

**Economic Benefits of  
Taurus Wind Energy Project  
Magic Valley, Idaho**

**October 2024  
Triple Point Strategic Consulting**



**Economic and Fiscal Impacts  
Taurus Wind Energy Project  
Magic Valley, Idaho**

**Prepared for:  
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## Key Findings

### Project Description

- Generation capacity = 600 MWac of wind, plus interconnect infrastructure
- Planning horizon = 2 years of construction followed by 30 years of wind operations

### Economic Benefits to Magic Valley Counties during Construction

- Total local investment projected to be \$268 million
- Total economic impact up to \$389 million
- Construction activity would generate \$5.3 million in local transaction tax revenue over two years

### Construction Employment Impacts

- An annual average of 525 jobs per year for two years of construction directly supported
- An additional 341 jobs indirectly supported for two years of construction
- Total annual average of 866 jobs supported during construction

### Economic Benefits to Magic Valley Counties during Operations

- Annual local investment up to \$12.1 million
- Total annual economic impact up to \$19.0 million
- Operations activity would generate \$228,000 in local transaction tax revenue annually

### Operations Employment Impacts

- An average of 23 direct jobs per year created as the result of operations
- An average of 45 indirect and induced jobs per year created as the result of operations
- Total annual average of 68 jobs per year created over 30-year lifetime

### Fiscal Benefits Accruing to Magic Valley Counties

- The projects would generate nearly \$93 million in operating property tax during operations

Tax District Type	Lifetime Revenue
Ambulance	\$5,074,968
Cemetery	\$3,516,640
County	\$45,655,734
Fire	\$2,098,666
Jr. College	\$245,296
Library	\$833,859
Recreation	\$7,011,146
Roads and Highways	\$15,139,777
School	\$13,183,636
<b>Total</b>	<b>\$92,759,722</b>

- Sales tax on specialized equipment for initial construction is estimated to be \$46.7 million, followed by \$154,000 per year for specialized parts and replacement equipment.

## Introduction

Taurus Wind LLC (a subsidiary of Arevia Power LLC) proposes to construct, operate, maintain, and decommission a utility-scale, wind energy generating facility known as the Taurus Wind Project in Idaho's Magic Valley. Taurus Wind would locate 134 wind turbines approximately 20 miles north of Twin Falls in Gooding, Jerome, and Lincoln Counties. Taurus Wind would produce up to 600 megawatts of alternating current (MWac). The project would be constructed during 2027 and 2028. Following construction, Taurus Wind would operate for 30 years.

## Methodology and Data Sources

This analysis estimates the economic and fiscal benefits of constructing and operating this project within the context of the Magic Valley's economy. Measured by employment, labor income, tax generation, and total economic activity, these benefits would ripple through the Magic Valley in the form of the following:

- direct company spending
- supply chain spending
- spending of labor income

Fiscal impacts would include the following:

- business personal property taxes paid on equipment over time
- sales and use taxes paid on initial construction and replacement specialized equipment

These tax revenues would fund counties, cities, schools, libraries, highways, cemeteries, fire departments, and other special districts.

The IMPLAN economic software system is used to estimate the benefits that would result from constructing and operating the project. IMPLAN uses annual regional data to predict how specific economic changes would impact a given regional economy. For example, IMPLAN estimates supply chain (i.e., indirect) spending, such as the purchase of fuel and lumber for construction, and labor income (i.e., induced) spending, such as grocery and retail goods purchased by employees.

Economic models of the Magic Valley have been created by linking IMPLAN data from Lincoln, Gooding, Jerome, and Twin Falls Counties. The construction model was weighted using county-level construction job data from the U.S. Bureau of Economic Analysis (BEA). The operations model was weighted based on total employment figures for each county, as provided by IMPLAN data. The IMPLAN system incorporates more than 90 different datasets. For example, employment and labor income data are sourced from information provided by the U.S. Bureau of Labor Statistics (BLS) Census of Employment and Wages, U.S. Census Bureau's County Business Patterns Reports, and BEA's Regional Economic Accounts. Other sources include the National Agricultural Statistical Service, National Bureau of Economic Research, Internal Revenue Service, and Energy Information Administration.

## Capital Expenditure Budget

Developing an economic model for constructing the project requires summary plans, a capital expenditure budget, the duration of construction in years, and a defined region of influence. Table 1 shows the total planned capital expenditures for the project broken out into three categories: construction expenses (often referred to as engineering, procurement, and construction, or EPC), specialized equipment (e.g., wind blades and turbines), and sales taxes on the specialized equipment.

Construction expenses include labor and supplies such as concrete and solder, which can generally be purchased locally and have local economic impacts. Specialized equipment is not manufactured in the region and therefore is purchased from outside the region. Thus, the purchase of specialized equipment does not benefit the local economy. However, these purchases do generate significant tax revenues, such as the sales taxes shown in Table 1 and personal property tax estimates shown in Table 6 through Table 8 (see Fiscal Impacts section). Additional information on tax revenues is provided throughout this report.

**Table 1. Capital Expenditure Budget, 2024 Dollars**

Construction Expenses <sup>1</sup>	Specialized Equipment <sup>2</sup>	Sales Tax on Specialized Equipment	Total Capital Budget to Construct
\$495,559,502	\$777,682,647	\$46,660,959	\$1,319,903,109

<sup>1</sup> Labor and basic materials. Includes sales tax.

<sup>2</sup> Blades, turbines, etc. Does not include sales tax.

## Local Construction Investment

To accurately model the local economic activity that would result from construction, an estimate of local spending is required. Off-site expenses, such as engineering, design, permitting, and other corporate expenses, are excluded from our model of local economic impacts using a variety of data inputs. Local spending examples include preparing the site and assembling the project. Typically, the local portion of the non-specialized equipment construction budget ranges from 50 to 65 percent. This analysis estimates the amount of local investment to be \$267,506,012 over the two-year construction period. At 54 percent for the Taurus Wind Project, the estimate presented in this section is likely conservative.

## Economic Benefits to the Magic Valley during Construction

This section describes estimates of the economic benefits accruing to the Magic Valley as a result of constructing the project, paying particular attention to total economic output, employment, labor income, and tax revenue. The estimates provided are valley-wide averages. IMPLAN defines the total production value of an industry as output. In this case, the industry is new power construction, and the wind facility is the project.

In Table 2, Labor Income represents the total value of all forms of employment income, including benefits, payroll taxes, and payments received by self-employed individuals and/or unincorporated business owners across the Magic Valley's economy. Value Added includes labor income, taxes on production and imports, and gross operating surplus. Value Added is equivalent to the industry's contribution to Gross Domestic Product.

The direct investment triggers indirect and induced effects. Indirect impacts stem from business-to-business supply chain spending. Induced impacts stem from household spending of labor income, such as the purchase of food, clothing, and gasoline.

## Economic Benefits during Construction

Table 2 shows the total economic impact of \$389.2 million that would result from constructing the Taurus Wind Energy Project. The direct total impact is the developer's investment in the local economy for construction—in this case \$267.5 million.

Constructing Taurus Wind would support an average of 525 jobs per year over the two years of construction. In turn, an additional 342 jobs would be either indirectly supported or induced.

**Table 2. Economic Impact of Taurus Wind Construction during 2027-2028, 2024 Dollars**

Type Impact	Annual Employment	Labor Income	Value Added	Total Impact
Direct	525	\$93,903,671	\$152,436,502	\$267,506,012
Indirect	151	\$16,219,003	\$28,111,369	\$58,069,440
Induced	190	\$18,504,881	\$35,973,878	\$63,603,057
<b>Total</b>	<b>866</b>	<b>\$128,627,555</b>	<b>\$216,521,749</b>	<b>\$389,178,509</b>

### Construction Occupations Detail

Table 3 provides estimates of average employment and total compensation for the top 25 occupations directly associated with construction of the Taurus Wind Energy Project. A total of 143 occupations would experience some impact in the Magic Valley during construction. Total compensation includes benefits supplementing wages and salaries.

**Table 3. Annual Average Occupation Impact during Construction for the Taurus Wind Energy Project, 2022 Dollars**

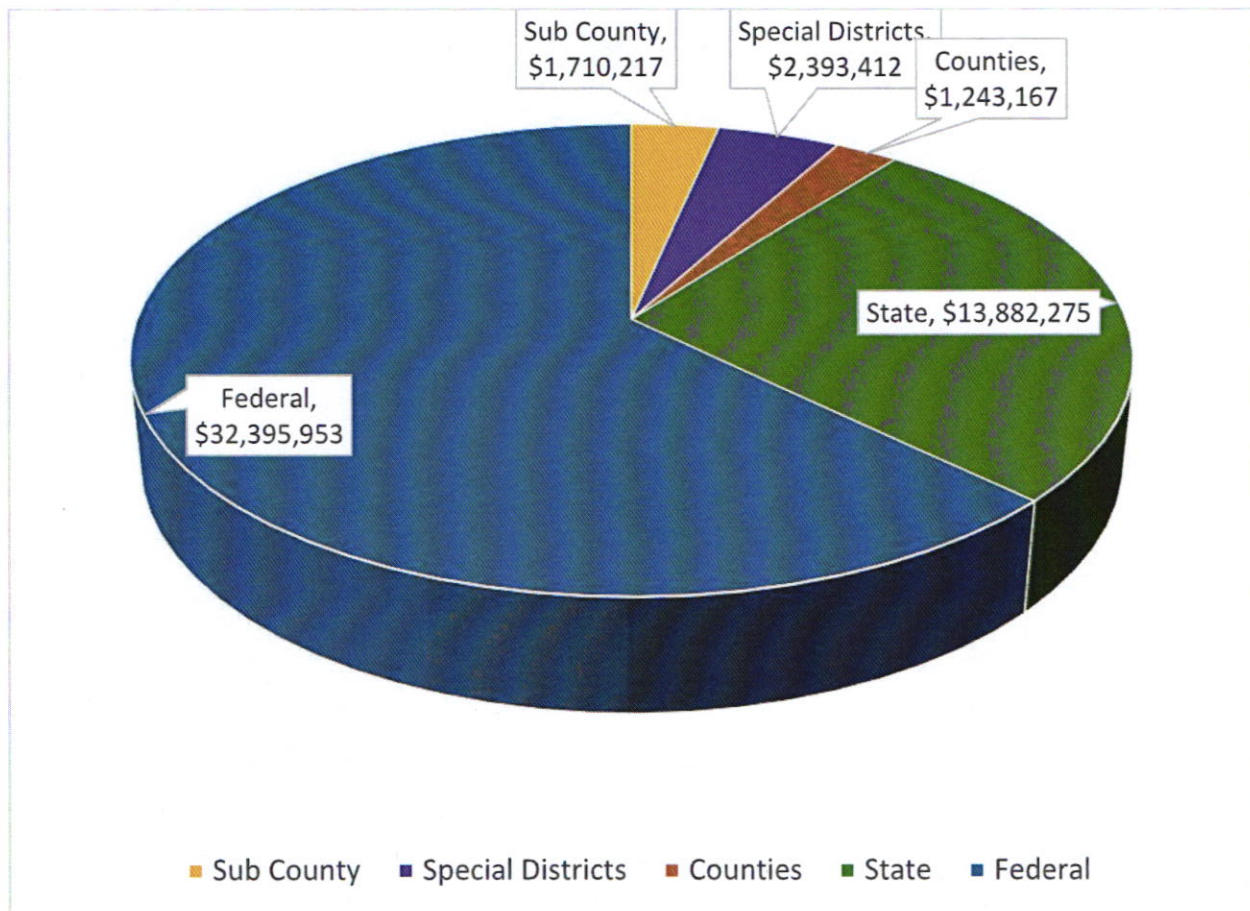
Occupation	Average Annual Employment	Average Annual Total Compensation/Employment
Construction Laborers	83.8	\$64,396
Electrical Power-Line Installers and Repairers	82.8	\$96,057
First-Line Supervisors of Construction Trades Workers	35.9	\$104,857
Telecommunications Line Installers and Repairers	35.6	\$67,695
Operating Engineers and Equipment Operators	34.0	\$83,110
First-Line Supervisors of Mechanics, Installers	30.9	\$117,454
Electricians	17.9	\$89,797
Construction Managers	15.9	\$152,799
General and Operations Managers	12.9	\$178,752
Project Management Specialists	12.1	\$122,046
Office Clerks, General	10.7	\$55,648
Heavy and Tractor-Trailer Truck Drivers	7.1	\$70,334
Bookkeeping, Accounting, and Auditing Clerks	6.8	\$66,460
Secretaries and Administrative Assistants	6.1	\$61,880
Electronics Repairers, Powerhouse, Substation, and Relay	5.4	\$92,695

Occupation	Average Annual Employment	Average Annual Total Compensation/Employment
Plumbers, Pipefitters, and Steamfitters	4.6	\$105,137
Mobile Heavy Equipment Mechanics	4.4	\$80,888
Wind Turbine Service Technicians	4.0	\$80,057
Accountants and Auditors	3.8	\$112,062
Radio, Cellular, and Tower Equipment Installers	3.6	\$68,104
Laborers and Freight, Stock, and Material Movers	3.5	\$60,241
Solar Photovoltaic Installers	3.2	\$74,063
Welders, Cutters, Solderers, and Brazers	3.2	\$92,941
Carpenters	3.0	\$83,288
Structural Iron and Steel Workers	2.9	\$88,968

### Total Tax Revenue Resulting from Construction Activities

As a result of construction, direct, indirect, and induced tax revenue would accrue to the local municipalities, special districts, and counties across the Magic Valley, in addition to Idaho and the federal government. IMPLAN estimates the average tax revenue impacts resulting from construction investment, capturing all tax revenue across all levels of government for the specific industries and institutions affected by an event or group of events.

Figure 1 shows the tax impacts resulting from construction activity. Total tax revenue is estimated to be \$51.6 million over the two years of construction, of which \$5.3 million would be received locally (at the county level or below).



**Figure 1. Estimated Two-Year Tax Revenue Impacts of Construction Activities for the Taurus Wind Energy Project, 2024 Dollars**

### Local Operations Investment

As with construction, to accurately model the local economic activity resulting from operations, local annual investment has been parsed from total annual operating expenditures using a variety of data inputs. Thus, insurance, finance charges, and other corporate expenses are excluded from the IMPLAN models of annual operations. The projected annual amount of local operating expenditures is \$12.1 million per year.

### Economic Benefits to Magic Valley during Operations

This section describes estimates of the economic benefits accruing to the Magic Valley as a result of operating the project. IMPLAN defines the total production value of an industry as output. In this case, the industry is the generation of electricity from wind energy.

Table 4 shows a total economic impact on an annual basis (\$19.0 million per year) that would result from operating Taurus Wind. The developer's investment in the local economy each year would be \$12.1 million.

Operating Taurus Wind would create an average of 23 jobs per year. In turn, an additional 45 jobs would be either indirectly created or induced.

**Table 4. Annual Average Impact during Taurus Wind Operations, 2024 Dollars**

Type Impact	Employment	Labor Income	Value Added	Total Impact
Direct	23	\$2,100,000	\$6,812,367	\$12,112,367
Indirect	25	\$1,584,263	\$2,583,419	\$4,752,189
Induced	20	\$1,017,910	\$1,450,064	\$2,139,198
<b>Total</b>	<b>68</b>	<b>\$4,702,173</b>	<b>\$10,845,849</b>	<b>\$19,003,754</b>

### Operations Occupations Detail

Table 5 provides estimates of average employment and total compensation for the top 10 occupations directly associated with operations of the Taurus Wind Energy Project. A total of 77 occupations would experience some impact in the Magic Valley throughout operations. Total compensation includes benefits supplementing wages and salaries.

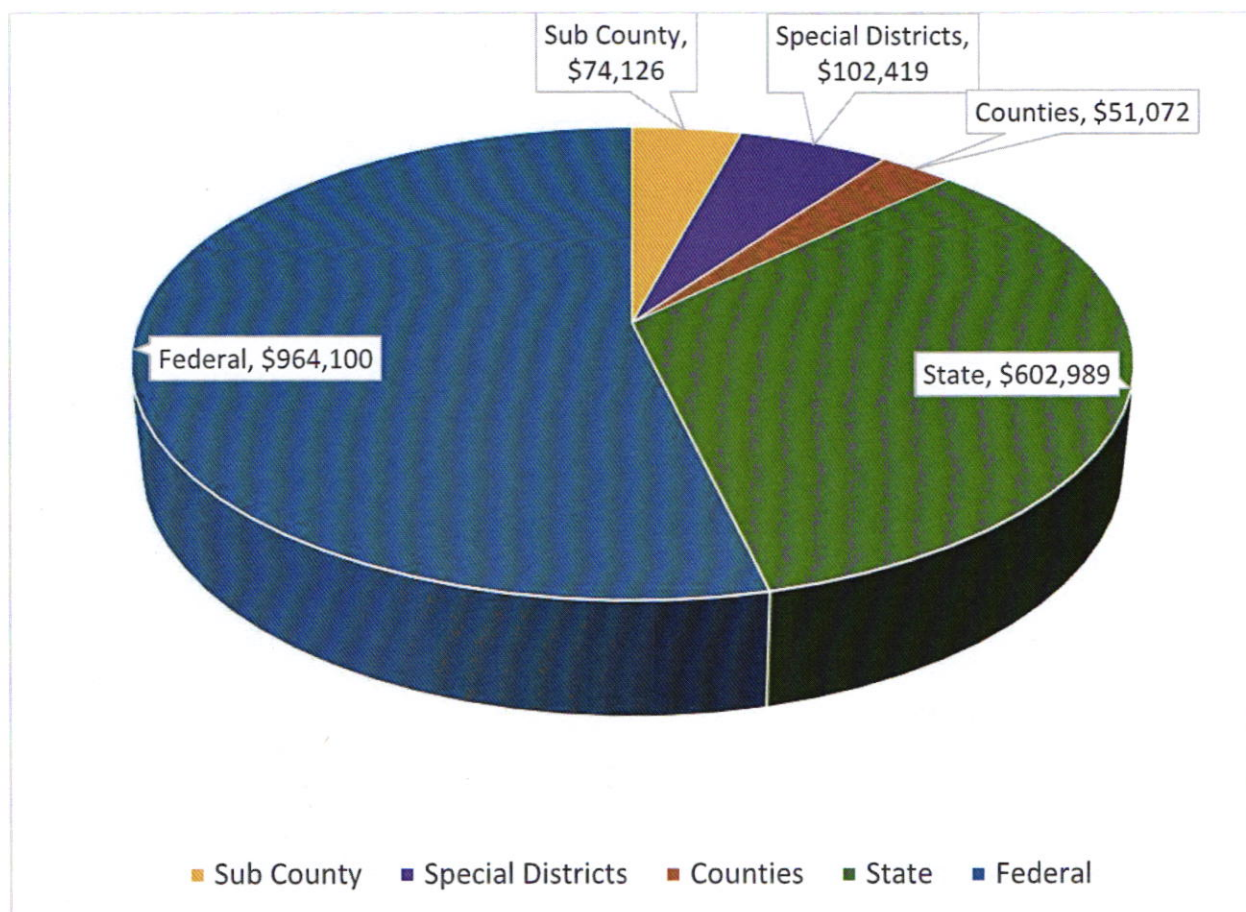
**Table 5. Annual Average Occupation Impact during Operations for the Taurus Wind Energy Project, 2022 Dollars**

Occupation	Average Annual Employment	Average Annual Total Compensation/Employment
Wind Turbine Service Technicians	10.2	\$80,057
General and Operations Managers	1.0	\$156,683
First-Line Supervisors of Mechanics	0.9	\$106,167
Project Management Specialists	0.7	\$103,900
Business Operations Specialists	0.6	\$110,641
Electrical Engineers	0.6	\$121,252
Managers	0.6	\$159,720
First-Line Supervisors of Operating Workers	0.5	\$104,857
Electricians	0.5	\$89,797
Office Clerks	0.4	\$55,648

### Tax Revenue Resulting from Operations Activities

As a result of operations, direct, indirect, and induced tax revenue would accrue to the local municipalities, special districts, and counties across the Magic Valley, in addition to Idaho and the federal government.

Figure 2 shows the total combined tax impacts resulting from operations. Tax revenue is estimated to be \$1.8 million annually, of which \$228,000 would be received locally (at the county level or below).



**Figure 2. Estimated Annual Tax Revenue Impacts of Operations Activities, 2024 Dollars**

### **Fiscal Impacts**

In addition to the tax revenue described above that is generated from construction and operations activities, the Taurus Wind Energy Project's \$778 million of specialized equipment purchases would generate significant tax revenue for the three Magic Valley counties in which the wind turbines would be located, including sales and operating property taxes. The project would also be liable for real property taxes on private land and federal fees on public land. These tax and fee revenue impacts would occur over time.

### **Operating Property Tax Revenue**

In Idaho, electric generation utilities are considered operating property and are centrally assessed on the basis of revenue rather than assessed value and depreciation. Idaho Statute 63-3502B states that wind-generated energy revenue is taxed at 3 percent of gross earnings.

The centrally assessed revenues are then distributed back to the respective tax areas where the revenue was generated. The project is located in 8 unique tax areas that comprise a total of 25 unique tax authorities. This section lists estimates of operating property tax revenue from the project, occurring over the project's lifetime. Note that these estimates are based on planned project locations at the time of this writing. Final tax payments will depend on the actual placement of equipment in each tax area.

## Lincoln County

Fifty-nine percent of the turbines would be located in Lincoln County, which receives the greatest operating property tax revenue of \$54.7 million (Table 6).

**Table 6. Lincoln County Operating Property Tax Revenue by Authority, 2024 Dollars**

Tax District Type	Lifetime Revenue
Ambulance	\$3,551,987
Cemetery	\$2,708,327
County	\$30,357,583
Recreation	\$3,644,871
Roads and Highways	\$10,712,254
School	\$3,711,680
<b>Total</b>	<b>\$54,686,702</b>

## Gooding County

Table 7 shows Gooding County is estimated to receive \$35.3 million, where 38 percent of the turbines would be located.

**Table 7. Gooding County Operating Property Tax Revenue by Authority, 2024 Dollars**

Tax District Type	Lifetime Revenue
Ambulance	\$1,441,091
Cemetery	\$735,082
County	\$14,149,688
Fire	\$2,065,505
Library	\$833,859
Recreation	\$3,236,316
Roads and Highways	\$4,096,061
School	\$8,746,472
<b>Total</b>	<b>\$35,304,074</b>

## Jerome County

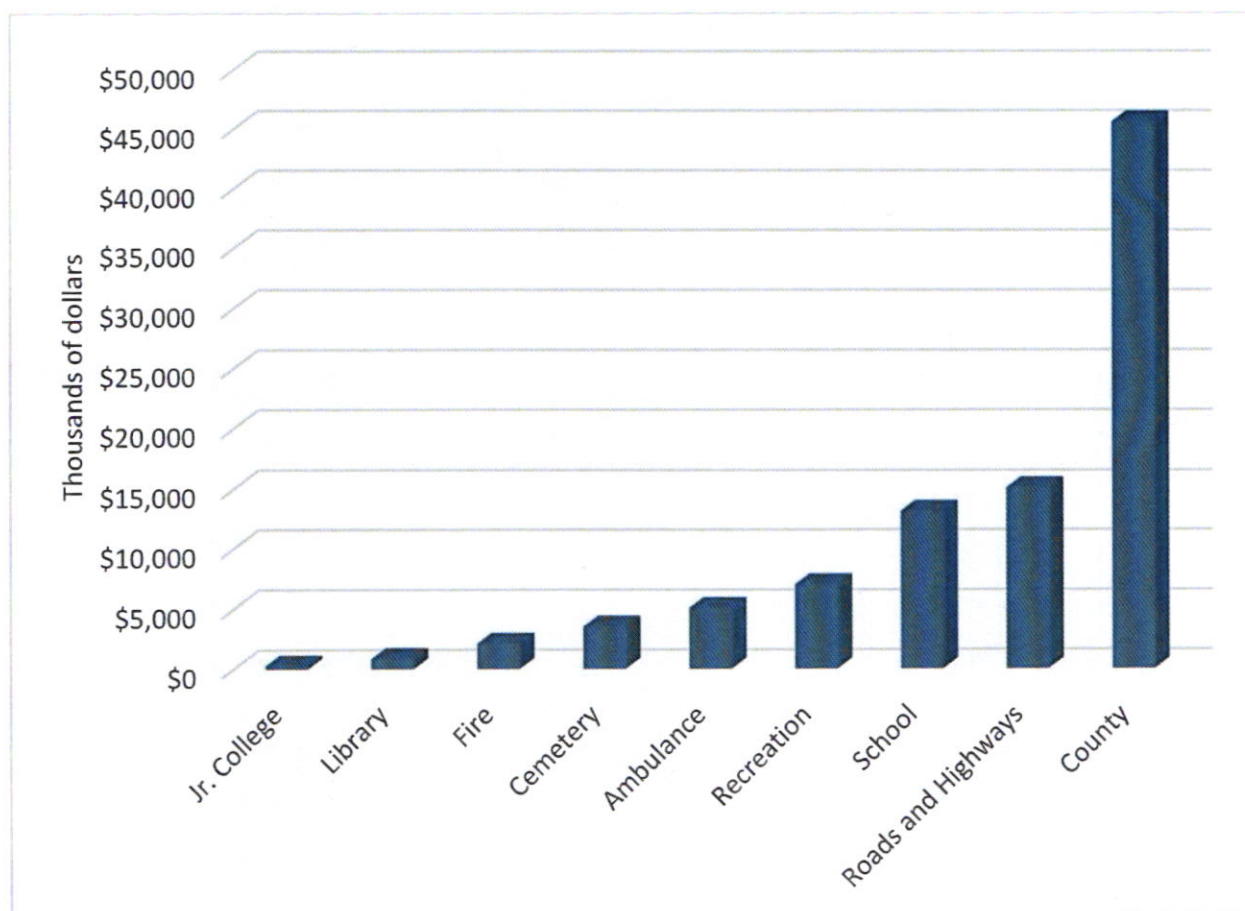
Table 8 shows Jerome County is estimated to receive \$2.8 million, where 38 percent of the turbines would be located.

**Table 8. Jerome County Operating Property Tax Revenue by Authority, 2024 Dollars**

Tax District Type	Lifetime Revenue
Ambulance	\$81,890
Cemetery	\$73,232
County	\$1,148,463
Fire	\$33,162
Jr. College	\$245,296
Recreation	\$129,958
Roads and Highways	\$331,462
School	\$725,484
<b>Total</b>	<b>\$2,768,947</b>

## Magic Valley Tax Authorities by Type

Figure 3 groups operating property tax revenue by type of beneficiary for the Taurus Wind Energy Project over its lifetime. County governments would receive almost \$46 million and local school districts would receive more than \$13 million. The total amount that would be paid by the developer would be nearly \$93 million.



**Figure 3. Estimated Magic Valley Operating Property Tax Revenue by Beneficiary Type, 2024 Dollars**

### Sales Tax on Specialized Equipment

The sales tax rate is 6 percent in each of the three counties. Table 9 estimates the sales tax revenue accruing to each county assuming the developer takes possession of the property in the county in which it would be located. Table 9 also shows the total impact for the initial construction would be \$47 million. An additional \$4.6 million would be generated from the purchase of replacement specialized equipment over the project's lifetime, or about \$154,000 annually, for a total sales tax impact of \$51.3 million.

**Table 9. Lifetime Sales Tax Impact from the Purchase of Specialized Equipment, 2024 Dollars**

Sales and Use Tax Authority	Construction	Operations	Total Tax Impact
Lincoln County	\$27,509,073	\$2,723,398	\$30,232,471
Gooding County	\$17,759,022	\$1,758,143	\$19,517,165
Jerome County	\$1,392,864	\$137,894	\$1,530,758
<b>Total</b>	<b>\$46,660,959</b>	<b>\$4,619,435</b>	<b>\$51,280,394</b>

### **New Technology Job Growth**

Jobs in clean energy sectors such as wind and solar grew at 3.6 percent in 2022, adding more than 21,000 new jobs nationally. Clean energy jobs now account for 40 percent of all energy-related jobs in the United States. According to a Forbes article citing BLS, wind turbine service technicians are among the fastest-growing trade careers, with the number of jobs expected to increase 45 percent over the next ten years, and solar photovoltaic installer jobs are expected to increase by 22 percent. Veterans have especially benefited from this job growth, comprising almost 10 percent of the jobs in these industries. The Renewable Energy and Communications Tower Technician Program offered in partnership with Airstreams Renewables Inc. at Fort Benning, Georgia, is an example of the U.S. Army supporting soldiers seeking to transition to careers in clean energy, according to a Clean Grid Alliance article.

### **Conclusion**

Development of the Taurus Wind Energy Project would result in significant economic benefits to the Magic Valley. The developer would invest a total of \$268 million to construct the project supporting an estimated average of 866 jobs per year for two years and creating a total economic impact of \$389 million. Project construction would generate \$5.3 million in local transaction tax revenue from construction activity.

Over the lifetime of the project, the developer would invest \$12 million annually in the local economy to operate the facility, creating an estimated average of 68 jobs per year.

Operating property taxes and sales taxes levied on the import of specialized equipment would be significant. The total amount of operating property tax revenue is estimated to be almost \$93 million. Sales tax on equipment would be \$46.7 million initially, followed by \$4.6 million over the project's lifetime.

### **About Triple Point Strategic Consulting LLC**

Triple Point specializes in developing custom economic and financial models. We deliver results for our clients with high-value and accurate information, as demonstrated by our many repeat clients. Triple Point is active across the western United States and Canada, modeling for scenario planning, financial forecasting, permitting and approvals, optimal resource allocation, and improved decision-making. Economic impact studies are conducted using the IMPLAN model.

In 2013, Jeff Moffett founded Triple Point Strategic Consulting to provide marketing, strategic planning, and economic analysis services. Focus areas are renewable energy, affordable housing, health assessments, sustainable tourism, and economic development. Jeff earned his M.S. in Econometrics and Ph.D. in Applied Statistics at the University of Washington, Seattle. For more information visit [www.tpsconsulting.net](http://www.tpsconsulting.net).

Jeff is joined by Nathan Perry, Ph.D. Nathan is a Professor of Economics at Colorado Mesa University. He has conducted many regional economic studies in Colorado, including economic impact studies, public land studies, and energy studies, and has published academic work on deficits and debt, inflation, and the Great Depression. Dr. Perry regularly presents on the economic conditions in Western Colorado and the national economy, and serves on the Governor's Revenue Estimating Advisory Committee (GREAC).