

Electric Power Generation in Wyoming

Analysis of the Taxation of Electric Generation
(Credit allowed for severance taxes only)

Energy Source	MegaWatt Hours Generated 2017	% of electricity produced	Estimated Severance Tax Revenue per MWH Produced	Levy for Electrical Production from HB 270	Gross Tax Revenue from Electric Generation	Severance tax credit allowed for minerals used in production	Net Revenue after credit for taxes paid	Generation Tax Revenue per Megawatt hour produced
		2017						
Total Electric Industry	46,741,846	100.0						
Thermal power Generation	41,297,567	88.35%	\$0.258640	\$1.00000	\$41,297,567	\$10,681,203	\$30,616,364	\$0.741360
Hydroelectric ²	1,123,624	2.40%	\$0.000000	\$1.00000	\$1,123,624	\$0	\$1,123,624	\$1.000000
Other Renewables ¹	4,320,655	9.24%	\$0.000000	\$1.00000	\$4,320,655	\$0	\$4,320,655	\$1.000000
							\$36,060,643	

¹Other renewables is limited to wind energy in Wyoming

Source: Energy Information Administration, Form EIA-923,

²Hydroelectric facilities and their transmission providers are both federally owned and may not be taxable.

The goal of this analysis is to model the imposition of an electricity generation tax that would allow a credit for incumbant power generators for their use of Wyoming minerals used in the production of electricity. The credit will approximate the mineral severance taxes paid on these minerals using a factor of 0.4 tons per MWH at .6466 cent per ton. It is important to note that this tax would apply to any producers of electricity including Petroleum and natural gas fired power plants. They are not included in the analysis as their relative production in Wyoming is not material.