



STATE OF MICHIGAN
DEPARTMENT OF TREASURY
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GOVERNOR

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STATE TREASURER

DATE: December 14, 2021
TO: State Tax Commission
FROM: David A. Buick, Executive Director
SUBJECT: Pipeline Economic Factor

In 2010, the State Tax Commission approved an economic factor for ANR Pipeline and Mid-Michigan Gas Storage. Those factors began for the 2011 year at 65% and moved in increments of 5% down to 50% for the 2014 year. We discussed a possible factor for Great Lakes Gas Transmission and determined at that point, a factor was not indicated for Great Lakes Gas Transmission.

In 2013, the Commission approved a 40% economic factor for the 2014 Great Lakes Gas Transmission and amended the prior factor adopted in 2014 for ANR Pipeline and Mid-Michigan Gas Storage to 40%. The Commission adopted the same factors for the 2015 - 2018 years. In 2018, staff received a request for, and the Commission approved the same 40% factor for Northern Natural Gas Company, which transports natural gas from Texas and Oklahoma to the upper Midwest.

After consulting with representatives from the pipeline companies and further review of available data, staff recommends the Commission adopt the same factor again (40%) for the 2022 year for ANR Pipeline, Mid-Michigan Gas Storage, Great Lakes Gas Transmission and Northern Natural Gas Company.