



CASE STUDY: Navajo Power

The Tribally owned renewable energy platform building intergenerational wealth.

Headquarters: Flagstaff, Arizona

Founded: 2018

AUM: \$29M

Website: navajopower.com

Investment area: Navajo Nation and Tribal lands across the United States

Funders: Foundations, impact investors, and lenders

Themes: Indigenous-Led Renewable Energy · Community Ownership and Shared Value · Catalytic Capital for Community Benefit · Just Energy Transition

CATALYTIC ROLE OF GRANTS

Grants funded Navajo Power's early, high-risk work of community engagement, permitting, and benefits planning before projects could generate revenue. Grants account for only about 3% of capital raised because of Navajo Power's focus on capital-intensive infrastructure, yet this small grant layer unlocks a much larger base of project debt and equity. Much of the community benefit is built into the financing itself through below-market lending and return-capped Turquoise Shares.

ABOUT

Navajo Power is a U.S. public benefit corporation founded by Indigenous entrepreneurs to develop renewable energy and energy storage infrastructure in partnership with Tribal Nations. Its vision is for Tribal communities to prosper from clean energy; its mission is to maximize the economic benefits of each project for the Tribal communities that decide to host infrastructure.

Navajo Power combines deep relationships with Tribal Nations with extensive technical and financial expertise to carry a project from first engagement through construction. The work spans the full arc of development: feasibility, stakeholder engagement and education, community benefit design, permitting, interconnection, financing, construction, and long-term ownership partnerships. Grants and regenerative impact investments fund the earliest stages of this process, so that **Tribal communities help shape projects from the start and share in the value they create.**

A central piece of the capital structure is the Community Benefits Fund, through which value flows back to Tribal communities. It is funded by investment returns that lenders and investors agree to forgo, and it supports Tribal community projects in which Navajo Power holds no financial stake. The fund is projected to exceed \$8.5 million by 2031.

INTEGRATED CAPITAL MODEL

ORGANIZE

Tribal communities invite Navajo Power to develop a renewable project on their lands. Navajo Power evaluates potential sites with Tribal stakeholders and signs a letter of intent to begin development. *Deck*

DEVELOP

Navajo Power secures site control, leads environmental and cultural studies and permitting, manages interconnection, markets the power to prospective buyers, and raises long-term financing. *Deck*

BENEFIT

Value stays with the community that hosts the project, both through the Tribal partner and through the fund, which channels a share of returns into Tribal community projects. *Deck*

THE ECOSYSTEM NEED

Tribal lands have the capacity to host hundreds of gigawatts of clean energy infrastructure. Yet historically, Tribal Nations have captured little value from the energy produced on their lands. Communities across the Navajo Nation and beyond carry the legacy of coal, uranium, oil, and gas extraction, which left land contaminated and wealth flowing elsewhere. *Deck*

It can take years of engagement, review, and planning to bring a renewable energy project to the point where it can attract private capital, and that groundwork produces little to no revenue. **By taking on this early risk, impact investors enable community-rooted projects to advance and Tribal Nations to participate in the clean energy economy taking shape on their own lands.** *Deck*

FINANCING APPROACH



Rooted in Tribal Nations

Tribal Nations need development partners who understand the history of their lands and their concerns. As an Indigenous-led company, Navajo Power shares priorities with Tribal Nations that outside developers often overlook. *Deck*



Repairs harm

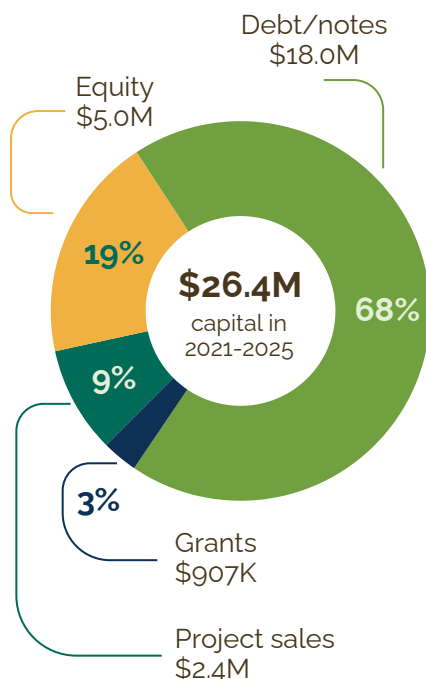
Many Tribal communities carry the legacy of extractive energy industries such as coal and uranium. **Navajo Power is designed to repair the places affected by that extractive history** while returning land to productive use. *Deck*



Grants open the gateway

Early engagement, education, and benefits planning generate no revenue on their own. Grant funding covers this groundwork, allowing projects to reach the stage where private capital is willing to invest. *Deck*

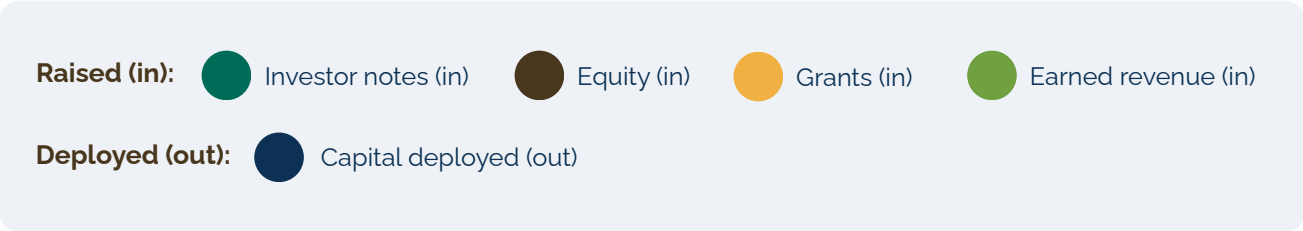
FINANCIAL PROFILE



As of FY2025, Navajo Power held \$11.4M in total assets against \$24.8M in liabilities, resulting in a net stockholders' deficit of \$13.4M. This deficit reflects the development-stage model: Navajo Power spends years on engagement, permitting, and interconnection before projects generate revenue, while those pre-revenue costs accumulate as losses. As a result, the company's books show negative equity. Its liabilities are primarily patient project financing, including long-dated, below-market notes that require no periodic payments and mature between 2026 and 2031, along with the \$4.9M Community Benefits obligation. The company expects to realize value when projects are sold or reach development milestones, at which point equity is expected to turn positive. *FY25*

From 2021 through 2025, the company raised \$26.4M in capital: 68% debt, 19% preferred and common equity, and 9% from project sales and services. Grants accounted for just 3% of capital raised, or approximately \$0.9M, yet they provide the earliest layer of capital, funding the highest-risk, pre-revenue work. *FY21-FY25*

INTEGRATED CAPITAL PATHWAY & TIMELINE



Bubble area proportional to \$ · Source: Navajo Power audited statements (2021 - 2025)

LENDING APPROACH



The capital model: Navajo Power raises capital across three aligned pathways that all channel value back to Tribal communities. 1) Investors can buy Turquoise Shares in an equity transaction with a targeted return of up to 1.5 times the purchase price; after that return is reached, further dividends flow to the Community Benefits Fund. 2) Impact lenders can fund a Revolving Development Pool and earn 3% interest. An additional 3%, along with any interest concessions, is directed to Tribal communities, while lenders receive their principal back when the pool matures in December 2031. 3) Funders provide grants for community engagement, education, and benefits planning at the front end of each project. *Deck*

Why it matters: Grant funding and regenerative impact investment cover the groundwork, enabling Navajo Power to carry projects to the stage where investment and lending capital can participate.

Turquoise Shares cap investor returns, while below-market interest rates reduce the cost of debt capital. Together, these tools help direct more of the value created by renewable energy projects to Tribal communities. *Deck*

Impact: In 2025, the Community Benefits Fund held 19.49% of the company through Turquoise Shares, valued at \$7.09M, and Navajo Power paid \$341.6K to grazing permit holders, the Navajo families who hold customary rights to the land where projects are sited, and to local chapters. Total Native ownership stood at 50.96% and female ownership at 15.2%. Through its off-grid solar work, the company electrified 476 homes and developed 1.072 Megawatts. *IR2025*

BORROWER EXAMPLE — PAINTED DESERT POWER



Project: Painted Desert Power is a utility-scale solar project on the Navajo Nation, one of the largest solar developments led in partnership with a Tribal Nation. Construction is planned for late 2028 into 2030. *Deck*

Development gap: Years of environmental and cultural review, permitting, interconnection, and Tribal policy work stand between the initial agreement and the first sale of energy. *Deck*

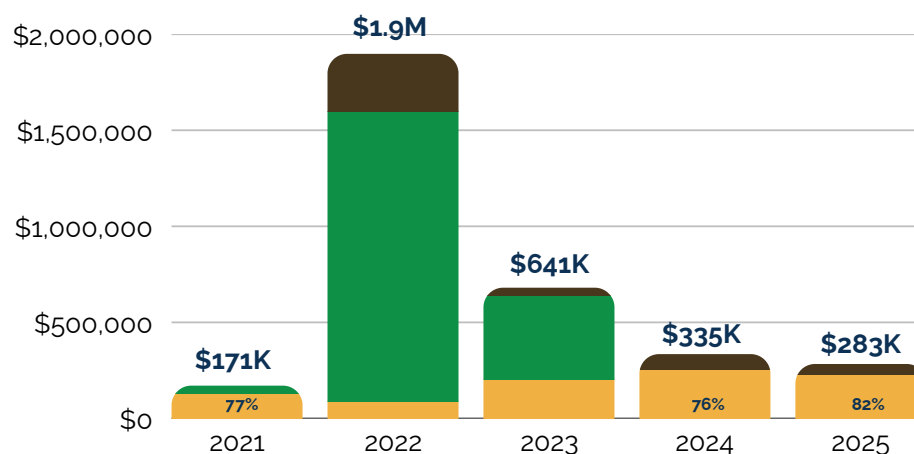
Navajo Power's role: Navajo Power carries that early work, then co-develops the project with a Fortune 500 independent power producer (IPP), which funds development, finances construction, and offers up to 49% equity to the Tribal host. *Deck*

The outcome: The project is projected to deliver up to \$194.6M in value to the Navajo Nation, including \$83.5M in tax revenue, \$50.8M for the local community, \$38.1M in construction, \$20.4M in Navajo Nation lease payments, and \$2.3M in operations and maintenance. *Deck*

BUSINESS MODEL



Operating revenue by year: grants lead in most years; earned revenue spikes when a project sells



Grants are essential at every stage, funding the community engagement, education, and permitting that carry a project from an idea to the point where debt, equity, or project buyers are ready to commit. Because this groundwork earns no revenue, grants are in most years the company's largest source of operating income. *Deck; FY21 - FY25*

The company develops projects on its own books and earns most of its income when a project is sold or reaches a development milestone. As a result, earned revenue arrives in a few large events rather than as a steady stream. Between sales, the company also earns service revenue by providing development and management services for projects it has sold, drawing on its expertise in permitting, interconnection, and Tribal engagement.

Grants and regenerative impact investment smooth the years in between and keep development moving when no sale has closed. Debt and preferred equity then supply the larger sums needed to carry projects through interconnection and construction. *FY21 - FY25*

FUTURE DIRECTIONS

Navajo Power is scaling its model of Tribally owned renewable energy, moving projects toward construction while deepening the ownership and benefit structures that keep value with the community. This objective centers on a three-pronged approach:

- **Advance the development pipeline** toward construction and operation, so that projects now under development begin generating value for their Tribal hosts.
- **Grow the Community Benefits Fund and the Turquoise Shares ownership model**, widening the channels through which lease payments, equity, and profit flow back to Tribal communities.
- **Sustain the catalytic base of grants and regenerative impact investment** that funds early community engagement and development, extending the model to more Tribal Nations across the country.

Sources: FY21 to FY25 = Navajo Power, PBC audited consolidated financial statements (FYE2021 to FYE2025); IR2025 = Navajo Power Impact Report 2025; Deck = Growing Navajo Power (May 2026).