



News Release

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Intermountain Power Project Tax Contribution Exceeds One-Half Billion Dollars

SALT LAKE CITY – The Intermountain Power Project cemented its position as one of Utah’s largest taxpayers this fall. The Project’s annual remittances to the state pushed the total of taxes paid since the Project’s inception to \$507.9 million.

In 2008, the Project paid \$15.7 million in sales and use taxes, gross receipts taxes, and fees in lieu of ad valorem taxes. The fees are in place of property taxes that projects like this one ordinarily may not pay.

“The Intermountain Power Project was constructed in the early 1980s by municipal utilities that are not subject to property taxes by the state,” said James A. Hewlett, general manager of the Intermountain Power Agency. “But from the beginning, Project organizers were committed to supporting the economy of the state and especially Millard County, where a large portion of the Project’s assets reside. That’s why the ‘fees in lieu of taxes’ structure was created. Since 1983, the Project has paid more than \$380 million in these fees.”

Of the \$15.7 million paid in 2008, Millard County received \$10.2 million. Of that, \$5.9 million went to the Millard County School District. (The School District’s total annual budget is approximately \$20 million.) Since the Project’s inception, it has paid more than \$240 million in taxes and fees to Millard County and the School District.

“We are pleased to continue as a positive economic contributor to Millard County and the rest of the state,” said Hewlett. “In addition to paying taxes and fees, the Project actively supports community organizations and events. We also provide significant employment opportunities. And it’s worth remembering that the Project was developed without any taxpayer subsidies.”

The Intermountain Power Agency is an organization of 23 Utah municipalities formed to finance, construct, operate and maintain the Intermountain Power Project. The Project generates enough electricity to supply the needs of more than 1.5 million homes.

Historically, the Project has been one of America's cleanest and most efficiently operated coal-based generating stations. Today, the Project has expanded its efforts to improve environmental performance to include reducing greenhouse gas emissions. The Project is investigating several strategies for off-setting, reducing and capturing and storing carbon dioxide emissions. The Project is also actively supporting the development of renewable energy resources in Utah.

The Intermountain Power Project includes a two-unit coal-fueled generating station located near Delta, Utah, two transmission systems, a microwave communication system and a railcar service center, all built as a joint undertaking by 36 utilities in Utah and California.

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