need to be continued next fiscal year.

Any questions regarding this report please direct to Mr. Ben Hoisington, Administrative Assistant, Diné Power Authority, PO Box 3239 Window Rock, AZ 86515, or contact at (928) 871-2260.