

HOUSE BILL NO. HB0143

Integrated gasification combined cycle electric generation.

Sponsored by: Joint Minerals, Business and Economic
Development Interim Committee

A BILL

for

1 AN ACT relating to taxation and revenue; exempting coal
2 used for integrated gasification combined cycle electricity
3 generation from specified severance taxes; specifying
4 requirements for exemption to apply; providing for
5 administration; providing for reports; and providing for an
6 effective date.

7

8 *Be It Enacted by the Legislature of the State of Wyoming:*

9

10 **Section 1.** W.S. 39-14-105 by creating new subsections
11 (e) and (f) is amended to read:

12

13 **39-14-105. Exemptions.**

14

15 (e) As provided in this subsection, coal purchased
16 for consumption at a qualifying integrated gasification

1 combined cycle facility is exempt from the taxes imposed by
2 W.S. 39-14-104(a)(ii) through (vi) and (b)(ii) and (iii).
3 The exemption shall apply only to coal sold and delivered
4 to a qualifying integrated gasification combined cycle
5 facility for consumption in any of the calendar years 2008
6 through 2030. In order to qualify for the exemption, the
7 producer shall establish to the department that it has
8 entered into a contract to sell the coal which is subject
9 to the exemption to a qualifying integrated gasification
10 combined cycle facility and that the contract provides a
11 reduction in the price, at which the coal would otherwise
12 be sold, equal to or exceeding the value of the exemption
13 and that all other requirements of this subsection have
14 been met. For purposes of this subsection, a "qualifying
15 integrated gasification combined cycle facility" means:

16
17 (i) Any facility in Wyoming that produces
18 electricity by converting coal to synthesis gas which is
19 used in all or in part to fuel a combined-cycle power plant
20 consisting of a combustion turbine and a steam turbine;

21
22 (ii) Which has a nameplate electrical capacity
23 rating of at least two hundred fifty (250) megawatts; and

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1 (iii) Which, at the time of purchasing the coal,
2 holds a current certificate issued pursuant to subsection
3 (f) of this section.

4
5 (f) The department shall:

6
7 (i) Issue a certification valid for two (2)
8 years to an integrated gasification combined cycle facility
9 making application to the department and which meets the
10 provisions of paragraphs (e)(i) and (ii) of this section;

11
12 (ii) Audit, not less than biennially, each
13 integrated gasification combined cycle facility issued a
14 certification. If the department determines the integrated
15 gasification combined cycle facility no longer meets the
16 requirements of paragraphs (e)(i) and (ii) of this section,
17 the department shall revoke the certification. If the
18 department determines the facility meets the requirements,
19 it shall reissue the certification;

20
21 (iii) Adopt rules and regulations as necessary
22 to implement the provisions of this subsection and
23 subsection (e) of this section including methods to verify
24 the value of the exemption provided in this subsection is

1 reflected in prices paid by qualifying integrated
2 gasification combined cycle facilities;

3

4 (iv) Review the exemption provided under
5 subsection (e) of this section, analyze the costs and
6 benefits to the state and report to the joint revenue and
7 the joint minerals, business and economic development
8 interim committees annually on or before September 1.

9

10 **Section 2.** This act is effective July 1, 2007.

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(END)