

**RESOLUTION OF THE
DINÉ POWER AUTHORITY
BOARD OF DIRECTORS**

**APPROVING THE POSITION STATEMENT OF DINÉ POWER AUTHORITY
REGARDING THE SAN JUAN RIVER BASIN WATER SETTLEMENT
BETWEEN THE NAVAJO NATION AND STATE OF NEW MEXICO**

WHEREAS:

1. The Navajo Nation Council pursuant to Resolutions CN-87-85 and CJA-2-96, codified at 21 N.N.C. §201, et. seq., established the Diné Power Authority as an enterprise of the Navajo Nation to engage in energy development projects and activities, utilizing and optimizing the resources of the Navajo Nation for the benefit of the Navajo people; and
2. Pursuant to 21 N.N.C. §207 (a)(1), the Diné Power Authority Board of Directors is delegated the authority and responsibility for the activities of the Authority; and
3. Diné Power Authority is developing the Navajo Transmission Project, a 500kV high voltage transmission line, from the Four Corners area in New Mexico to the Marketplace Substation in southern Nevada, and
4. Diné Power Authority and its development partners, have entered a Development Agreement to develop a coal fired generation facility on the Navajo Nation which will utilize the resources of the Navajo Nation and optimize the capacity of the proposed Navajo Transmission Project; and
5. The power generation project will provide significant returns to the Navajo Nation in the form of royalties, taxes, rents and other payments; and
6. The Diné Power Authority Board of Directors determines that it is in the best interest of Diné Power Authority to submit a position statement on the proposed settlement agreement between the Navajo Nation and the State of New Mexico regarding the San Juan River Basin Water Settlement.

NOW, THEREFORE, BE IT RESOLVED THAT:

The Diné Power Authority Board of Directors hereby approves and authorizes DPA staff to submit the position statement by Dine' Power Authority, attached hereto as exhibit "A", on the proposed water rights settlement in the San Juan River Basin between the Navajo Nation and State of New Mexico.

C-E-R-T-I-F-I-C-A-T-I-O-N

I hereby certify that the foregoing resolution was duly considered by the Dine' Power Authority Board of Directors at a duly called meeting in Phoenix, Arizona at which a quorum was present and that the same was passed by a vote of (3) in favor, (0) opposed and (0) abstentions this 15th day of January 2004.



Mr. Tim T. Goodluck, Chairman
DINE' POWER AUTHORITY
Board of Directors

Motion: Andrew Simpson
Second: Herbert Pioche