



STATE OF MICHIGAN  
DEPARTMENT OF TREASURY  
LANSING

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GOVERNOR

RACHAEL EUBANKS  
STATE TREASURER

**DATE:** September 14, 2021  
**TO:** Members of the State Tax Commission  
**FROM:** David A. Buick, Executive Director  
**SUBJECT:** System Economic Factors for the 2022 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. Pursuant to the settlement agreement, beginning with the 2017 tax year, staff reviewed the system economic factors and applicable statutes and recommend the new methodology be utilized to develop the system economic factors for the 2022 tax year.

Staff has calculated the factors using this new methodology and recommends adoption of the following factors for the 2022 year:

Alger Delta	74
Bayfield	67
Cherryland	85
Cloverland	90
Great Lakes	81
Midwest	90
Ontonagon	65
Presque Isle	69
Thumb	76
Tri County	81