



STATE OF MICHIGAN
DEPARTMENT OF TREASURY

RICK SNYDER
GOVERNOR

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STATE TREASURER

DATE: December 16, 2015
TO: Members of the State Tax Commission
FROM: Heather S. Frick, Executive Director
SUBJECT: System Economic Factors for the 2016 Year

In 2014, the State Tax Commission entered into a settlement agreement regarding the development of system economic factors for the electric distribution cooperatives. This agreement required the adoption of a new methodology for determination of the factors for a three year trial period beginning with the 2014 year.

Staff has calculated the factors using this new methodology and recommends adoption of the following factors for the 2016 year:

Cherryland	85
Tri County	80
Great Lakes	79
Midwest	90
Ontonagon	65
Thumb	76
Cloverland	90
Presque Isle	70
Bayfield	68
Alger Delta	71