

CMS ENERGY CORPORATION
CONSUMERS ENERGY COMPANY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

The following table summarizes amounts related to restricted stock awards:

	<u>2009</u>	<u>2008</u>	<u>2007</u>
	In Millions		
CMS ENERGY, INCLUDING CONSUMERS			
Fair value of shares vested	\$ 4	\$ 2	\$ 15
Compensation expense recognized	9	8	10
Income tax benefit recognized	3	3	3
CONSUMERS			
Fair value of shares vested	\$ 4	\$ 2	\$ 10
Compensation expense recognized	8	7	7
Income tax benefit recognized	3	2	2

At December 31, 2009, there was \$9 million of total unrecognized compensation cost related to restricted stock for CMS Energy and \$8 million of total unrecognized compensation cost related to restricted stock for Consumers. CMS Energy and Consumers expect to recognize this cost over a weighted-average period of 1.4 years.

The following table summarizes stock option activity under the PISP:

<u>Stock Options</u>	<u>Options Outstanding, Fully Vested, and Exercisable</u>	<u>Weighted- Average Exercise Price per Share</u>	<u>Weighted- Average Remaining Contractual Term</u>	<u>Aggregate Intrinsic Value (In millions)</u>
CMS ENERGY, INCLUDING CONSUMERS				
Outstanding at December 31, 2008	807,540	\$ 21.58	2.8 years	\$ (9)
Granted	—	—		
Exercised	(58,500)	6.71		
Cancelled or Expired	(168,000)	32.94		
Outstanding at December 31, 2009	<u>581,040</u>	<u>19.79</u>	2.0 years	\$ (2)
CONSUMERS				
Outstanding at December 31, 2008	497,786	\$ 19.81	2.9 years	\$ (1)
Granted	—	—		
Exercised	(33,000)	\$ 6.99		
Cancelled or Expired	(86,000)	33.89		
Outstanding at December 31, 2009	<u>378,786</u>	<u>17.74</u>	2.3 years	\$ (1)

Stock options give the holder the right to purchase common stock at the market price on the grant date. Stock options are exercisable upon grant, and expire up to ten years and one month from the grant date. CMS Energy and Consumers issue new shares when recipients exercise stock options. The total intrinsic value of stock options exercised for CMS Energy was less than \$1 million in 2009, \$1 million in 2008, and \$9 million in 2007. The total intrinsic value of stock options exercised for Consumers was less than \$1 million in 2009 and 2008 and \$6 million in 2007. Cash received from exercise of these stock options in 2009 was less than \$1 million for CMS Energy and less than \$1 million for Consumers.

Since CMS Energy has utilized tax loss carryforwards, CMS Energy was unable to realize excess tax benefits upon exercise of stock options and vesting of restricted stock. Therefore, CMS Energy did not recognize the related excess tax benefits in equity. As of December 31, 2009, CMS Energy has \$18 million of unrealized excess tax benefits.

CMS ENERGY CORPORATION
CONSUMERS ENERGY COMPANY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

The following table summarizes the weighted average grant date fair value:

<u>Years Ended December 31</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
CMS ENERGY, INCLUDING CONSUMERS			
Weighted average grant date fair value per share			
Restricted stock granted	\$13.49	\$10.38	\$14.18
Stock options granted(a)	—	—	—
CONSUMERS			
Weighted average grant date fair value per share			
Restricted stock granted	\$13.44	\$10.43	\$14.12
Stock options granted(a)	—	—	—

(a) No stock options were granted in 2009, 2008, or 2007.

15: LEASES

CMS Energy and Consumers lease various assets, including service vehicles, railcars, gas pipeline capacity, and buildings. In addition, CMS Energy and Consumers account for a number of their PPAs as capital and operating leases.

Operating leases for coal-carrying railcars have lease terms expiring over the next 15 years. These leases contain fair market value extension and buyout provisions, with some providing for predetermined extension period rentals. Capital leases for Consumers' vehicle fleet operations have a maximum term of 120 months and TRAC end-of-life provisions.

Consumers has capital leases for gas transportation pipelines to the Karn generating complex and Zeeland. The capital lease for the gas transportation pipeline into the Karn generating complex has a term of 15 years with a provision to extend the contract from month to month. The capital lease for the gas transportation pipeline to Zeeland has a lease term of 12 years with a renewal provision at the end of the contract. The remaining terms of Consumers' long-term PPAs range between 1 and 21 years. Most of these PPAs contain provisions at the end of the initial contract terms to renew the agreements annually.

Consumers is authorized by the MPSC to record both capital and operating lease payments as operating expense and recover the total cost from customers. The following table summarizes CMS Energy's and Consumers' capital and operating lease expenses:

<u>Years Ended December 31</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
	<u>In Millions</u>		
CMS ENERGY, INCLUDING CONSUMERS			
Capital lease expense	\$ 38	\$ 46	\$ 34
Operating lease expense	34	28	25
Income from subleases	—	(1)	(2)
CONSUMERS			
Capital lease expense	\$ 38	\$ 46	\$ 34
Operating lease expense	34	27	23

CMS ENERGY CORPORATION
CONSUMERS ENERGY COMPANY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

Minimum annual rental commitments under CMS Energy's and Consumers' non-cancelable leases at December 31, 2009 are:

	<u>Capital Leases</u>	<u>Finance Lease(a)</u> In Millions	<u>Operating Leases</u>
CMS ENERGY, INCLUDING CONSUMERS			
2010	\$ 18	\$ 22	\$ 28
2011	17	21	28
2012	20	20	28
2013	12	20	24
2014	10	19	23
2015 and thereafter	54	114	119
Total minimum lease payments	131	216	<u>\$ 250</u>
Less imputed interest	73	55	
Present value of net minimum lease payments	58	161	
Less current portion	9	13	
Non-current portion	<u>\$ 49</u>	<u>\$ 148</u>	
CONSUMERS			
2010	\$ 18	\$ 22	\$ 28
2011	17	21	28
2012	20	20	28
2013	12	20	24
2014	10	19	23
2015 and thereafter	54	114	119
Total minimum lease payments	131	216	<u>\$ 250</u>
Less imputed interest	73	55	
Present value of net minimum lease payments	58	161	
Less current portion	9	13	
Non-current portion	<u>\$ 49</u>	<u>\$ 148</u>	

- (a) In April 2007, Consumers sold Palisades to Entergy and entered into a 15-year PPA to buy all of the capacity and energy produced by Palisades. Consumers has continuing involvement with Palisades through security provided to Entergy for Consumers' PPA obligation, Consumers' DOE liability, and other forms of involvement. Because of these ongoing arrangements, Consumers accounted for the transaction as a financing of Palisades and not a sale. Accordingly, no gain on the sale of Palisades was recognized on the Consolidated Statements of Income. Consumers accounted for the remaining non-real-estate assets and liabilities associated with the transaction as a sale.

Palisades remains on Consumers' Consolidated Balance Sheets and Consumers continues to depreciate it. Consumers recorded the related proceeds as a finance obligation with payments recorded to interest expense and the finance obligation based on the amortization of the obligation over the life of the Palisades PPA. The value of the finance obligation was determined based on an allocation of the transaction proceeds to the fair values of the net assets sold and fair value of the plant asset under the financing. Total amortization and interest charges under the financing were \$23 million for each of the years ended December 31, 2009 and 2008.

CMS ENERGY CORPORATION
CONSUMERS ENERGY COMPANY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

16: PROPERTY, PLANT, AND EQUIPMENT

The following table summarizes CMS Energy's and Consumers' property, plant, and equipment:

<u>Years Ended December 31</u>	<u>Estimated Depreciable Life in Years</u>	<u>2009</u>	<u>2008</u>
<u>In Millions</u>			
CMS ENERGY, INCLUDING CONSUMERS			
Electric:			
Generation	18-85	\$3,671	\$3,357
Distribution	12-75	4,991	4,766
Other	7-40	574	551
Capital and finance leases(a)		289	291
Gas:			
Underground storage facilities(b)	30-65	299	270
Transmission	13-75	573	473
Distribution	30-80	2,557	2,460
Other	5-50	366	398
Capital leases(a)		17	21
Enterprises:			
IPP	3-45	329	329
Other	3-40	16	11
Other:	2-71	34	33
Construction work in progress		506	608
Less accumulated depreciation, depletion, and amortization(c)		<u>4,540</u>	<u>4,387</u>
Net property, plant, and equipment(d)		<u>\$9,682</u>	<u>\$9,181</u>
CONSUMERS			
Electric:			
Generation	18-85	\$3,671	\$3,357
Distribution	12-75	4,991	4,766
Other	7-40	574	551
Capital and finance leases(e)		289	291
Gas:			
Underground storage facilities(b)	30-65	299	270
Transmission	13-75	573	473
Distribution	30-80	2,557	2,460
Other	5-50	366	398
Capital leases(e)		17	21
Other non-utility property	7-71	15	15
Construction work in progress		505	607
Less accumulated depreciation, depletion, and amortization(f)		<u>4,386</u>	<u>4,242</u>
Net property, plant, and equipment(d)		<u>\$9,471</u>	<u>\$8,967</u>

- (a) Capital and finance leases presented in this table are gross amounts. Accumulated amortization of capital and finance leases was \$84 million at December 31, 2009 and \$79 million at December 31, 2008. Additions were \$16 million and net retirements and adjustments were \$22 million during 2009. Additions were \$6 million and net retirements and adjustments were \$3 million during 2008.

CMS ENERGY CORPORATION
CONSUMERS ENERGY COMPANY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

- (b) Included base natural gas in underground storage of \$26 million at December 31, 2009 and 2008, which is not subject to depreciation.
- (c) At December 31, 2009, accumulated depreciation, depletion, and amortization included \$4.4 billion from Consumers' utility plant assets and \$155 million from other plant assets. At December 31, 2008, accumulated depreciation, depletion, and amortization included \$4.2 billion from Consumers' utility plant assets and \$187 million from other plant assets.
- (d) At December 31, 2009, utility plant additions were \$928 million and utility plant retirements, including other plant adjustments, were \$171 million. At December 31, 2008, utility plant additions were \$629 million and utility plant retirements, including other plant adjustments, were \$60 million.
- (e) Capital and finance leases presented in this table are gross amounts. Accumulated amortization of capital and finance leases was \$84 million at December 31, 2009 and \$79 million at December 31, 2008. Additions were \$16 million and net retirements and adjustments were \$22 million during 2009. Additions were \$5 million and net retirements and adjustments were \$3 million during 2008.
- (f) At December 31, 2009, accumulated depreciation, depletion, and amortization included \$4.4 billion from Consumers' utility plant assets and \$1 million from non-utility plant assets. At December 31, 2008, accumulated depreciation, depletion, and amortization included \$4.2 billion from Consumers' utility plant assets and \$1 million from non-utility plant assets.

Intangible Assets: Included in net property, plant, and equipment are intangible assets. The following table summarizes CMS Energy's and Consumers' intangible assets:

<u>Years Ended December 31</u> <u>Description</u>	<u>Amortization</u> <u>Life</u> <u>in years</u>	<u>2009</u>		<u>2008</u>	
		<u>Gross Cost(a)</u>	<u>Accumulated</u> <u>Amortization</u>	<u>Gross Cost(a)</u>	<u>Accumulated</u> <u>Amortization</u>
In Millions					
CMS ENERGY, INCLUDING CONSUMERS					
Software development	7-15	\$ 303	\$ 105	\$ 370	\$ 192
Plant acquisition adjustments	40	214	11	214	6
Rights of way	50-75	134	35	118	33
Leasehold improvements	various	13	9	11	9
Franchises and consents	n/a	15	6	14	6
Other intangibles	various	28	21	28	17
Total		<u>\$ 707</u>	<u>\$ 187</u>	<u>\$ 755</u>	<u>\$ 263</u>
CONSUMERS					
Software development	7-15	\$ 303	\$ 105	\$ 370	\$ 192
Plant acquisition adjustments	40	214	11	214	6
Rights of way	50-75	134	35	118	33
Leasehold improvements	various	13	9	11	9
Franchises and consents	n/a	15	6	14	6
Other intangibles	n/a	18	13	18	13
Total		<u>\$ 697</u>	<u>\$ 179</u>	<u>\$ 745</u>	<u>\$ 259</u>

- (a) Intangible asset additions for Consumers' utility plant were \$62 million during 2009. Intangible asset additions for Consumers' utility plant were \$163 million during 2008, which included \$161 million related to the installation and operation of a new integrated business software system. Retirements were \$110 million during 2009. There were no intangible asset retirements during 2008.

CMS ENERGY CORPORATION
CONSUMERS ENERGY COMPANY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

Amortization expense related to intangible assets for CMS Energy (including Consumers) and Consumers was \$30 million in 2009, \$32 million in 2008, and \$21 million in 2007. Included in total amortization expense for intangible assets was computer software amortization expense for CMS Energy (including Consumers) of \$22 million in 2009, \$27 million in 2008, and \$21 million in 2007. Consumers' computer software amortization expense was \$22 million in 2009, \$23 million in 2008, and \$18 million in 2007. Amortization of intangible assets is expected to range between \$30 million and \$33 million per year over the next five years.

17: ASSET RETIREMENT OBLIGATIONS

Accounting for Asset Retirement Obligations: CMS Energy and Consumers record the fair value of the cost to remove assets at the end of their useful lives, if there is a legal obligation to remove them.

If a reasonable estimate of fair value cannot be made in the period in which the ARO is incurred, such as for assets with indeterminate lives, the liability is recognized when a reasonable estimate of fair value can be made. CMS Energy and Consumers have not recorded liabilities for assets that have insignificant cumulative disposal costs, such as substation batteries.

The following table lists the assets that CMS Energy and Consumers have legal obligations to remove at the end of their useful lives and for which they have an ARO liability recorded:

<u>Company and ARO Description</u>	<u>In-Service Date</u>	<u>Long-Lived Assets</u>
CMS ENERGY, INCLUDING CONSUMERS		
Close gas treating plant and gas wells	Various	Gas transmission and storage
Closure of coal ash disposal areas	Various	Generating plants coal ash areas
Closure of wells at gas storage fields	Various	Gas storage fields
Indoor gas services equipment relocations	Various	Gas meters located inside structures
Asbestos abatement	1973	Electric and gas utility plant
Gas distribution cut, purge and cap	Various	Gas distribution mains and services
CONSUMERS		
Closure of coal ash disposal areas	Various	Generating plants coal ash areas
Closure of wells at gas storage fields	Various	Gas storage fields
Indoor gas services equipment relocations	Various	Gas meters located inside structures
Asbestos abatement	1973	Electric and gas utility plant
Gas distribution cut, purge and cap	Various	Gas distribution mains and services

No assets have been restricted for purposes of settling AROs.

CMS ENERGY CORPORATION
CONSUMERS ENERGY COMPANY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

The following tables summarize the changes in the ARO liability:

<u>Company and ARO Description</u>	<u>ARO Liability 12/31/08</u>	<u>Incurred</u>	<u>Settled(a)</u>	<u>Accretion In Millions</u>	<u>Cash flow Revisions</u>	<u>ARO Liability 12/31/09</u>
CMS ENERGY, INCLUDING CONSUMERS						
Close gas treating plant and gas wells	\$ 1	\$ —	\$ —	\$ —	\$ —	\$ 1
CONSUMERS	<u>205</u>	<u>15</u>	<u>(8)</u>	<u>16</u>	<u>—</u>	<u>228</u>
Total CMS Energy	<u>\$ 206</u>	<u>\$ 15</u>	<u>\$ (8)</u>	<u>\$ 16</u>	<u>\$ —</u>	<u>\$ 229</u>
CONSUMERS						
Coal ash disposal areas	\$ 62	\$ —	\$ (4)	\$ 6	\$ —	\$ 64
Wells at gas storage fields	1	—	—	—	—	1
Indoor gas services relocations	1	—	—	—	—	1
Asbestos abatement	36	—	(1)	3	—	38
Gas distribution cut, purge, cap	105	15	(3)	7	—	124
Total Consumers	<u>\$ 205</u>	<u>\$ 15</u>	<u>\$ (8)</u>	<u>\$ 16</u>	<u>\$ —</u>	<u>\$ 228</u>

<u>Company and ARO Description</u>	<u>ARO Liability 12/31/07</u>	<u>Incurred</u>	<u>Settled(a)</u>	<u>Accretion In Millions</u>	<u>Cash flow Revisions</u>	<u>ARO Liability 12/31/08</u>
CMS ENERGY, INCLUDING CONSUMERS						
Close gas treating plant and gas wells	\$ —	\$ —	\$ —	\$ 1	\$ —	\$ 1
CONSUMERS	<u>198</u>	<u>(1)</u>	<u>(7)</u>	<u>15</u>	<u>—</u>	<u>205</u>
Total CMS Energy	<u>\$ 198</u>	<u>\$ (1)</u>	<u>\$ (7)</u>	<u>\$ 16</u>	<u>\$ —</u>	<u>\$ 206</u>
CONSUMERS						
Coal ash disposal areas	\$ 59	\$ —	\$ (3)	\$ 6	\$ —	\$ 62
Wells at gas storage fields	1	—	—	—	—	1
Indoor gas services relocations	1	—	—	—	—	1
Asbestos abatement	36	—	(2)	2	—	36
Gas distribution cut, purge, cap	101	(1)	(2)	7	—	105
Total Consumers	<u>\$ 198</u>	<u>\$ (1)</u>	<u>\$ (7)</u>	<u>\$ 15</u>	<u>\$ —</u>	<u>\$ 205</u>

- (a) Cash payments of \$8 million in 2009 and \$7 million in 2008 were included in the Other current and non-current liabilities line in Net cash provided by operating activities on CMS Energy's and Consumers' Consolidated Statements of Cash Flows.

CMS ENERGY CORPORATION
CONSUMERS ENERGY COMPANY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

18: JOINTLY OWNED REGULATED UTILITY FACILITIES

Consumers has investments in jointly owned regulated utility facilities, as shown in the following table:

<u>December 31</u>	<u>Ownership Share (%)</u>	<u>Net Investment(a)</u>		<u>Accumulated Depreciation</u>		<u>Construction Work in Progress</u>	
		<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
				<u>In Millions</u>			
Campbell Unit 3	93.3	\$ 662	\$ 675	\$ 387	\$ 360	\$ 14	\$ 19
Ludington	51.0	62	61	111	107	5	7
Distribution	Various	105	96	43	41	7	3

(a) Net investment is the amount of utility plant in service less accumulated depreciation.

Consumers includes its share of the direct expenses of the jointly owned plants in Operating Expenses. Consumers shares operation, maintenance, and other expenses of these jointly owned utility facilities in proportion to each participant's undivided ownership interest. Consumers is required to provide only its share of financing for the jointly owned utility facilities.

19: EQUITY METHOD INVESTMENTS

CMS Energy accounts for certain investments in other companies and partnerships using the equity method when it has significant influence, typically when ownership is more than 20 percent but less than a majority. Losses from equity method investments were \$2 million in 2009, and earnings from equity method investments were \$5 million in 2008 and \$40 million in 2007. The amount of consolidated retained earnings that represents undistributed earnings from these equity method investments was \$1 million at December 31, 2008 and \$22 million at December 31, 2007.

If assets or income from continuing operations associated with any of CMS Energy's individual equity method investments, or on an aggregate basis by any combination of equity method investments, exceed ten percent of its consolidated assets or income, then CMS Energy must present summarized financial data of that subsidiary or combination of subsidiaries. At December 31, 2009 and 2008, no individual equity method investment or combination of investments exceeded the ten percent threshold.

The following is summarized financial information for equity method investments that exceeded the ten percent threshold at December 31, 2007:

<u>Year Ended December 31, 2007</u>	<u>In Millions</u>
Operating revenue	\$ 598
Operating expenses	448
Operating income	150
Other expense, net	69
Net income	<u>\$ 81(a)</u>

(a) Amounts include financial data from equity method investments through the date of sale.

CMS ENERGY CORPORATION
CONSUMERS ENERGY COMPANY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

20: CONSOLIDATION OF VARIABLE INTEREST ENTITIES

Entities that are VIEs must be consolidated if the reporting company determines that it will absorb a majority of the VIE's expected losses, receive a majority of the VIE's residual returns, or both. The company that is required to consolidate the VIE is called the primary beneficiary. Variable interests are contractual, ownership, or other interests in an entity that change as the fair value of the entity's net assets, excluding variable interests, change. An entity is considered to be a VIE when its capital is insufficient to permit it to finance its activities without additional subordinated financial support or its equity investors, as a group, lack the characteristics of having a controlling financial interest. CMS Energy and Consumers examine the following factors when determining whether they are the primary beneficiary of a VIE:

- related party agreements such as operating and maintenance agreements, power purchase agreements, and leases;
- ownership interest; and
- allocation of expected losses and return based on discounted cash flows at a weighted-average cost of capital.

CMS Energy is the primary beneficiary of three VIEs through its interests in the following partnerships:

<u>Name (Ownership Interest)</u>	<u>Nature of the Entity</u>	<u>Financing of Partnership</u>	<u>Total Generating Capacity</u>
T.E.S. Filer City (50)%	Coal-fueled power generator	Non-recourse long-term debt that matured in December 2007.	73 MW
Grayling (50)%	Wood waste- fueled power generator	Sale of revenue bonds that mature in November 2012 and bear interest at variable rates. The debt is recourse to the partnership, but not the individual partners, and secured by a letter of credit equal to the outstanding balance.	40 MW
Genesee (50)%	Wood waste- fueled power generator	Sale of revenue bonds that mature in 2021 and bear interest at fixed rates. The debt is non-recourse to the partnership and secured by a CMS Energy guarantee capped at \$3 million annually.	38 MW
Total			<u>151 MW</u>

CMS Energy consolidated these entities for all periods presented. Total assets of these VIEs were \$189 million as of December 31, 2009 and \$196 million as of December 31, 2008. Total liabilities of these VIEs were \$92 million as of December 31, 2009 and \$99 million as of December 31, 2008.

CMS Energy has operating and management contracts with these partnerships and Consumers is the primary purchaser of power from each partnership through long-term PPAs. Consumers also has reduced dispatch agreements with Grayling and Genesee, which allow the relative facilities to be dispatched based on the market price of wood waste. This results in fuel cost savings that each partnership shares with Consumers' customers.

The partnerships have third-party debt obligations totaling \$70 million at December 31, 2009 and \$76 million at December 31, 2008. Property, plant, and equipment serving as collateral for these obligations have a carrying value of \$137 million at December 31, 2009 and \$145 million at December 31, 2008. The creditors of these partnerships do not have recourse to the general credit of CMS Energy or Consumers, except through outstanding letters of credit of \$2 million and a guarantee of \$3 million annually. CMS Energy has deferred collections on certain receivables owed by Genesee. CMS Energy's maximum exposure to loss from these receivables is

CMS ENERGY CORPORATION
CONSUMERS ENERGY COMPANY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

\$6 million. Consumers has not provided any financial or other support during the periods presented that was not previously contractually required.

Additionally, through CMS Energy's trust preferred security structure, CMS Energy holds an interest in a VIE in which CMS Energy is not the primary beneficiary. CMS Energy's maximum exposure to loss through its interest is limited to its related party long-term debt balance of \$34 million. For additional information, see Note 8, Financings and Capitalization, "Long-Term Debt — Related Parties."

21: RELATED PARTY TRANSACTIONS — CONSUMERS

Consumers enters into a number of significant transactions with related parties. These transactions include:

- purchase and sale of electricity from and to CMS Enterprises;
- payment of parent company overhead costs to CMS Energy; and
- investment in CMS Energy Common Stock.

Transactions involving power supply purchases from certain affiliates of CMS Enterprises are based on avoided costs under PURPA, state law, and competitive bidding. The payment of parent company overhead costs is based on the use of accepted industry allocation methodologies. These payments are for costs that occur in the normal course of business. Consumers recorded income and expense from related parties as follows:

<u>Description</u>	<u>Related Party</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
		In Millions		
Dividend income	CMS Energy	\$ 1	\$ 1	\$ 1
Type of Expense:				
	Affiliates of CMS Enterprises			
Electric generating capacity and energy	CMS Energy and Consumers' affiliated	(81)	(75)	(79)
Interest expense on note payable	Trust Preferred Securities Companies	—	—	(2)
Gas Transportation(a)	CMS Bay Area Pipeline L.L.C.	—	—	(1)

(a) CMS Bay Area Pipeline, L.L.C. was sold to Lucid Energy in March 2007.

Amounts receivable from related parties for various services and employee benefits were \$2 million at December 31, 2009 and 2008. Amounts payable to related parties for purchased power were \$11 million at December 31, 2009 and \$14 million at December 31, 2008.

Consumers owns 1.8 million shares of CMS Energy Common Stock with a fair value of \$29 million at December 31, 2009. For additional details on Consumers' investment in CMS Energy Common Stock, see Note 10, Financial Instruments.

22: ASSET SALES, DISCONTINUED OPERATIONS, AND IMPAIRMENT CHARGES

ASSET SALES

The impacts of asset sales are included in Gain on asset sales, net and Income (Loss) from Discontinued Operations in CMS Energy's Consolidated Statements of Income (Loss) and Loss (gain) on assets sales, net in Consumers' Consolidated Statements of Income. Asset sales for CMS Energy and Consumers were immaterial for the years ended December 31, 2009 and 2008.

CMS ENERGY CORPORATION
CONSUMERS ENERGY COMPANY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

The following table summarizes CMS Energy's and Consumers' asset sales for the year ended December 31, 2007:

<u>Month Sold</u>	<u>Business</u>	<u>Cash Proceeds</u>	<u>Continuing Operations Pretax Gain (Loss)</u>	<u>Disposal of Discontinued Operations Pretax Gain (Loss)</u>
In Millions				
CMS ENERGY, INCLUDING CONSUMERS				
March	El Chocon(a)	\$ 50	\$ 34	\$ —
March	Argentine/Michigan businesses(b)	130	(5)	(278)
April	Palisades(c)	333	—	—
April	SENECA(d)	106	—	46
May	Middle East, Africa and India businesses(e)	792	(15)	96
June	CMS Energy Brasil S.A.(f)	201	—	3
August	GasAtacama(g)	80	—	—
October	Jamaica(h)	14	1	—
Various	Other	11	6	—
Total CMS Energy		\$ 1,717	\$ 21	\$ (133)
CONSUMERS				
April	Palisades(c)	\$ 333	\$ —	
Various	Other	4	2	
Total Consumers		\$ 337	\$ 2	

- (a) CMS Energy sold its interest in El Chocon to Endesa, S.A.
- (b) CMS Energy sold a portfolio of its businesses in Argentina and northern Michigan non-utility natural gas assets to Lucid Energy. Due to the settlement of certain legal proceedings, CMS Energy recognized a \$17 million gain in 2007.
- (c) Consumers sold Palisades to Entergy for \$380 million and, as of December 31, 2007, received \$363 million after various closing adjustments. Consumers also paid Entergy \$30 million to assume ownership and responsibility for the Big Rock ISFSI. Because of the sale of Palisades, Consumers paid the NMC, the former operator of Palisades, \$7 million in exit fees and forfeited its \$5 million investment in the NMC. Entergy assumed responsibility for the future decommissioning of Palisades and for storage and disposal of spent nuclear fuel located at Palisades and the Big Rock ISFSI sites.
- Consumers accounted for the disposal of Palisades as a financing and thus recognized no gain on the Consolidated Statements of Income. Consumers accounted for the remaining non-real estate assets and liabilities associated with the transaction as a sale.
- (d) CMS Energy sold its ownership interest in SENECA and certain associated generating equipment to PDVSA.
- (e) CMS Energy sold its ownership interest in businesses in the Middle East, Africa, and India to TAQA.
- (f) CMS Energy sold CMS Energy Brasil S.A. to CPFL Energia S.A., a Brazilian utility.
- (g) CMS Energy sold its investment in GasAtacama to Endesa S.A.
- (h) CMS Energy sold its investment in Jamaica Power to AEI.

CMS ENERGY CORPORATION
CONSUMERS ENERGY COMPANY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

In connection with the sale of CMS Energy's Argentine and Michigan assets to Lucid Energy in March 2007, CMS Energy entered into agreements that granted MEI, an affiliate of Lucid Energy, the right to any proceeds from an assignment of the ICSID award associated with TGN. The agreements also granted MEI an option to purchase CMS Gas Transmission's ownership interests in TGN, and the rights to any proceeds CMS Enterprises will receive if it sells its stock interest in CMS Generation San Nicolas Company.

In June 2008, CMS Energy executed an agreement with MEI and a third party to assign the ICSID award and to sell its interests in TGN directly to the third party. In accordance with the agreements executed in March 2007, the proceeds from the assignment of the ICSID award and the sale of TGN were passed on to MEI and CMS Energy recognized an \$8 million gain on the assignment of the ICSID award in Gain on asset sales, net on CMS Energy's Consolidated Statements of Income (Loss). CMS Energy also recognized a \$197 million cumulative net foreign currency translation loss related to TGN, which had been deferred as a Foreign currency translation component of stockholders' equity. This charge was fully offset by the elimination of a \$197 million Argentine currency impairment reserve on CMS Energy's Consolidated Balance Sheets, created when it impaired its investment in TGN in March 2007. For additional details, see "Impairment Charges" within this Note.

As of December 31, 2009, \$7 million remained as a deferred credit on CMS Energy's Consolidated Balance Sheets related to MEI's right to proceeds that CMS Enterprises will receive if it sells its stock interest in CMS Generation San Nicolas Company.

DISCONTINUED OPERATIONS

Discontinued operations are a component of CMS Energy's enterprises business segment. CMS Energy included the following amounts in the Income (Loss) From Discontinued Operations line on its Consolidated Statements of Income (Loss):

<u>Years Ended December 31</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
	In Millions		
Revenues	<u>\$ 7</u>	<u>\$ 14</u>	<u>\$ 248</u>
Discontinued operations:			
Pretax income (loss) from discontinued operations	\$ 33	\$ 2	\$(111)
Income tax expense (benefit)	<u>13</u>	<u>1</u>	<u>(1)</u>
Income (Loss) From Discontinued Operations, Net of Tax Expense (Benefit)	<u>\$ 20(a)</u>	<u>\$ 1</u>	<u>\$(110)(b)</u>

- (a) Includes an operating loss of \$11 million (\$7 million after tax) at Exeter, whose assets and liabilities were reclassified as held for sale in 2009, and a loss of \$3 million (\$2 million after tax) related to the State Street Bank and TSU litigation at CMS Viron. For additional details on CMS Viron, see Note 6, Contingencies and Commitments.

Also includes a gain for the expiration of an indemnity obligation related to a 2007 asset sale. CMS Energy provided an indemnity to TAQA in connection with the sale of its ownership interests in businesses in the Middle East, Africa, and India, and recorded a \$50 million provision for the contingent liability. This indemnity expired in 2009 and CMS Energy eliminated the liability from its balance sheet, recognizing a \$45 million benefit (\$28 million after tax) to Income (Loss) from Discontinued Operations, Net of Tax Expense (Benefit) and a \$5 million benefit to Gain on asset sales, net.

- (b) Includes operating income of \$22 million (operating loss of \$9 million after tax). Also includes \$133 million (\$101 million after tax) net loss on disposal of assets. For details on gains and losses recognized on the disposal of discontinued operations, see "Asset Sales" within this Note.

CMS ENERGY CORPORATION
CONSUMERS ENERGY COMPANY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

Discontinued operations include a provision for closing costs and a portion of CMS Energy's parent company interest expense. CMS Energy allocated interest expense of less than \$1 million in 2009 and \$1 million in each of the years 2008 and 2007. This allocation was equal to the net book value of the asset sold divided by CMS Energy's total capitalization of each discontinued operation multiplied by CMS Energy's interest expense.

Pending Asset Sales: During the fourth quarter of 2009, management committed to a plan to sell its interest in Exeter and initiated an active program to locate potential buyers. CMS Energy expects to complete the sale of this asset in 2010. As a result, the major classes of assets and liabilities of Exeter were classified as held for sale on CMS Energy's Consolidated Balance Sheets in 2009. They are as follows:

<u>Years Ended December 31</u>	<u>2009</u>
	<u>In Millions</u>
Assets:	
<i>Current Assets</i>	
Cash	\$ 1
Accounts receivable, net	1
<i>Non-Current Assets</i>	
Property, plant, and equipment, net	8
Other	1
Total assets	<u>\$ 11</u>
Liabilities:	
Current Liabilities	\$ —
Non-Current Liabilities	—
Total liabilities	<u>\$ —</u>

Since the fair value of CMS Energy's investment in Exeter less costs to sell exceeded the carrying amount, no charge to income was recognized as a result of Exeter being classified as held for sale.

IMPAIRMENT CHARGES

CMS Energy recorded no impairments of long-lived assets for the years ended December 31, 2009 and 2008. Consumers recorded no impairments of long-lived assets for the years ended December 31, 2009, 2008, and 2007. The following table summarizes asset impairments at CMS Energy's enterprises business segment for the year ended December 31, 2007:

<u>Years Ended December 31</u>	<u>2007</u>
	<u>In Millions</u>
CMS ENERGY	
TGN(a)	\$ 140
GasAtacama(b)	35
Jamaica(c)	22
PowerSmith(d)	5
Prairie State(e)	2
Total CMS Energy asset impairments	<u>\$ 204</u>

(a) CMS Energy recorded a \$215 million impairment charge to recognize the reduction in fair value of its investment in TGN, a natural gas business in Argentina. The impairment included a cumulative net foreign

CMS ENERGY CORPORATION
CONSUMERS ENERGY COMPANY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

currency translation loss of \$197 million. In 2007, CMS Energy recognized a \$75 million deferred credit in Asset impairment charges on its Consolidated Statements of Income (Loss).

- (b) In 2007, CMS Energy recorded an impairment charge to reflect the fair value of its investment in GasAtacama as determined in sale negotiations.
- (c) CMS Energy recorded an impairment charge to reflect the fair value of its investment in an electric generating plant in Jamaica by discounting a set of probability-weighted streams of future operating cash flows.
- (d) CMS Energy recorded an impairment charge to reflect the fair value of its investment in PowerSmith as determined in sale negotiations.
- (e) CMS Energy recorded an impairment charge to reflect its withdrawal from the co-development of Prairie State with Peabody Energy because the project did not meet CMS Energy's investment criteria.

23: REPORTABLE SEGMENTS

Reportable segments consist of business units defined by the products and services they offer. CMS Energy and Consumers evaluate performance based on the net income (loss) available to common stockholders of each segment. The reportable segments for CMS Energy and Consumers are:

CMS Energy:

- electric utility, consisting of regulated activities associated with the generation and distribution of electricity in Michigan;
- gas utility, consisting of regulated activities associated with the transportation, storage, and distribution of natural gas in Michigan;
- enterprises, consisting of various subsidiaries engaging primarily in domestic independent power production; and
- other, including corporate interest and other expenses and discontinued operations.

Consumers:

- electric utility, consisting of regulated activities associated with the generation and distribution of electricity in Michigan;
- gas utility, consisting of regulated activities associated with the transportation, storage, and distribution of natural gas in Michigan; and
- other, including a consolidated special-purpose entity for the sale of accounts receivable.

Accounting policies for CMS Energy's and Consumers' segments are as described in Note 1, Significant Accounting Policies. The consolidated financial statements reflect the assets, liabilities, revenues, and expenses of the individual segments when appropriate. Accounts are allocated among the segments when common accounts are attributable to more than one segment. The allocations are based on certain measures of business activities, such as revenue, labor dollars, customers, other operation and maintenance expense, construction expense, leased property, taxes, or functional surveys. For example, customer receivables are allocated based on revenue, and pension provisions are allocated based on labor dollars.

Inter-segment sales and transfers are accounted for at current market prices and are eliminated in consolidated net income (loss) available to common stockholders by segment.

CMS ENERGY CORPORATION
CONSUMERS ENERGY COMPANY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

The following tables provide financial information by reportable segment:

<u>Years Ended December 31</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
	In Millions		
CMS ENERGY, INCLUDING CONSUMERS			
Operating Revenue:			
Electric utility	\$ 3,407	\$ 3,594	\$ 3,443
Gas utility	2,556	2,827	2,621
Enterprises	216	365	370
Other	26	21	17
Total Operating Revenue — CMS Energy	<u>\$ 6,205</u>	<u>\$ 6,807</u>	<u>\$ 6,451</u>
CONSUMERS			
Operating Revenue:			
Electric utility	\$ 3,407	\$ 3,594	\$ 3,443
Gas utility	2,556	2,827	2,621
Total Operating Revenue — Consumers	<u>\$ 5,963</u>	<u>\$ 6,421</u>	<u>\$ 6,064</u>
CMS ENERGY, INCLUDING CONSUMERS			
Income (Loss) from Equity Method Investees(a)			
Enterprises	\$ (2)	\$ 5	\$ 39
Other	—	—	1
Total Income (Loss) from Equity Method Investees — CMS Energy	<u>\$ (2)</u>	<u>\$ 5</u>	<u>\$ 40</u>
CMS ENERGY, INCLUDING CONSUMERS			
Depreciation and Amortization:			
Electric utility	\$ 441	\$ 438	\$ 397
Gas utility	118	136	127
Enterprises	10	10	11
Other	1	4	4
Total Depreciation and Amortization — CMS Energy	<u>\$ 570</u>	<u>\$ 588</u>	<u>\$ 539</u>
CONSUMERS			
Depreciation and Amortization:			
Electric utility	\$ 441	\$ 438	\$ 397
Gas utility	118	136	127
Total Depreciation and Amortization — Consumers	<u>\$ 559</u>	<u>\$ 574</u>	<u>\$ 524</u>

CMS ENERGY CORPORATION
CONSUMERS ENERGY COMPANY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

<u>Years Ended December 31</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
		In Millions	
CMS ENERGY, INCLUDING CONSUMERS			
Interest Charges:			
Electric utility	\$ 225	\$ 185	\$ 192
Gas utility	66	60	69
Enterprises	5	6	9
Other	139	149	177
Total Interest Charges — CMS Energy	<u>\$ 435</u>	<u>\$ 400</u>	<u>\$ 447</u>
CONSUMERS			
Interest Charges:			
Electric utility	\$ 225	\$ 185	\$ 193
Gas utility	66	60	70
Other	1	2	1
Total Interest Charges — Consumers	<u>\$ 292</u>	<u>\$ 247</u>	<u>\$ 264</u>
CMS ENERGY, INCLUDING CONSUMERS			
Income Tax Expense (Benefit):			
Electric utility	\$ 107	\$ 153	\$ 100
Gas utility	56	45	47
Enterprises	4	(10)	(183)
Other	(52)	(49)	(161)
Total Income Tax Expense (Benefit) — CMS Energy	<u>\$ 115</u>	<u>\$ 139</u>	<u>\$ (197)</u>
CONSUMERS			
Income Tax Expense (Benefit):			
Electric utility	\$ 107	\$ 153	\$ 100
Gas utility	56	45	47
Other	—	—	(22)
Total Income Tax Expense (Benefit) — Consumers	<u>\$ 163</u>	<u>\$ 198</u>	<u>\$ 125</u>
CMS ENERGY, INCLUDING CONSUMERS			
Net Income (Loss) Available to Common Stockholders:			
Electric utility	\$ 194	\$ 271	\$ 196
Gas utility	96	89	87
Enterprises	(7)	13	(412)
Discontinued operations	20	1	(89)
Other	(85)	(90)	(16)
Total Net Income (Loss) Available to Common Stockholders — CMS Energy	<u>\$ 218</u>	<u>\$ 284</u>	<u>\$ (234)</u>

CMS ENERGY CORPORATION
CONSUMERS ENERGY COMPANY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

<u>Years Ended December 31</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
	<u>In Millions</u>		
CONSUMERS			
Net Income Available to Common Stockholder:			
Electric utility	\$ 194	\$ 271	\$ 196
Gas utility	96	89	87
Other	1	2	27
Total Net Income (Loss) Available to Common Stockholder — Consumers	<u>\$ 291</u>	<u>\$ 362</u>	<u>\$ 310</u>
CMS ENERGY, INCLUDING CONSUMERS			
Investments in Equity Method Investees:(a)			
Enterprises	\$ 3	\$ 5	\$ 6
Other	6	6	5
Total Investments in Equity Method Investees — CMS Energy	<u>\$ 9</u>	<u>\$ 11</u>	<u>\$ 11</u>
CMS ENERGY, INCLUDING CONSUMERS			
Property, Plant and Equipment, Gross			
Electric utility	\$ 9,525	\$ 8,965	\$ 8,555
Gas utility	3,812	3,622	3,467
Enterprises	345	340	341
Other	34	33	34
Total Property, Plant and Equipment — CMS Energy	<u>\$13,716</u>	<u>\$12,960</u>	<u>\$12,397</u>
CONSUMERS			
Property, Plant and Equipment, Gross			
Electric utility	\$ 9,525	\$ 8,965	\$ 8,555
Gas utility	3,812	3,622	3,467
Other	15	15	15
Total Property, Plant and Equipment — Consumers	<u>\$13,352</u>	<u>\$12,602</u>	<u>\$12,037</u>
CMS ENERGY, INCLUDING CONSUMERS			
Total Assets:			
Electric utility(b)	\$ 9,157	\$ 8,904	\$ 8,492
Gas utility(b)	4,594	4,565	4,102
Enterprises	303	313	982
Other	1,202	1,119	604
Total Assets — CMS Energy	<u>\$15,256</u>	<u>\$14,901</u>	<u>\$14,180</u>

CMS ENERGY CORPORATION
CONSUMERS ENERGY COMPANY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

<u>Years Ended December 31</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
	<u>In Millions</u>		
CONSUMERS			
Total Assets:			
Electric utility(b)	\$ 9,157	\$ 8,904	\$ 8,492
Gas utility(b)	4,594	4,565	4,102
Other	871	777	807
Total Assets — Consumers Energy	<u>\$14,622</u>	<u>\$14,246</u>	<u>\$13,401</u>
CMS ENERGY, INCLUDING CONSUMERS			
Capital Expenditures:(c)			
Electric utility	\$ 557	\$ 553	\$ 1,319
Gas utility	270	241	168
Enterprises	7	3	5
Total Capital Expenditures — CMS Energy	<u>\$ 834</u>	<u>\$ 797</u>	<u>\$ 1,492</u>
CONSUMERS			
Capital Expenditures:(c)			
Electric utility	\$ 557	\$ 553	\$ 1,319
Gas utility	270	241	168
Total Capital Expenditures — Consumers	<u>\$ 827</u>	<u>\$ 794</u>	<u>\$ 1,487</u>

Geographic Areas:

	<u>2009</u>	<u>2008</u>	<u>2007</u>
	<u>In Millions</u>		
CMS ENERGY, INCLUDING CONSUMERS (d)			
United States			
Operating revenue(e)	\$ 6,205	\$ 6,807	\$ 6,449
Operating income	\$ 696	\$ 798	\$ 151
Total Assets	<u>\$15,253</u>	<u>\$14,898</u>	<u>\$14,175</u>
International			
Operating revenue(e)	\$ —	\$ —	\$ 2
Operating income (loss)	\$ —	\$ 1	\$ (150)
Total Assets	<u>\$ 3</u>	<u>\$ 3</u>	<u>\$ 5</u>

- (a) Consumers has no material equity method investments.
- (b) Amounts include a portion of Consumers' other common assets attributable to both the electric and gas utility businesses.
- (c) Amounts include purchase of nuclear fuel and capital lease additions. Amounts also include a portion of Consumers' capital expenditures for plant and equipment attributable to both the electric and gas utility businesses.
- (d) Consumers has no international assets, international operating revenues, or international operating income.
- (e) Revenues are based on the country location of customers.

CMS ENERGY CORPORATION
CONSUMERS ENERGY COMPANY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

Collective Bargaining Agreements: At December 31, 2009, the Union represented 43 percent of CMS Energy's employees and 44 percent of Consumers' employees. The Union represents Consumers' operating, maintenance, construction, and call center employees. Union contracts expire in June and August of 2010.

24: QUARTERLY FINANCIAL AND COMMON STOCK INFORMATION (UNAUDITED)

Quarters Ended	2009			
	March 31	June 30	Sept. 30	Dec. 31
	In Millions, Except Per Share Amounts			
CMS ENERGY, INCLUDING CONSUMERS				
Operating revenue	\$ 2,104	\$1,225	\$1,263	\$1,613
Operating income	209	150	229	108
Income from continuing operations	75	55	76	14
Income (loss) from discontinued operations(a)	(1)	25	(1)	(3)
Net income	74	80	75	11
Income attributable to noncontrolling interests	1	2	6	2
Net income attributable to CMS Energy	73	78	69	9
Preferred dividends	3	3	2	3
Net income available to common stockholders	70	75	67	6
Income from continuing operations per average common share — basic	0.32	0.22	0.30	0.04
Income from continuing operations per average common share — diluted	0.31	0.21	0.29	0.03
Basic earnings per average common share(b)	0.31	0.33	0.29	0.03
Diluted earnings per average common share(b)	0.30	0.32	0.28	0.02
Common stock prices(c)				
High	12.20	12.30	13.64	16.04
Low	10.09	10.98	11.78	13.05
CONSUMERS				
Operating revenue	\$ 2,034	\$1,182	\$1,204	\$1,543
Operating income	203	174	218	94
Net income	99	72	101	21
Preferred dividends	1	—	1	—
Net income available to common stockholder	98	72	100	21

CMS ENERGY CORPORATION
CONSUMERS ENERGY COMPANY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

Quarters Ended	2008			
	March 31	June 30	Sept. 30	Dec. 31
CMS ENERGY, INCLUDING CONSUMERS				
Operating revenue	\$ 2,180	\$1,361	\$1,425	\$1,841
Operating income	252	154	212	181
Income from continuing operations	107	49	81	64
Income (loss) from discontinued operations(a)	1	(1)	1	—
Net income	108	48	82	64
Income attributable to noncontrolling interests	3	1	2	1
Net income attributable to CMS Energy	105	47	80	63
Preferred dividends	3	3	2	3
Net income available to common stockholders	102	44	78	60
Income from continuing operations per average common share — basic	0.45	0.20	0.34	0.26
Income from continuing operations per average common share — diluted	0.43	0.18	0.32	0.26
Basic earnings per average common share(b)	0.45	0.20	0.35	0.26
Diluted earnings per average common share(b)	0.43	0.18	0.33	0.26
Common stock prices(c)				
High	17.16	15.83	14.91	12.58
Low	13.35	13.78	12.09	8.81
CONSUMERS				
Operating revenue	\$ 2,091	\$1,263	\$1,307	\$1,760
Operating income	250	139	199	178
Net income	130	60	91	83
Preferred dividends	1	—	1	—
Net income available to common stockholder	129	60	90	83

(a) Net of tax.

(b) Sum of the quarters may not equal the annual earnings per share due to changes in shares outstanding.

(c) Based on New York Stock Exchange composite transactions.

Quarterly numbers differ from those previously reported due to CMS Energy's reclassification of an IPP owned by CMS Enterprises as held for sale, with its operating results now reported as discontinued operations, and due to adjustments associated with Consumers' November 2009 electric rate order. In accordance with the accounting rules that apply to certain adjustments of utility revenue under ratemaking processes, CMS Energy and Consumers recorded the impacts of the rate order that were specifically identifiable with prior interim periods of 2009 as revisions to those periods.

CMS ENERGY CORPORATION
CONSUMERS ENERGY COMPANY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

Impacts of November 2009 electric rate order:

<u>Quarters Ended</u>	<u>2009</u>		
	<u>March 31</u>	<u>June 30</u>	<u>Sept. 30</u>
	In Millions, Except Per Share Amounts		
CMS ENERGY, INCLUDING CONSUMERS			
Operating revenue	\$ —	\$ (2)	\$ (9)
Operating income	2	2	(11)
Net income (loss) available to common stockholders	1	1	(6)
Basic earnings per average common share	0.01	—	(0.03)
Diluted earnings per average common share	—	—	(0.03)
CONSUMERS			
Operating revenue	\$ —	\$ (2)	\$ (9)
Operating income	2	2	(11)
Net income available to common stockholder	1	1	(6)

Impacts of reclassification of IPP as held for sale:

<u>Quarters Ended</u>	<u>2009</u>			
	<u>March 31</u>	<u>June 30</u>	<u>Sept. 30</u>	<u>Dec. 31</u>
	In Millions			
CMS ENERGY, INCLUDING CONSUMERS				
Operating revenue	\$ (2)	\$ (1)	\$ (2)	\$ —
Operating income	2	6	2	—

<u>Quarters Ended</u>	<u>March 31</u>	<u>2008</u>		<u>Dec. 31</u>
		<u>June 30</u>	<u>Sept. 30</u>	
	In Millions			
CMS ENERGY, INCLUDING CONSUMERS				
Operating revenue	\$ (4)	\$ (4)	\$ (3)	\$ (3)
Operating income	(1)	(1)	—	1

Report of Independent Registered Public Accounting Firm

To the Board of Directors and Stockholders of
CMS Energy Corporation

In our opinion, the accompanying consolidated balance sheets and the related consolidated statements of income (loss), of cash flows, and of changes in equity present fairly, in all material respects, the financial position of CMS Energy Corporation and its subsidiaries at December 31, 2009 and December 31, 2008, and the results of their operations and their cash flows for each of the three years in the period ended December 31, 2009 in conformity with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statement schedules listed in the index appearing under Item 15(a)(2) present fairly, in all material respects, the information set forth therein when read in conjunction with the related consolidated financial statements. Also in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2009, based on criteria established in *Internal Control — Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). The Company's management is responsible for these financial statements and financial statement schedules, for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in Management's Annual Report on Internal Control over Financial Reporting appearing under Item 9A. Our responsibility is to express opinions on these financial statements, on the financial statement schedules, and on the Company's internal control over financial reporting based on our integrated audits. We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement and whether effective internal control over financial reporting was maintained in all material respects. Our audits of the financial statements included examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ PricewaterhouseCoopers LLP

Detroit, Michigan
March 1, 2010

Report of Independent Registered Public Accounting Firm

To the Board of Directors and Stockholder of
Consumers Energy Company

In our opinion, the accompanying consolidated balance sheets and the related consolidated statements of income, of cash flows, and of changes in equity present fairly, in all material respects, the financial position of Consumers Energy Company and its subsidiaries at December 31, 2009 and December 31, 2008, and the results of their operations and their cash flows for each of the three years in the period ended December 31, 2009 in conformity with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statement schedules listed in the index appearing under Item 15(a)(2) present fairly, in all material respects, the information set forth therein when read in conjunction with the related consolidated financial statements. Also in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2009, based on criteria established in *Internal Control — Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). The Company's management is responsible for these financial statements and financial statement schedules, for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in Management's Annual Report on Internal Control over Financial Reporting appearing under Item 9A(T). Our responsibility is to express opinions on these financial statements, on the financial statement schedules, and on the Company's internal control over financial reporting based on our integrated audits. We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement and whether effective internal control over financial reporting was maintained in all material respects. Our audits of the financial statements included examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ PricewaterhouseCoopers LLP

Detroit, Michigan
March 1, 2010

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ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS
ON ACCOUNTING AND FINANCIAL DISCLOSURE**CMS Energy**

None.

Consumers

None.

ITEM 9A. CMS ENERGY'S CONTROLS AND PROCEDURES

Conclusion Regarding the Effectiveness of Disclosure Controls and Procedures : Under the supervision and with the participation of management, including its CEO and CFO, CMS Energy conducted an evaluation of its disclosure controls and procedures (as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act). Based on such evaluation, CMS Energy's CEO and CFO have concluded that its disclosure controls and procedures were effective as of December 31, 2009.

Management's Annual Report on Internal Control Over Financial Reporting : CMS Energy's management is responsible for establishing and maintaining adequate internal control over financial reporting, as defined in Exchange Act Rule 13a-15(f). CMS Energy's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with GAAP and includes policies and procedures that:

- pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of CMS Energy;
- provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with GAAP, and that receipts and expenditures of CMS Energy are being made only in accordance with authorizations of management and directors of CMS Energy; and
- provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of CMS Energy's assets that could have a material effect on its financial statements.

Management, including its CEO and CFO, does not expect that its internal controls will prevent or detect all errors and all fraud. A control system, no matter how well designed and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. In addition, any evaluation of the effectiveness of controls is subject to risks that those internal controls may become inadequate in future periods because of changes in business conditions, or that the degree of compliance with the policies or procedures deteriorates.

Under the supervision and with the participation of management, including its CEO and CFO, CMS Energy conducted an evaluation of the effectiveness of its internal control over financial reporting as of December 31, 2009. In making this evaluation, management used the criteria set forth in the framework in Internal Control — Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on such evaluation, CMS Energy's management concluded that its internal control over financial reporting was effective as of December 31, 2009. The effectiveness of CMS Energy's internal control over financial reporting as of December 31, 2009 has been audited by PricewaterhouseCoopers LLP, an independent registered public accounting firm, as stated in their report which appears under Item 8.

Changes in Internal Control over Financial Reporting: There have been no changes in CMS Energy's internal control over financial reporting during the most recently completed fiscal quarter that have materially affected, or are reasonably likely to materially affect, its internal control over financial reporting.

ITEM 9A(T). CONSUMERS' CONTROLS AND PROCEDURES

Conclusion Regarding the Effectiveness of Disclosure Controls and Procedures: Under the supervision and with the participation of management, including its CEO and CFO, Consumers conducted an evaluation of its disclosure controls and procedures (as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act). Based on such evaluation, Consumers' CEO and CFO have concluded that its disclosure controls and procedures were effective as of December 31, 2009.

Management's Annual Report on Internal Control Over Financial Reporting: Consumers' management is responsible for establishing and maintaining adequate internal control over financial reporting, as defined in Exchange Act Rule 13a-15(f). Consumers' internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with GAAP and includes policies and procedures that:

- pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of Consumers;
- provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with GAAP, and that receipts and expenditures of Consumers are being made only in accordance with authorizations of management and directors of Consumers; and
- provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of Consumers' assets that could have a material effect on its financial statements.

Management, including its CEO and CFO, does not expect that its internal controls will prevent or detect all errors and all fraud. A control system, no matter how well designed and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. In addition, any evaluation of the effectiveness of controls is subject to risks that those internal controls may become inadequate in future periods because of changes in business conditions, or that the degree of compliance with the policies or procedures deteriorates.

Under the supervision and with the participation of management, including its CEO and CFO, Consumers conducted an evaluation of the effectiveness of its internal control over financial reporting as of December 31, 2009. In making this evaluation, management used the criteria set forth in the framework in Internal Control — Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on such evaluation, Consumers' management concluded that its internal control over financial reporting was effective as of December 31, 2009. The effectiveness of Consumers' internal control over financial reporting as of December 31, 2009 has been audited by PricewaterhouseCoopers LLP, an independent registered public accounting firm, as stated in their report which appears under Item 8.

Changes in Internal Control over Financial Reporting: There have been no changes in Consumers' internal control over financial reporting during the most recently completed fiscal quarter that have materially affected, or are reasonably likely to materially affect, its internal control over financial reporting.

ITEM 9B. OTHER INFORMATION

CMS Energy

None.

Consumers

None.

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

CMS Energy

Information that is required in Item 10 regarding executive officers is included in Item 1 in the Business, CMS Energy Executive Officers section, which is incorporated by reference in this Item 10.

Information that is required in Item 10 regarding directors, executive officers, and corporate governance is included in CMS Energy's definitive proxy statement, which is incorporated by reference herein.

CODE OF ETHICS

CMS Energy adopted a code of ethics that applies to its CEO, CFO and CAO, as well as all other officers and employees of CMS Energy and its affiliates, including Consumers. On January 29, 2010, CMS Energy's Board of Directors approved amendments to this code of ethics. A summary of those amendments as well as the complete code of ethics entitled "Code of Conduct and Guide to Ethical Business Behavior 2010" are posted on CMS Energy's website at www.cmsenergy.com, under "Compliance and Ethics". CMS Energy's Code of Conduct and Guide to Ethical Business Behavior 2010 is administered by the Chief Compliance Officer of CMS Energy, who reports directly to the Audit Committee of the Board of Directors. Any amendment to, or waiver of, a provision of CMS Energy's code of ethics that applies to CMS Energy's CEO, CFO, CAO or persons performing similar functions will be disclosed on CMS Energy's website at www.cmsenergy.com under "Compliance and Ethics."

CMS Energy has also adopted a code of conduct that applies to its directors, entitled "Board of Directors Code of Conduct". This Board of Directors Code of Conduct can also be found on CMS Energy's website at www.cmsenergy.com. The Board of Directors Code of Conduct is administered by the Audit Committee of the Board of Directors. Any alleged violation of this Board of Directors Code of Conduct by a director will be investigated by disinterested members of the Audit Committee of the Board of Directors, or if none, by disinterested members of the entire Board of Directors.

Consumers

Information that is required in Item 10 regarding executive officers is included in Item 1 in the Business, Consumers Executive Officers section, which is incorporated by reference in this Item 10.

Information that is required in Item 10 regarding Consumers' directors, executive officers, and corporate governance is included in CMS Energy's definitive proxy statement, which is incorporated by reference herein.

CODE OF ETHICS

Consumers adopted a code of ethics that applies to its CEO, CFO and CAO, as well as all other officers and employees of Consumers and its affiliates. On January 29, 2010, Consumers' board of directors approved amendments to this code of ethics. A summary of those amendments as well as the complete code of ethics entitled "Code of Conduct and Guide to Ethical Business Behavior 2010" are posted on Consumers' website at www.consumersenergy.com, under "Compliance and Ethics". Consumers' Code of Conduct and Guide to Ethical Business Behavior 2010 is administered by the Chief Compliance Officer of Consumers, who reports directly to the Audit Committee of Consumers' board of directors. Any amendment to, or waiver of, a provision of Consumers' code of ethics that applies to Consumers' CEO, CFO, CAO or persons performing similar functions will be disclosed on Consumers' website at www.consumersenergy.com under "Compliance and Ethics."

Consumers has also adopted a code of conduct that applies to its directors, entitled "Board of Directors Code of Conduct". This Board of Directors Code of Conduct can also be found on Consumers' website at www.consumersenergy.com. The Consumers Board of Directors Code of Conduct is administered by the Audit Committee of Consumers' board of directors. Any alleged violation of this Board of Directors Code of Conduct by a

director will be investigated by disinterested members of the Audit Committee of Consumers' board of directors, or if none, by disinterested members of the entire board of directors.

ITEM 11. EXECUTIVE COMPENSATION

Information that is required in Item 11 regarding executive compensation of CMS Energy's and Consumers' executive officers is included in CMS Energy's definitive proxy statement, which is incorporated by reference herein.

OFFICER INCENTIVE COMPENSATION PLAN

On February 23, 2010, the C&HR Committees approved the payout of cash bonuses for 2009 under the Annual Officer Incentive Compensation Plan. The C&HR Committees approved achievement of the composite plan performance factor resulting in payout under this plan at 148 percent.

On January 28, 2010, the C&HR Committees approved the material terms of this plan, including the 2010 corporate performance goals thereunder. This plan includes the material terms detailed below, although the specific target levels for the corporate performance goals vary from year to year.

Corporate Performance: The composite plan performance factor depends on corporate performance in two areas as described in the plan: (1) the adjusted net income per outstanding CMS Energy common share, called Plan EPS; and (2) the corporate free cash flow of CMS Energy, called CFCF. Plan EPS performance constitutes 60 percent of the composite plan performance factor and CFCF performance constitutes 40 percent of the composite plan performance factor. There will be a payout under the plan if either Plan EPS performance is not less than ten cents below target EPS or CFCF is not less than \$100 million below target CFCF. Even if only one but not both of these target minimums is achieved, a partial payout would result. The composite plan performance factor to be used for payouts is capped at a maximum of 200 percent. Annual awards under the plan to Consumers' officers may be reduced by ten percent in the event that there is no payout to non-officer, non-union employees under a separate Consumers' employee incentive plan and may be increased by ten percent in the event that the maximum payout is made to non-officer, non-union employees under the Consumers' employee incentive plan.

Annual Award Formula: Annual awards for each eligible officer will be based upon a standard award percentage of the officer's base salary as in effect for the performance year. The maximum amount that can be awarded under the plan for any Internal Revenue Code Section 162(m) employee will not exceed \$2.5 million in any one performance year. Annual awards for officers will be calculated and made as follows: Individual Award = Base Salary times Standard Award Percentage times Performance Factor Percentage. The standard award percentages for officers are based on individual salary grade levels, which were increased slightly from 2009 plan percentages.

Payment of Annual Awards: All annual awards for a performance year will be paid in cash no later than March 15 of the calendar year following the performance year provided that they first have been reviewed and approved by the C&HR Committees, and provided further that the annual award for a particular performance year has not been deferred voluntarily. The amounts required by law to be withheld for income and employment taxes will be deducted from the annual award payments. All annual awards become the obligation of the company on whose payroll the employee is enrolled at the time the C&HR Committees make the annual award.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

CMS Energy

Information that is required in Item 12 regarding securities authorized for issuance under equity compensation plans and security ownership of certain beneficial owners and management is included in CMS Energy's definitive proxy statement, which is incorporated by reference herein.

Consumers

Information that is required in Item 12 regarding securities authorized for issuance under equity compensation plans and security ownership of certain beneficial owners and management of Consumers is included in CMS Energy's definitive proxy statement, which is incorporated by reference herein.

**ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS,
AND DIRECTOR INDEPENDENCE**

CMS Energy

Information that is required in Item 13 regarding certain relationships and related transactions, and director independence is included in CMS Energy's definitive proxy statement, which is incorporated by reference herein.

Consumers

Information that is required in Item 13 regarding certain relationships and related transactions, and director independence regarding Consumers is included in CMS Energy's definitive proxy statement, which is incorporated by reference herein.

ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES

CMS Energy

Information that is required in Item 14 regarding principal accountant fees and services is included in CMS Energy's definitive proxy statement, which is incorporated by reference herein.

Consumers

Information that is required in Item 14 regarding principal accountant fees and services relating to Consumers is included in CMS Energy's definitive proxy statement, which is incorporated by reference herein.

PART IV

ITEM 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

- (a)(1) Financial Statements and Reports of Independent Public Accountants for CMS Energy and Consumers are included in each company's Item 8. Financial Statements and Supplementary Data and are incorporated by reference herein.
- (a)(2) Index to Financial Statement Schedules.

		<u>Page</u>
Schedule I	Condensed Financial Information of Registrant CMS Energy-Parent Company	
	Condensed Statements of Income (Loss)	185
	Statements of Cash Flows	186
	Condensed Balance Sheets	187
	Notes to Condensed Financial Statements	190
Schedule II	Valuation and Qualifying Accounts and Reserves	
	CMS Energy Corporation	191
	Consumers Energy Company	191
Report of Independent Registered Public Accounting Firm		
	CMS Energy Corporation	172
	Consumers Energy Company	173

Schedules other than those listed above are omitted because they are either not required, not applicable or the required information is shown in the financial statements or notes thereto. Columns omitted from schedules filed have been omitted because the information is not applicable.

(a)(3) Exhibits for CMS Energy and Consumers are listed after Item 15(b) below and are incorporated by reference herein.

(b) Exhibits, including those incorporated by reference.

CMS ENERGY'S AND CONSUMERS' EXHIBITS

The agreements included as exhibits to this Form 10-K filing are included to solely provide information regarding the terms of the agreements and are not intended to provide any other factual or disclosure information about CMS Energy, Consumers or other parties to the agreements. The agreements may contain representations and warranties made by each of the parties to each of the agreements that were made exclusively for the benefit of the parties involved in each of the agreements and should not be treated as statements of fact. The representations and warranties were made as a way to allocate risk if one or more of those statements prove to be incorrect. The statements were qualified by disclosures to the parties to each of the agreements and may not be reflected in each of the agreements. The agreements may apply standards of materiality that are different than standards applied to other investors. Additionally, the statements were made as of the date of the agreements or as specified in the agreements and have not been updated.

The representations and warranties may not describe the actual state of affairs of the parties to each agreement. Additional information about CMS Energy and Consumers may be found in this filing, at www.cmsenergy.com, at www.consumersenergy.com and through the SEC's website at <http://www.sec.gov>.

<u>Exhibits</u>	<u>Previously Filed</u>		<u>Description</u>
	<u>With File Number</u>	<u>As Exhibit Number</u>	
(3)(a)	1-9513	(3)(a)	— Restated Articles of Incorporation of CMS Energy, effective June 1, 2004, as amended May 22, 2009 (2nd qtr. 2009 Form 10-Q)
(3)(b)	1-9513	3.01	— CMS Energy Corporation Bylaws, amended and restated as of August 14, 2009 (Form 8-K filed August 18, 2009)
(3)(c)	1-5611	3(c)	— Restated Articles of Incorporation of Consumers effective June 7, 2000 (2000 Form 10-K)
(3)(d)	1-5611	3.02	— Consumers Energy Company Bylaws, amended and restated as of August 14, 2009 (Form 8-K filed August 18, 2009)
(4)(a)	2-65973	(b)(1)-4	— Indenture dated as of September 1, 1945, between Consumers and Chemical Bank (successor to Manufacturers Hanover Trust Company), as Trustee, including therein indentures supplemental thereto through the Forty-third Supplemental Indenture dated as of May 1, 1979 (Form S-16 filed November 13, 1979)
(4)(a)(i)	1-5611	(4)(a)	— Indentures Supplemental thereto: 71st dated as of 3/06/98 (1997 Form 10-K)
(4)(a)(ii)	1-5611	(4)(d)	— 90th dated as of 4/30/03 (1st qtr. 2003 Form 10-Q)
(4)(a)(iii)	1-5611	(4)(a)	— 91st dated as of 5/23/03 (3rd qtr. 2003 Form 10-Q)
(4)(a)(iv)	1-5611	(4)(b)	— 92nd dated as of 8/26/03 (3rd qtr. 2003 Form 10-Q)
(4)(a)(v)	1-5611	(4)(a)	— 96th dated as of 8/17/04 (Form 8-K filed August 20, 2004)
(4)(a)(vi)	333-120611	(4)(e)(xv)	— 97th dated as of 9/1/04 (Consumers Form S-3 dated November 18, 2004)
(4)(a)(vii)	1-5611	4.4	— 98th dated as of 12/13/04 (Form 8-K filed December 13, 2004)
(4)(a)(viii)	1-5611	(4)(a)(i)	— 99th dated as of 1/20/05 (2004 Form 10-K)
(4)(a)(ix)	1-5611	4.2	— 100th dated as of 3/24/05 (Form 8-K filed March 30, 2005)
(4)(a)(x)	1-5611	4.2	— 102nd dated as of 4/13/05 (Form 8-K filed April 13, 2005)
(4)(a)(xi)	1-5611	4.2	— 104th dated as of 8/11/05 (Form 8-K filed August 11, 2005)

<u>Exhibits</u>	<u>Previously Filed</u>		<u>Description</u>
	<u>With File Number</u>	<u>As Exhibit Number</u>	
(4)(a)(xii)	1-5611	4(b)	— 105th dated as of 3/30/07 (2007 Form 10-K)
(4)(a)(xiii)	1-5611	4(a)	— 106th dated as of 11/30/07 (2007 Form 10-K)
(4)(a)(xiv)	1-5611	(4)(a)	— 107th dated as of 3/1/08 (1st qtr. 2008 Form 10-Q)
(4)(a)(xv)	1-5611	4.1	— 108th dated as of 3/14/08 (Form 8-K filed March 14, 2008)
(4)(a)(xvi)	1-5611	4.1	— 109th dated as of 9/11/08 (Form 8-K filed September 16, 2008)
(4)(a)(xvii)	1-5611	4.1	— 110th dated as of 9/12/08 (Form 8-K filed September 12, 2008)
(4)(a)(xviii)	1-5611	4.1	— 111th dated as of 3/6/09 (Form 8-K filed March 6, 2009)
(4)(b)	1-5611	(4)(b)	— Indenture dated as of January 1, 1996 between Consumers and The Bank of New York Mellon, as Trustee (1995 Form 10-K)
(4)(c)	1-5611	(4)(c)	— Indenture dated as of February 1, 1998 between Consumers and The Bank of New York Mellon (formerly The Chase Manhattan Bank), as Trustee (1997 Form 10-K)
(4)(d)	33-47629	(4)(a)*	— Indenture dated as of September 15, 1992 between CMS Energy and NBD Bank, as Trustee (Form S-3 filed May 1, 1992)
(4)(d)(i)	333-58686	(4)(a)*	— Indentures Supplemental thereto: 11th dated as of 3/29/01 (Form S-8 filed April 11, 2001)
(4)(d)(ii)	1-9513	(4)(d)(i)*	— 15th dated as of 9/29/04 (2004 Form 10-K)
(4)(d)(iii)	1-9513	(4)(d)(ii)*	— 16th dated as of 12/16/04 (2004 Form 10-K)
(4)(d)(iv)	1-9513	4.2*	— 17th dated as of 12/13/04 (Form 8-K filed December 13, 2004)
(4)(d)(v)	1-9513	4.2*	— 18th dated as of 1/19/05 (Form 8-K filed January 20, 2005)
(4)(d)(vi)	1-9513	4.2*	— 19th dated as of 12/13/05 (Form 8-K filed December 15, 2005)
(4)(d)(vii)	1-9513	4.2*	— 20th dated as of 7/3/07 (Form 8-K filed July 5, 2007)
(4)(d)(viii)	1-9513	4.3*	— 21st dated as of 7/3/07 (Form 8-K filed July 5, 2007)
(4)(d)(ix)	1-9513	4.1*	— 22nd dated as of 6/15/09 (Form 8-K filed June 15, 2009)
(4)(d)(x)	1-9513	4.3*	— 23rd dated as of 6/15/09 (Form 8-K filed June 15, 2009)
(4)(d)(xi)	1-9513	4.1*	— 24th dated as of 1/14/10 (Form 8-K filed January 14, 2010)
(4)(e)	1-9513	(4a)*	— Indenture dated as of June 1, 1997, between CMS Energy and The Bank of New York Mellon, as trustee (Form 8-K filed July 1, 1997)
(4)(e)(i)	1-9513	(4)(b)*	— Indentures Supplemental thereto: 1st dated as of 6/20/97 (Form 8-K filed July 1, 1997)
(10)(a)	1-9513	(10)(d)*	— \$300 million Seventh Amended and Restated Credit Agreement dated as of April 2, 2007 among CMS Energy Corporation, the Banks, the Administrative Agent, Collateral Agent, Syndication Agent and Documentation Agents all defined therein and Amendment No. 1 dated as of December 19, 2007 (3rd qtr. 2009 Form 10-Q)
(10)(b)	1-9513	(10)(b)*	— Amendment No. 2 to the \$300 million Seventh Amended and Restated Credit Agreement dated as of January 23, 2009 (2008 Form 10-K)
(10)(c)	1-9513	(10)(e)*	— Assumption and Acceptance to the \$300 million Seventh Amended and Restated Credit Agreement dated January 8, 2008 (3rd qtr. 2009 Form 10-Q)
(10)(d)	1-9513	10(b)*	— Fourth Amended and Restated Pledge and Security Agreement dated as of April 2, 2007 among CMS Energy and Collateral Agent, as defined therein (2007 Form 10-K)
(10)(e)	1-9513	10(c)*	— Amended and Restated Cash Collateral Agreement dated as of April 2, 2007, made by CMS Energy to the Administrative Agent for the lenders and Collateral Agent, as defined therein (2007 Form 10-K)

<u>Exhibits</u>	<u>Previously Filed</u>		<u>Description</u>
	<u>With File Number</u>	<u>As Exhibit Number</u>	
(10)(f)	1-5611	(10)(f)	— \$500 million Fourth Amended and Restated Credit Agreement dated as of March 30, 2007 among Consumers Energy Company, the Banks, the Administrative Agent, the Collateral Agent, the Syndication Agent and the Documentation Agents all as defined therein (3rd qtr. 2009 Form 10-Q)
(10)(g)	1-9513	(10)(g)	— 2004 Form of Executive Severance Agreement (3rd qtr. 2009 Form 10-Q)
(10)(h)	1-9513	(10)(h)	— 2004 Form of Officer Severance Agreement (3rd qtr. 2009 Form 10-Q)
(10)(i)	1-9513	(10)(g)	— 2004 Form of Change-in-Control Agreement (2007 Form 10-K)
(10)(j)	1-9513	10.1	— CMS Energy's Performance Incentive Stock Plan effective February 3, 1988, amended and restated effective June 1, 2009 (Form 8-K filed May 27, 2009)
(10)(k)	1-9513	(10)(i)	— CMS Deferred Salary Savings Plan effective December 1, 1989 and as further amended effective December 1, 2007 (2007 Form 10-K)
(10)(l)	1-9513	(10)(l)	— Amendment to the Deferred Salary Savings Plan dated December 21, 2008 (2008 Form 10-K)
(10)(m)	1-9513	(10)(m)	— Annual Officer Incentive Compensation Plan for CMS Energy Corporation and its Subsidiaries effective January 1, 2004, amended and restated effective as of January 1, 2008 (2008 Form 10-K)
(10)(n)	1-9513	(10)(n)	— Amendment to the Officer's Incentive Compensation Plan dated December 21, 2008 (2008 Form 10-K)
(10)(o)	1-9513	(10)(k)	— Supplemental Executive Retirement Plan for Employees of CMS Energy/Consumers Energy Company effective January 1, 1982, as further amended December 1, 2007 (2007 Form 10-K)
(10)(p)	1-9513	(10)(p)	— Amendment to the Defined Benefit Supplemental Executive Retirement Plan dated December 21, 2008 (2008 Form 10-K)
(10)(q)	1-9513	(10)(l)	— Defined Contribution Supplemental Executive Retirement Plan effective April 1, 2006 and as further amended effective December 1, 2007 (2007 Form 10-K)
(10)(r)	1-9513	(10)(r)	— Amendment to the Defined Contribution Supplemental Executive Retirement Plan dated December 21, 2008 (2008 Form 10-K)
(10)(s)	1-9513	(10)(s)	— 2009 Form of Change in Control Agreement (2008 Form 10-K)
(10)(t)	1-9513	(10)(t)	— 2009 Form of Officer Separation Agreement (2008 Form 10-K)
(10)(u)	1-9513	(10)(v)	— Amended and Restated Investor Partner Tax Indemnification Agreement dated as of June 1, 1990 among Investor Partners, CMS Midland as Indemnitor and CMS Energy as Guarantor (1990 Form 10-K)
(10)(v)	1-9513	(10)(y)*	— Environmental Agreement dated as of June 1, 1990 made by CMS Energy to The Connecticut National Bank and Others (1990 Form 10-K)
(10)(w)	1-5611	(10)(y)	— Unwind Agreement dated as of December 10, 1991 by and among CMS Energy, Midland Group, Ltd., Consumers, CMS Midland, Inc., MEC Development Corp. and CMS Midland Holdings Company (1991 Form 10-K)
(10)(x)	1-5611	(10)(aa)*	— Parent Guaranty dated as of June 14, 1990 from CMS Energy to MCV, each of the Owner Trustees, the Indenture Trustees, the Owner Participants and the Initial Purchasers of Senior Bonds in the MCV Sale Leaseback transaction, and MEC Development (1991 Form 10-K)

<u>Exhibits</u>	<u>Previously Filed</u>		<u>Description</u>
	<u>With File Number</u>	<u>As Exhibit Number</u>	
(10)(y)	1-5611	(10)(i)	— Asset Sale Agreement dated as of July 11, 2006 by and among Consumers Energy Company as Seller and Entergy Nuclear Palisades, LLC as Buyer (3rd qtr. 2009 Form 10-Q)
(10)(z)	1-5611	(10)(j)	— Palisades Nuclear Power Plant Power Purchase Agreement dated as of July 11, 2006 between Entergy Nuclear Palisades, LLC and Consumers Energy Company (3rd qtr. 2009 Form 10-Q)
(10)(aa)	1-9513	(10)(k)*	— Agreement of Purchase and Sale, by and between CMS Enterprises Company and Abu Dhabi National Energy Company PJSC dated as of February 3, 2007 (3rd qtr. 2009 Form 10-Q)
(10)(bb)	1-9513	10.1*	— Common Agreement dated March 12, 2007 between CMS Enterprises Company and Lucid Energy, LLC (Form 8-K filed March 14, 2007)
(10)(cc)	1-9513	(10)(l)*	— Agreement of Purchase and Sale dated March 12, 2007 by and among CMS Enterprises Company, CMS Energy Investment, LLC, and Lucid Energy, LLC and Michigan Pipeline and Processing, LLC (3rd qtr. 2009 Form 10-Q)
(10)(dd)	1-9513	(10)(m)*	— Agreement of Purchase and Sale dated March 12, 2007 by and among CMS Enterprises Company, CMS Generation Holdings Company, CMS International Ventures, LLC, and Lucid Energy, LLC and New Argentine Generation Company, LLC (3rd qtr. 2009 Form 10-Q)
(10)(ee)	1-5611	(10)(p)	— Purchase and Sale Agreement by and between Broadway Gen Funding, LLC as Seller and Consumers Energy Company as Buyer dated as of May 24, 2007 (3rd qtr. 2009 Form 10-Q)
(10)(ff)	1-9513	(10)(a)*	— Form of Indemnification Agreement between CMS Energy Corporation and its Directors, effective as of November 1, 2007 (3rd qtr. 2007 Form 10-Q)
(10)(gg)	1-5611	(10)(b)	— Form of Indemnification Agreement between Consumers Energy Company and its Directors, effective as of November 1, 2007 (3rd qtr. 2007 Form 10-Q)
(10)(hh)	1-5611	10.1	— \$200 million Letter of Credit Reimbursement Agreement dated as of November 30, 2007 between Consumers Energy Company and the Bank of Nova Scotia (Form 8-K filed December 6, 2007)
(10)(ii)	1-5611	(10)(tt)	— First Amendment to Reimbursement Agreement dated as of September 25, 2008 (2008 Form 10-K)
(10)(jj)	1-5611	(10)(c)	— Second Amendment to Reimbursement Agreement dated as of September 25, 2009 (3rd qtr. 2009 Form 10-Q)
(10)(kk)	1-5611	10.1	— \$150 million Amended and Restated Revolving Credit Agreement dated as of August 18, 2009 among Consumers Energy Company, the Banks, Agent, Co-Syndication Agents, and Documentation Agent all as defined therein (Form 8-K filed August 21, 2009)
(10)(ll)	1-5611	(10)(t)	— Settlement Agreement and Amended and Restated Power Purchase Agreement between Consumers Energy Company and Midland Cogeneration Venture Limited Partnership dated as of June 9, 2008 (3rd qtr. 2009 Form 10-Q)
(10)(mm)	1-5611	(10)(u)	— Receivables Purchase Agreement dated as of May 22, 2003 (as modified by Amendments 1-15) among Consumers Receivables Funding II, LLC, Consumers Energy Company, Falcon Asset Securitization Corporation, The Financial Institutions from time to time parties hereto, as Financial Institutions, and Bank One, NA, as Administrative Agent (3rd qtr. 2009 Form 10-Q)

<u>Exhibits</u>	<u>Previously Filed</u>		<u>Description</u>
	<u>With File Number</u>	<u>As Exhibit Number</u>	
(10)(nn)	1-5611	(10)(b)	— Amendment No. 16 to the Receivables Purchase Agreement dated as of April 29, 2009 (1st qtr. 2009 Form 10-Q)
(10)(oo)	1-5611	(10)(b)	— Amendment No. 17 to the Receivables Purchase Agreement dated as of September 3, 2009 (3rd qtr. 2009 Form 10-Q)
(10)(pp)			— Amendment No. 18 to the Receivables Purchase Agreement dated as of February 12, 2010
(10)(qq)	1-5611	(10)(v)	— Receivables Sale Agreement, dated as of May 22, 2003, between Consumers Energy Company, as Originator and Consumers Receivables Funding II, LLC, as Buyer, as amended by Amendment No. 1 dated as of May 20, 2004 and as amended by Amendment No. 2 dated as of August 15, 2006 (3rd qtr. 2009 Form 10-Q)
(10)(rr)			— Amendment No. 3 to the Receivables Sale Agreement dated as of September 3, 2009
(10)(ss)			— Amendment No. 4 to the Receivables Sale Agreement dated as of February 12, 2010
(10)(tt)	1-9513	(10)(a)	— CMS Incentive Compensation Plan for CMS Energy and its Subsidiaries, effective January 1, 2004, amended and restated, effective as of January 1, 2009 (1st qtr. 2009 Form 10-Q)
(12)(a)			— Statement regarding computation of CMS Energy's Ratios of Earnings to Fixed Charges and Combined Fixed Charges and Preferred Dividends
(12)(b)			— Statement regarding computation of Consumers' Ratios of Earnings to Fixed Charges and Combined Fixed Charges and Preferred Dividends
(21)			— Subsidiaries of CMS Energy and Consumers
(23)(a)			— Consent of PricewaterhouseCoopers LLP for CMS Energy
(23)(b)			— Consent of PricewaterhouseCoopers LLP for Consumers
(24)(a)			— Power of Attorney for CMS Energy
(24)(b)			— Power of Attorney for Consumers
(31)(a)			— CMS Energy's certification of the CEO pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
(31)(b)			— CMS Energy's certification of the CFO pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
(31)(c)			— Consumers' certification of the CEO pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
(31)(d)			— Consumers' certification of the CFO pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
(32)(a)			— CMS Energy's certifications pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
(32)(b)			— Consumers' certifications pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

* Obligations of CMS Energy or its subsidiaries, but not of Consumers.

Exhibits listed above that have heretofore been filed with the SEC pursuant to various acts administered by the SEC, and which were designated as noted above, are hereby incorporated herein by reference and made a part hereof with the same effect as if filed herewith.

CMS ENERGY CORPORATION
SCHEDULE I — CONDENSED FINANCIAL INFORMATION OF REGISTRANT
CMS Energy — Parent Company
Condensed Statements of Income (Loss)

<u>Years Ended December 31</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
	In Millions		
Operating Expenses			
Depreciation and amortization	\$ —	\$ (3)	\$ (3)
Gain on asset sales, net	—	—	81
Other operating expense	(10)	(5)	(10)
	<u>(10)</u>	<u>(8)</u>	<u>68</u>
Operating Income (Loss)	<u>(10)</u>	<u>(8)</u>	<u>68</u>
Other Income (Expense)			
Equity earnings (losses) of subsidiaries	310	433	(142)
Interest income	—	1	3
Other income (expense)	12	(4)	(24)
	<u>322</u>	<u>430</u>	<u>(163)</u>
Interest Charges			
Interest on long-term debt	124	127	153
Interest on preferred securities	8	14	14
Intercompany interest expense and other	8	48	70
	<u>140</u>	<u>189</u>	<u>237</u>
Income (Loss) Before Income Taxes	172	233	(332)
Income Tax Benefit	(57)	(62)	(140)
Income (Loss) From Continuing Operations	229	295	(192)
Loss From Discontinued Operations	—	—	(30)
Net Income (Loss)	229	295	(222)
Preferred Dividends	11	11	11
Redemption Premium on Preferred Stock	—	—	1
Net Income (Loss) Available to Common Stockholders	<u>\$218</u>	<u>\$284</u>	<u>\$(234)</u>

The accompanying condensed notes are an integral part of these statements

CMS ENERGY CORPORATION
SCHEDULE I — CONDENSED FINANCIAL INFORMATION OF REGISTRANT
CMS Energy — Parent Company
Statements of Cash Flows

<u>Years Ended December 31</u>	<u>2009</u>	<u>2008</u> In Millions	<u>2007</u>
Cash Flows From Operating Activities			
Net income (loss)	\$ 229	\$ 295	\$ (222)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:			
Equity (earnings) losses of subsidiaries	(310)	(433)	142
Dividends received from subsidiaries	340	1,247	251
Depreciation and amortization	—	3	3
Gain on sale of assets	—	—	(81)
Decrease (increase) in accounts receivable	(2)	—	11
Increase (decrease) in accounts payable	16	(2)	(3)
Decrease in legal settlement liability	—	—	(125)
Change in other assets and liabilities	7	(55)	(51)
Net cash provided by (used in) operating activities	<u>730</u>	<u>1,055</u>	<u>(75)</u>
Cash Flows From Investing Activities			
Investment in subsidiaries	(100)	(22)	(660)
Changes in notes receivable, net	—	—	42
Net cash used in investing activities	<u>(100)</u>	<u>(22)</u>	<u>(618)</u>
Cash Flows From Financing Activities			
Proceeds from bank loans and notes	718	665	400
Proceeds from issuance of common stock	9	9	15
Retirement of bank loans and notes	(788)	(570)	(958)
Payment of common stock dividends	(114)	(82)	(45)
Payment of preferred stock dividends	(11)	(11)	(11)
Redemption of preferred stock	(4)	(1)	(1)
Debt issuance costs and financing fees	(5)	—	(1)
Changes in notes payable, net	(15)	(1,043)	1,294
Net cash provided by (used in) financing activities	<u>(180)</u>	<u>(1,033)</u>	<u>693</u>
Net Change in Cash and Temporary Cash Investments	\$ —	\$ —	\$ —
Cash and Temporary Cash Investments, Beginning of Period	\$ —	\$ —	\$ —
Cash and Temporary Cash Investments, End of Period	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>

The accompanying condensed notes are an integral part of these statements

CMS ENERGY CORPORATION
SCHEDULE I — CONDENSED FINANCIAL INFORMATION OF REGISTRANT
CMS Energy — Parent Company
Condensed Balance Sheets

<u>December 31</u>	<u>2009</u>	<u>2008</u>
	<u>In Millions</u>	
Assets		
Current Assets		
Cash and temporary cash investments	\$ —	\$ —
Notes and accrued interest receivable	1	1
Accrued taxes receivable	—	41
Accounts receivable, including intercompany and related parties	6	4
Deferred income taxes	7	5
	<u>14</u>	<u>51</u>
Property, Plant and Equipment, at cost	16	16
Less accumulated depreciation	(15)	(15)
	<u>1</u>	<u>1</u>
Non-current Assets		
Deferred income taxes	371	340
Investment in Subsidiaries	4,591	4,913
Other investment — SERP	17	16
Other	46	40
	<u>5,025</u>	<u>5,309</u>
Total Assets	<u>\$5,040</u>	<u>\$5,361</u>

The accompanying condensed notes are an integral part of these statements

CMS ENERGY CORPORATION
SCHEDULE I — CONDENSED FINANCIAL INFORMATION OF REGISTRANT
CMS ENERGY — PARENT COMPANY

Condensed Balance Sheets

December 31 2009 2008
In Millions

	<u>2009</u>	<u>2008</u>
	<u>In Millions</u>	
Stockholders' Investment and Liabilities		
Current Liabilities		
Current portion of long-term debt	\$ 207	\$ —
Accounts and notes payable, including intercompany and related parties	258	615
Accrued interest, including intercompany	24	35
Accrued taxes	13	—
Other	5	11
	<u>507</u>	<u>661</u>
Non-Current Liabilities		
Postretirement benefits	22	21
Capitalization		
Long-term debt		
Senior Notes	1,673	1,808
Related Party	34	178
Unamortized Discount	(37)	(26)
Common stockholders' equity	2,602	2,476
Nonredeemable preferred stock	239	243
	<u>4,511</u>	<u>4,679</u>
Total Stockholders' Investment and Liabilities	<u>\$5,040</u>	<u>\$5,361</u>

The accompanying condensed notes are an integral part of these statements

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CMS ENERGY CORPORATION
SCHEDULE I — CONDENSED FINANCIAL INFORMATION OF REGISTRANT
CMS Energy — Parent Company
Notes to Condensed Financial Statements

1: Guaranty

CMS Energy has issued a guaranty on behalf of its wholly owned subsidiary, CMS ERM, to support its payment obligations to a third party under certain commodity purchase or swap agreements. CMS Energy's maximum potential obligation under the guaranty is \$5 million, plus expenses.

CMS ENERGY CORPORATION
SCHEDULE II — VALUATION AND QUALIFYING ACCOUNTS AND RESERVES
Years Ended December 31, 2009, 2008, and 2007

<u>Description</u>	<u>Balance at Beginning of Period</u>	<u>Charged to Expense</u>	<u>Charged/Accrued to Other Accounts</u>	<u>Deductions</u>	<u>Balance at End of Period</u>
	(In Millions)				
Accumulated provision for uncollectible accounts:					
2009	\$ 26	\$ 54	\$ —	\$ 57	\$ 23
2008	\$ 21	\$ 51	\$ —	\$ 46	\$ 26
2007	\$ 25	\$ 37	\$ 7	\$ 34	\$ 21
Deferred tax valuation allowance:					
2009	\$ 32	\$ —	\$ 2	\$ —	\$ 34
2008	\$ 32	\$ —	\$ 7	\$ 7	\$ 32
2007	\$ 72	\$ —	\$ 81	\$ 121	\$ 32
Allowance for notes receivable, including related parties:					
2009	\$ 34	\$ —	\$ 2	\$ 30	\$ 6
2008	\$ 33	\$ —	\$ 1	\$ —	\$ 34
2007	\$ 101	\$ —	\$ 1	\$ 69	\$ 33

CONSUMERS ENERGY COMPANY
SCHEDULE II — VALUATION AND QUALIFYING ACCOUNTS AND RESERVES
Years Ended December 31, 2009, 2008, and 2007

<u>Description</u>	<u>Balance at Beginning of Period</u>	<u>Charged to Expense</u>	<u>Charged/Accrued to Other Accounts</u>	<u>Deductions</u>	<u>Balance at End of Period</u>
	(In Millions)				
Accumulated provision for uncollectible accounts:					
2009	\$ 24	\$ 47	\$ —	\$ 50	\$ 21
2008	\$ 16	\$ 47	\$ —	\$ 39	\$ 24
2007	\$ 14	\$ 33	\$ —	\$ 31	\$ 16
Deferred tax valuation allowance:					
2009	\$ —	\$ —	\$ —	\$ —	\$ —
2008	\$ —	\$ —	\$ —	\$ —	\$ —
2007	\$ 15	\$ —	\$ 8	\$ 23	\$ —

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<u>Signature</u>	<u>Title</u>
* _____ Michael T. Monahan	Director
* _____ Joseph F. Paquette, Jr.	Director
* _____ Percy A. Pierre	Director
* _____ Kenneth L. Way	Director
* _____ Kenneth Whipple	Director
* _____ John B. Yasinsky	Director
*By /s/ THOMAS J. WEBB _____ Thomas J. Webb, Attorney-in-Fact	

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, Consumers Energy Company has duly caused this Annual Report to be signed on its behalf by the undersigned, thereunto duly authorized, on the 1st day of March 2010.

CONSUMERS ENERGY COMPANY

By /s/ DAVID W. JOOS

David W. Joos
Chief Executive Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this Annual Report has been signed below by the following persons on behalf of Consumers Energy Company and in the capacities indicated and on the 1st day of March 2010.

<u>Signature</u>	<u>Title</u>
(i) Principal executive officer: /s/ DAVID W. JOOS _____ David W. Joos	Chief Executive Officer
(ii) Principal financial officer: /s/ THOMAS J. WEBB _____ Thomas J. Webb	Executive Vice President and Chief Financial Officer
(iii) Controller or principal accounting officer: /s/ GLENN P. BARBA _____ Glenn P. Barba	Vice President, Controller and Chief Accounting Officer
(iv) A majority of the Directors: * _____ Merribel S. Ayres	Director
* _____ Jon E. Barfield	Director
* _____ Stephen E. Ewing	Director
* _____ Richard M. Gabrys	Director
* _____ David W. Joos	Director
* _____ Philip R. Lochner, Jr.	Director
* _____ Michael T. Monahan	Director

<u>Signature</u>	<u>Title</u>
*	Director
_____ Joseph F. Paquette, Jr.	
*	Director
_____ Percy A. Pierre	
*	Director
_____ Kenneth L. Way	
*	Director
_____ Kenneth Whipple	
*	Director
_____ John B. Yasinsky	
*By /s/ THOMAS J. WEBB	
_____ Thomas J. Webb, Attorney-in-Fact	

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EXHIBITS

200

CMS ENERGY'S AND CONSUMERS' EXHIBIT INDEX

<u>Exhibits</u>	<u>Description</u>
(10)(pp)	— Amendment No. 18 to the Receivables Purchase Agreement dated as of February 12, 2010
(10)(rr)	— Amendment No. 3 to the Receivables Sale Agreement dated as of September 3, 2009
(10)(ss)	— Amendment No. 4 to the Receivables Sale Agreement dated as of February 12, 2010
(12)(a)	— Statement regarding computation of CMS Energy's Ratios of Earnings to Fixed Charges and Combined Fixed Charges and Preferred Dividends
(12)(b)	— Statement regarding computation of Consumers' Ratios of Earnings to Fixed Charges and Combined Fixed Charges and Preferred Dividends
(21)	— Subsidiaries of CMS Energy and Consumers
(23)(a)	— Consent of PricewaterhouseCoopers LLP for CMS Energy
(23)(b)	— Consent of PricewaterhouseCoopers LLP for Consumers
(24)(a)	— Power of Attorney for CMS Energy
(24)(b)	— Power of Attorney for Consumers
(31)(a)	— CMS Energy's certification of the CEO pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
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(32)(a)	— CMS Energy's certifications pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
(32)(b)	— Consumers' certifications pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

AMENDMENT NO. 18
TO
RECEIVABLES PURCHASE AGREEMENT

THIS AMENDMENT NO. 18 TO RECEIVABLES PURCHASE AGREEMENT (this “Amendment”) dated as of February 12, 2010, is entered into among CONSUMERS RECEIVABLES FUNDING II, LLC (“Seller”), CONSUMERS ENERGY COMPANY, in its capacity as Servicer (in such capacity, the “Servicer”), FALCON ASSET SECURITIZATION COMPANY LLC (“Falcon”), and JPMORGAN CHASE BANK, N.A. (as successor by merger to Bank One, NA (Main Office Chicago)) (“JPMorgan”), as a Financial Institution and as Administrative Agent (in such capacity, the “Administrative Agent”). Capitalized terms used herein without definition shall have the meanings ascribed thereto in the “Purchase Agreement” referred to below.

PRELIMINARY STATEMENTS

A. Reference is made to that certain Receivables Purchase Agreement dated as of May 22, 2003 among Seller, Servicer, Falcon and JPMorgan, as a Financial Institution and the Administrative Agent (as amended prior to the date hereof and as the same may be further amended, restated, supplemented or modified from time to time, the “Purchase Agreement”).

B. The parties hereto have agreed to amend certain provisions of the Purchase Agreement upon the terms and conditions set forth herein.

SECTION 1. Amendment. Subject to the satisfaction of the conditions precedent set forth in Section 3 hereof, the parties hereto hereby agree to amend the Purchase Agreement as follows:

(a) Section 7.1(b) of the Purchase Agreement is hereby amended to add the following clause (ix) after clause (viii):

(ix) Appointment of Independent Manager. The decision to appoint a new manager of Seller as the “Independent Manager” for purposes of this Agreement, such notice to be issued not less than ten (10) days prior to the effective date of such appointment and to certify that the designated Person satisfies the criteria set forth in the definition herein of “Independent Manager.”

(b) Section 7.1(i) of the Purchase Agreement is amended to (i) delete the word “and” appearing at the end of clause (xii), (ii) delete the “.” appearing at the end of clause (xiii) and replace it with “; and” and (iii) add the following clause (xiv) after clause (xiii):

(xiv) maintain its Certificate of Formation and Limited Liability Company Agreement in conformity with this Agreement, such that it does not amend, restate, supplement or otherwise modify its Certificate of Formation or

Limited Liability Company Agreement in any respect that would impair its ability to comply with the terms or provisions of any of the Transaction Documents, including, without limitation, Section 7.1(i) of this Agreement;

(c) Section 7.1(u) of the Purchase Agreement is deleted and replaced with the following:

(u) Certification of Receivables Classification.. In connection with the delivery of each Monthly Report, the Servicer shall certify to the Administrative Agent that it has made diligent inquiry and that the accounts receivable included in such report as Receivables are identified on the books and records of the Originator and the Seller with the account code "Account 1460000 Customer Receivables" or "Account 1460201 — A/R Other" .

(d) Section 9.1(f) of the Purchase Agreement is deleted and replaced with the following:

(f) As at the end of any Accrual Period:

(i) the average of the Dilution Ratios as of the end of such Accrual Period and the two preceding Accrual Periods shall exceed 2.0%, or

(ii) the average of the Loss-to-Liquidation Ratios as of the end of such Accrual Period and the two preceding Accrual Periods shall exceed 2.5%, or

(iii) the average of the Past Due Ratios as of the end of such Accrual Period and the two preceding Accrual Periods shall exceed (A) 12.0% for any Accrual Period occurring in May through November of any calendar year or (B) 8.5% for any Accrual Period occurring in December through April of any calendar year, or

(iv) the average of the Days Sales Outstanding Ratios as of the end of such Accrual Period and the two preceding Accrual Periods shall exceed 55 days.

(e) Section 9.1 of the Purchase Agreement is amended to add the following clause (n) after clause (m):

(n) At any time on or after February 12, 2010, any Person shall be appointed as an Independent Manager of Seller without prior notice thereof having been given to the Administrative Agent in accordance with Section 7.1(b)(ix) or without the written acknowledgement by the Administrative Agent that such Person conforms, to the reasonable satisfaction of the Administrative Agent, with the criteria set forth in the definition herein of "Independent Manager."

(f) Section 10.3 of the Purchase Agreement is hereby deleted in its entirety and replaced with the following:

Section 10.3 Increased Cost and Reduced Return. If any Regulatory Change (i) subjects any Funding Source to any charge or withholding on or with respect to any Funding Agreement or a Funding Source's obligations under a Funding Agreement, or on or with respect to the Receivables, or changes the basis of taxation of payments to any Funding Source of any amounts payable under any Funding Agreement (except for changes in the rate of tax on the overall net income of a Funding Source or taxes excluded by Section 10.1) or (ii) imposes, modifies or deems applicable any reserve, assessment, insurance charge, special deposit or similar requirement against assets of, deposits with or for the account of a Funding Source, or credit extended by a Funding Source pursuant to a Funding Agreement or (iii) imposes any other condition the result of which is to increase the cost to a Funding Source of performing its obligations under a Funding Agreement, or to reduce the rate of return on a Funding Source's capital as a consequence of its obligations under a Funding Agreement, or to reduce the amount of any sum received or receivable by a Funding Source under a Funding Agreement or to require any payment calculated by reference to the amount of interests or loans held or interest received by it, then, upon presentation to Seller of a certificate setting forth the basis for such determination and the additional amounts reasonably determined by the Administrative Agent to reasonably compensate such Funding Source for the period of up to 90 days prior to the date on which such certificate is delivered to Seller, Seller shall pay to the Administrative Agent, for the benefit of the relevant Funding Source, such amounts charged to such Funding Source or such amounts to otherwise compensate such Funding Source for such increased cost or such reduction. The term "Regulatory Change" shall mean (i) the adoption after the date hereof of any applicable law, rule or regulation (including any applicable law, rule or regulation regarding capital adequacy) or any change therein after the date hereof, (ii) any change after the date hereof in the interpretation or administration thereof by any governmental authority, central bank or comparable agency charged with the interpretation or administration thereof, or compliance with any request or directive (whether or not having the force of law) of any such authority, central bank or comparable agency, or (iii) the compliance, after the date hereof, by any Funding Source with the final rule titled Risk-Based Capital Guidelines; Capital Adequacy Guidelines; Capital Maintenance: Regulatory Capital; Impact of Modifications to Generally Accepted Accounting Principles; Consolidation of Asset-Backed Commercial Paper Programs; and Other Related Issues, adopted by the United States bank regulatory agencies on December 15, 2009, or any rules or regulations promulgated in connection therewith by any such agency.

(g) Section 10.5 of the Purchase Agreement is hereby deleted in its entirety and replaced with the following:

Section 10.5 Accounting Based Consolidation Event. Upon demand by the Administrative Agent, Seller shall pay to the Administrative Agent, for the benefit of the relevant Funding Source, such amounts as such Funding Source reasonably determines will compensate or reimburse such Funding Source for any (i) fee, expense or increased cost charged to, incurred or otherwise suffered by such Funding Source, (ii) reduction in the rate of return on such Funding Source's capital or reduction in the amount of any sum received or receivable by such Funding Source or (iii) internal capital charge or other imputed cost determined by such Funding Source to be allocable to Seller or the transactions contemplated in this Agreement, in each case resulting from or in connection with the consolidation, for financial and/or regulatory accounting purposes, of all or any portion of the assets and liabilities of Conduit that are subject to this Agreement or any other Transaction Document with all or any portion of the assets and liabilities of an Funding Source. Amounts under this Section 10.5 may be demanded at any time without regard to the timing of issuance of any financial statement by Conduit or by any Funding Source.

(h) The following new Section 13.18 is hereby added to the Purchase Agreement immediately following Section 13.17 of the Purchase Agreement.

Section 13.18 Required Ratings. The Administrative Agent shall have the right at any time to request that public ratings of the facility evidenced by this Agreement of at least A-/A3 (the "Required Ratings") be obtained from two credit rating agencies acceptable to the Administrative Agent. Each of Seller and Servicer agree that they shall cooperate with the Administrative Agent's efforts to obtain the Required Ratings, and shall provide the Administrative Agent, for distribution to the applicable credit rating agencies, any information reasonably requested by such credit rating agencies for purposes of providing the Required Ratings. Any such request (a "Ratings Request") shall be in writing, and if the Required Ratings are not obtained within 60 days following the date of such Ratings Request (the "Ratings Request Due Date") (unless the failure to obtain the Required Ratings is solely the result of the Administrative Agent's failure to provide the credit rating agencies with sufficient information to permit the credit rating agencies to perform their analysis, and is not the result of Seller or Servicer's failure to cooperate or provide sufficient information to the Administrative Agent), (i) upon written notice by the Administrative Agent to Seller within 90 days after the Ratings Request Due Date, the Amortization Date shall occur, and (ii) outstanding Capital shall thereafter bear interest at a rate per annum equal to 2.00% above the Alternate Base Rate. The Administrative Agent or the relevant Purchasers shall pay the initial fees payable to the credit rating agencies for providing the Required Ratings.

(i) Exhibit I to the Purchase Agreement is hereby amended to delete the definitions "Amortization Date" "Applicable Stress Factor", "Dilution Horizon Factor", "Funding Source", "Independent Manager", "Liquidity Termination Date" and "Receivable" and replace them with the following:

“Amortization Date” means the earliest to occur of (i) the day on which any of the conditions precedent set forth in Section 6.2 are not satisfied, (ii) the Business Day immediately prior to the occurrence of an Amortization Event set forth in Section 9.1(d), (iii) the Business Day specified in a written notice from the Administrative Agent following the occurrence of any other Amortization Event, (iv) the Liquidity Termination Date, (v) the date which is at least fifteen (15) Business Days after the Administrative Agent’s receipt of written notice from Seller that it wishes to terminate the facility evidenced by this Agreement, provided that any prepayment resulting from such declaration of the Amortization Date shall be subject to the provisions of Section 2.1 and (vi) the Business Day specified in a written notice from the Administrative Agent to Seller in accordance with Section 13.18.

“Applicable Stress Factor” means 2.25.

“Dilution Horizon Factor” means, at any time, a fraction, the numerator of which equals the sum of (a) the aggregate Original Balance of all Billed Receivables originated during the two most recently ended Accrual Periods and (b) the aggregate Original Balance of all Unbilled Receivables as of the end of the most recently ended Accrual Period, and the denominator of which equals the Net Receivables Balance as of the end of the most recently ended Accrual Period.

“Funding Source” means (i) any Financial Institution, (ii) any insurance company, bank or other funding entity providing liquidity, credit enhancement or back-up purchase support or facilities to Conduit, (iii) any agent, administrator or manager of Conduit, (iv) any bank holding company in respect of any of the foregoing or (v) any Conduit or any entity that is consolidated with any Conduit for financial and/or regulatory accounting purposes.

“Independent Manager” means, with respect to Seller, a manager who (i) is not, and within the previous five years was not (except solely by virtue of such Person’s serving as, or being an Affiliate of any other Person serving as, an independent director or manager, as applicable, of Consumers or any bankruptcy-remote special purpose entity that is an Affiliate of Consumers or Seller,) (a) a stockholder, member, partner, director, officer, employee, Affiliate, customer, supplier, creditor or independent contractor of, or any Person that has received any benefit in any form whatever from (other than in such manager’s capacity as a ratepayer or customer of Consumers in the ordinary course of business), or any Person that has provided any service in any form whatsoever to, or any major creditor (or any Affiliate of any major creditor) of, Seller, Consumers, or any of their Affiliates, or (b) any Person owning beneficially, directly or indirectly, any outstanding shares of common stock, any limited liability company interests or any partnership interests, as applicable, of Seller, Consumers or any of their Affiliates, or of any major creditor (or any Affiliate of any major creditor) of any of the foregoing, or a stockholder, member, partner,

director, officer, employee, Affiliate, customer, supplier, creditor or independent contractor of, or any Person that has received any benefit in any form whatever from (other than in such Person's capacity as a ratepayer or customer of Consumers in the ordinary course of business), or any Person that has provided any service in any form whatever to, such beneficial owner or any of such beneficial owner's Affiliates, or (c) a member of the immediate family of any person described above; provided that the indirect or beneficial ownership of stock through a mutual fund or similar diversified investment vehicle with respect to which the owner does not have discretion or control over the investments held by such diversified investment vehicle shall not preclude such owner from being an Independent Manager; (ii) has prior experience as an independent director or independent manager for a corporation or limited liability company whose charter documents required the unanimous consent of all independent directors or independent managers, as applicable, thereof before such corporation or limited liability company could consent to the institution of bankruptcy or insolvency proceedings against it or could file a petition seeking relief under any applicable federal or state law relating to bankruptcy and (iii) has at least three years of employment experience with one or more entities that provide, in the ordinary course of their respective businesses, advisory, management or placement services to issuers of securitization or structured finance instruments, agreements or securities. For purposes of this definition, "major creditor" shall mean a natural person or business entity to which Seller, Consumers or any of their Affiliates has outstanding indebtedness for borrowed money or credit on open account in a sum sufficiently large as would reasonably be expected to influence the judgment of the proposed Independent Manager adversely to the interests of Seller when the interests of that Person are adverse to those of Seller.

"Liquidity Termination Date" means February 11, 2011.

"Receivable" means all indebtedness and other obligations owed to Seller, CRF I or Originator (at the time it arises, and before giving effect to any transfer or conveyance under the applicable Sale Agreement or hereunder) or in which Seller, CRF I or Originator has a security interest or other interest, including, without limitation, any indebtedness, obligation or interest constituting an account, chattel paper, instrument or general intangible, arising in connection with the sale of goods, electricity or gas or the rendering of services by Originator, and which is identified on the books and records of the Originator or Seller (including its accounting system) with the account code "Account 1460000 Customer Receivables" or "Account 1460201 — A/R Other" (or, in each case, any subsequent or replacement account code used to identify similar indebtedness or other similar obligations owed to Seller or Originator), and further includes, without limitation, the obligation to pay any Finance Charges with respect thereto. Indebtedness and other rights and obligations arising from any one transaction, including, without limitation, indebtedness and other rights and obligations represented by an individual invoice, shall constitute a Receivable separate from a Receivable consisting of the indebtedness and other rights and

obligations arising from any other transaction; provided, that any indebtedness, rights or obligations referred to in the immediately preceding sentence shall be a Receivable regardless of whether the account debtor, Seller, CRF I or Originator treats such indebtedness, rights or obligations as a separate payment obligation. Notwithstanding the foregoing, "Receivable" does not include (i) Transferred Securitization Property or (ii) the books and records relating solely to the Transferred Securitization Property; provided that the determination of what constitutes collections of the Securitization Charges in respect of Transferred Securitization Property shall be made in accordance with the allocation methodology specified in Annex 2 to the Servicing Agreement.

(j) Exhibit I to the Purchase Agreement is hereby amended to delete the percentage "10%" in clause (i) of the definition of "Dilution Percentage" and replace it with "6%".

(k) Exhibit IV to the Purchase Agreement is hereby replaced in its entirety with Exhibit IV attached hereto.

SECTION 2. Representations and Warranties. Each of the Seller and the Servicer hereby represents and warrants to each of the other parties hereto, as to itself that:

(a) it has all necessary corporate or company power and authority to execute and deliver this Amendment and to perform its obligations under the Purchase Agreement as amended hereby, the execution and delivery of this Amendment and the performance of its obligations under the Purchase Agreement as amended hereby has been duly authorized by all necessary corporate or company action on its part and this Amendment constitutes its legal, valid and binding obligation, enforceable against it in accordance with its terms; and

(b) on the date hereof, before and after giving effect to this Amendment, (i) other than as waived pursuant to this Amendment, no Amortization Event or Potential Amortization Event has occurred and is continuing and (ii) the aggregate Purchaser Interests do not exceed the Applicable Maximum Purchaser Interest.

SECTION 3. Conditions Precedent. This Amendment shall become effective on the first Business Day (the "Effective Date") on which (i) the Administrative Agent or its counsel has received four (4) counterpart signature pages to each of this Amendment and the Fee Letter of even date herewith, in each case, executed by each of the parties hereto and (ii) the Administrative Agent has received the Amendment Fee (as such term is defined in the Fee Letter).

SECTION 4. Reference to and Effect on the Transaction Documents.

(a) Upon the effectiveness of this Amendment, (i) each reference in the Purchase Agreement to "this Receivables Purchase Agreement", "this Agreement", "hereunder", "hereof", "herein" or words of like import shall mean and be a reference to

the Purchase Agreement as amended or otherwise modified hereby, and (ii) each reference to the Purchase Agreement in any other Transaction Document or any other document, instrument or agreement executed and/or delivered in connection therewith, shall mean and be a reference to the Purchase Agreement as amended or otherwise modified hereby.

(b) Except as specifically amended, terminated or otherwise modified above, the terms and conditions of the Purchase Agreement, of all other Transaction Documents and any other documents, instruments and agreements executed and/or delivered in connection therewith, shall remain in full force and effect and are hereby ratified and confirmed.

(c) The execution, delivery and effectiveness of this Amendment shall not operate as a waiver of any right, power or remedy of the Administrative Agent or any Purchaser under the Purchase Agreement or any other Transaction Document or any other document, instrument or agreement executed in connection therewith, nor constitute a waiver of any provision contained therein.

SECTION 5. Execution in Counterparts. This Amendment may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed and delivered shall be deemed to be an original and all of which taken together shall constitute but one and the same instrument. Delivery of an executed counterpart of a signature page to this Amendment by facsimile or other electronic format shall be effective as delivery of a manually executed counterpart of this Amendment.

SECTION 6. Governing Law. THIS AMENDMENT SHALL BE GOVERNED AND CONSTRUED IN ACCORDANCE WITH THE INTERNAL LAWS (INCLUDING, WITHOUT LIMITATION, SECTION 5-1401 OF THE GENERAL OBLIGATIONS LAW OF NEW YORK, BUT OTHERWISE WITHOUT REGARD TO THE LAW OF CONFLICTS) OF THE STATE OF NEW YORK, BUT GIVING EFFECT TO FEDERAL LAWS APPLICABLE TO NATIONAL BANKS.

SECTION 7. Headings. Section headings in this Amendment are included herein for convenience of reference only and shall not constitute a part of this Amendment for any other purpose.

SECTION 8. Fees and Expenses. Seller hereby confirms its agreement to pay on demand all reasonable costs and expenses of the Administrative Agent or Purchasers in connection with the preparation, execution and delivery of this Amendment and any of the other instruments, documents and agreements to be executed and/or delivered in connection herewith, including, without limitation, the reasonable fees and out-of-pocket expenses of counsel to the Administrative Agent or Purchasers with respect thereto.

[Remainder of Page Deliberately Left Blank]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed by their respective officers as of the date first above written.

CONSUMERS RECEIVABLES FUNDING II, LLC

By: /s/ Laura L. Mountcastle
Name: Laura L. Mountcastle
Title: President, Chief Executive Officer, Chief
Financial Officer and Treasurer

CONSUMERS ENERGY COMPANY, as Servicer

By: /s/ Laura L. Mountcastle
Name: Laura L. Mountcastle
Title: Vice President and Treasurer

Signature Page to Amendment No. 18

FALCON ASSET SECURITIZATION COMPANY LLC

By: JPMorgan Chase Bank, N.A., its attorney-in-fact

By: /s/ Patrick Menichillo

Name: Patrick Menichillo
Title: Vice President

JPMORGAN CHASE BANK, N.A., as a Financial
Institution and Administrative Agent

By: /s/ Patrick Menichillo

Name: Patrick Menichillo
Title: Vice President

Signature Page to Amendment No. 18

EXHIBIT IV

NAMES OF COLLECTION BANKS; COLLECTION ACCOUNTS; LOCK-BOXES

JP Morgan Chase Bank
717 Travis, TX2-S084
Houston, TX 77002
Contact: Nina Lacy
Phone: 713-216-2227
Collection Account: 1242263

Comerica Bank
500 Woodward Avenue, 9th Floor, MC3268
Detroit, MI 48226
Contact: Stacie McVeigh
Phone: 313-222-4515
Collection Account: 1076119914

Bank of America
540 W Madison St, Suite 1622
Chicago, IL 60661
Contact: Gabrielle Serrao
Phone: 800-699-7188 ext. 49452
Specified Accounts: 4825285820
Collection Account: 1054516142

Wachovia Bank
10401 Deerwood Park Blvd — FL0117
South Building, 3rd Floor
Jacksonville, FL 32256
Contact: Carol Grant
Phone: 800-590-7868 team 662 ext. 4
Collection Account: 2000032635920

Lock-Box Zip Code
Lansing, MI 48937-0001

Execution Copy

AMENDMENT NO. 3
TO
RECEIVABLES SALE AGREEMENT

THIS AMENDMENT NO. 3 TO RECEIVABLES SALE AGREEMENT (this "Amendment") dated as of September 3, 2009, is entered into among CONSUMERS RECEIVABLES FUNDING II, LLC ("Buyer") and CONSUMERS ENERGY COMPANY ("Originator"). Capitalized terms used herein without definition shall have the meanings ascribed thereto in the "Receivables Sale Agreement" referred to below.

PRELIMINARY STATEMENTS

A. Reference is made to that certain Receivables Sale Agreement dated as of May 22, 2003 between Buyer and Originator (as amended prior to the date hereof, as amended hereby and as the same may be further amended, restated, supplemented or modified from time to time, the "Receivables Sale Agreement").

B. The parties hereto have agreed to amend certain provisions of the Receivables Sale Agreement upon the terms and conditions set forth herein.

SECTION 1. Amendments. Subject to the satisfaction of the condition precedent set forth in Section 2 hereof, the parties hereto hereby agree to amend the Receivables Sale Agreement as follows:

(a) Exhibit 1 to the Receivables Sale Agreement is hereby amended to delete the definition "Receivable" and replace it with the following:

"Receivable" means all indebtedness and other obligations owed to Originator (at the time it arises, and before giving effect to any transfer or conveyance under the Agreement) or Buyer (after giving effect to the transfers under the Agreement) or in which Originator or Buyer has a security interest or other interest including, without limitation, any indebtedness, obligation or interest constituting an account, chattel paper, instrument or general intangible, arising in connection with the sale of goods, electricity or gas or the rendering of services by Originator, and which is identified on the books and records of the Originator (including its accounting system) with the account code "Account 1460000 Customer Receivables", and further includes, without limitation, the obligation to pay any Finance Charges with respect thereto. Indebtedness and other rights and obligations arising from any one transaction, including, without limitation, indebtedness and other rights and obligations represented by an individual invoice, shall constitute a Receivable separate from a Receivable consisting of the indebtedness and other rights and obligations arising from any other transaction; provided that any indebtedness, rights or obligations referred to in the immediately preceding sentence shall be a Receivable regardless of whether the account debtor or Originator treats such indebtedness, rights or obligations as a separate payment obligation. Notwithstanding the foregoing, "Receivable" does

not include (i) Transferred Securitization Property or (ii) the books and records relating solely to the Transferred Securitization Property; provided that the determination of what constitutes collections of the Securitization Charges in respect of Transferred Securitization Property shall be made in accordance with the allocation methodology specified in Annex 2 to the Servicing Agreement.

SECTION 2. Representations and Warranties. The Originator hereby represents and warrants to Buyer and its assigns that:

(a) this Amendment constitutes its legal, valid and binding obligation, enforceable against it in accordance with its terms; and

(b) on the date hereof, before and after giving effect to this Amendment, no Termination Event or Potential Termination Event has occurred and is continuing.

SECTION 3. Conditions Precedent. This Amendment shall become effective on the first Business Day (the "Effective Date") on which Buyer and the Administrative Agent or its counsel has received four (4) counterpart signature pages to this Amendment, executed by each of the parties hereto.

SECTION 4. Reference to and Effect on the Transaction Documents.

(a) Upon the effectiveness of this Amendment, (i) each reference in the Receivables Sale Agreement to "this Receivables Sale Agreement", "this Agreement", "hereunder", "hereof", "herein" or words of like import shall mean and be a reference to the Receivables Sale Agreement as amended or otherwise modified hereby, and (ii) each reference to the Receivables Sale Agreement in any other Transaction Document or any other document, instrument or agreement executed and/or delivered in connection therewith, shall mean and be a reference to the Receivables Sale Agreement as amended or otherwise modified hereby.

(b) Except as specifically amended, terminated or otherwise modified above, the terms and conditions of the Receivables Sale Agreement, of all other Transaction Documents and any other documents, instruments and agreements executed and/or delivered in connection therewith, shall remain in full force and effect and are hereby ratified and confirmed.

(c) The execution, delivery and effectiveness of this Amendment shall not operate as a waiver of any right, power or remedy of Buyer or its assigns under the Receivables Sale Agreement or any other Transaction Document or any other document, instrument or agreement executed in connection therewith, nor constitute a waiver of any provision contained therein. Buyer and its assigns hereby expressly reserve all of their rights with respect to the occurrence of other Termination Events, if any, whether previously existing or hereinafter arising or which exist at any time on or after the date first written above.

SECTION 5. Execution in Counterparts. This Amendment may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of

which when so executed and delivered shall be deemed to be an original and all of which taken together shall constitute but one and the same instrument. Delivery of an executed counterpart of a signature page to this Amendment by telecopier shall be effective as delivery of a manually executed counterpart of this Amendment.

SECTION 6. Governing Law. THIS AGREEMENT SHALL BE GOVERNED AND CONSTRUED IN ACCORDANCE WITH THE INTERNAL LAWS (INCLUDING, WITHOUT LIMITATION, SECTION 5-1401 OF THE GENERAL OBLIGATIONS LAW OF NEW YORK, BUT OTHERWISE WITHOUT REGARD TO THE LAW OF CONFLICTS) OF THE STATE OF NEW YORK, BUT GIVING EFFECT TO FEDERAL LAWS APPLICABLE TO NATIONAL BANKS.

SECTION 7. Headings. Section headings in this Amendment are included herein for convenience of reference only and shall not constitute a part of this Amendment for any other purpose.

[Remainder of Page Deliberately Left Blank]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed by their respective officers as of the date first above written.

CONSUMERS RECEIVABLES FUNDING II, LLC

By: /s/ Thomas J. Webb
Name: Thomas J. Webb
Title: Executive Vice President

CONSUMERS ENERGY COMPANY

By: /s/ Thomas J. Webb
Name: Thomas J. Webb
Title: Executive Vice President and CFO

Consented to by:

FALCON ASSET SECURITIZATION COMPANY LLC

By: JPMorgan Chase Bank, N.A., its attorney-in-fact

By: _____
Name: Patrick Menichillo
Title: Vice President

JPMORGAN CHASE BANK, N.A., as a Financial
Institution and Administrative Agent

By: _____
Name: Patrick Menichillo
Title: Vice President

Signature Page to Amendment No. 3 to RSA

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed by their respective officers as of the date first above written.

CONSUMERS RECEIVABLES FUNDING II, LLC

By: _____
Name: Thomas J. Webb
Title: Executive Vice President

CONSUMERS ENERGY COMPANY

By: _____
Name: Thomas J. Webb
Title: Executive Vice President and CFO

Consented to by:

FALCON ASSET SECURITIZATION COMPANY LLC

By: JPMorgan Chase Bank, N.A., its attorney-in-fact

By: /s/ Patrick Menichillo

Name: Patrick Menichillo
Title: Vice President

JPMORGAN CHASE BANK, N.A., as a Financial
Institution and Administrative Agent

By: /s/ Patrick Menichillo

Name: Patrick Menichillo
Title: Vice President

Signature Page to Amendment No. 3 to RSA

Execution Copy

AMENDMENT NO. 4
TO
RECEIVABLES SALE AGREEMENT

THIS AMENDMENT NO. 4 TO RECEIVABLES SALE AGREEMENT (this "Amendment") dated as of February 12, 2010, is entered into among CONSUMERS RECEIVABLES FUNDING II, LLC ("Buyer") and CONSUMERS ENERGY COMPANY ("Originator"). Capitalized terms used herein without definition shall have the meanings ascribed thereto in the "Receivables Sale Agreement" referred to below.

PRELIMINARY STATEMENTS

A. Reference is made to that certain Receivables Sale Agreement dated as of May 22, 2003 between Buyer and Originator (as amended prior to the date hereof, as amended hereby and as the same may be further amended, restated, supplemented or modified from time to time, the "Receivables Sale Agreement").

B. The parties hereto have agreed to amend certain provisions of the Receivables Sale Agreement upon the terms and conditions set forth herein.

SECTION 1. Amendments. Subject to the satisfaction of the condition precedent set forth in Section 2 hereof, the parties hereto hereby agree to amend the Receivables Sale Agreement as follows:

(a) Exhibit I to the Receivables Sale Agreement is hereby amended to delete the definition "Receivable" and replace it with the following:

"Receivable" means all indebtedness and other obligations owed to Originator (at the time it arises, and before giving effect to any transfer or conveyance under the Agreement) or Buyer (after giving effect to the transfers under the Agreement) or in which Originator or Buyer has a security interest or other interest including, without limitation, any indebtedness, obligation or interest constituting an account, chattel paper, instrument or general intangible, arising in connection with the sale of goods, electricity or gas or the rendering of services by Originator, and which is identified on the books and records of the Originator (including its accounting system) with the account code "Account 1460000 Customer Receivables" or "Account 1460201 - A/R Other" (or, in each case, any subsequent or replacement account code used to identify similar indebtedness or other similar obligations owed to Originator), and further includes, without limitation, the obligation to pay any Finance Charges with respect thereto. Indebtedness and other rights and obligations arising from any one transaction, including, without limitation, indebtedness and other rights and obligations represented by an individual invoice, shall constitute a Receivable separate from a Receivable consisting of the indebtedness and other rights and obligations arising from any other transaction; provided that any indebtedness, rights or obligations referred to in the immediately preceding sentence shall be a

Receivable regardless of whether the account debtor or Originator treats such indebtedness, rights or obligations as a separate payment obligation. Notwithstanding the foregoing, "Receivable" does not include (i) Transferred Securitization Property or (ii) the books and records relating solely to the Transferred Securitization Property; provided that the determination of what constitutes collections of the Securitization Charges in respect of Transferred Securitization Property shall be made in accordance with the allocation methodology specified in Annex 2 to the Servicing Agreement.

(b) Exhibit III to the Receivables Sale Agreement is hereby replaced in its entirety with the Exhibit III attached hereto.

SECTION 2. Representations and Warranties. The Originator hereby represents and warrants to Buyer and its assigns that:

(a) this Amendment constitutes its legal, valid and binding obligation, enforceable against it in accordance with its terms; and

(c) on the date hereof, before and after giving effect to this Amendment, no Termination Event or Potential Termination Event has occurred and is continuing.

SECTION 3. Conditions Precedent. This Amendment shall become effective on the first Business Day (the "Effective Date") on which Buyer and the Administrative Agent or its counsel has received four (4) counterpart signature pages to this Amendment, executed by each of the parties hereto.

SECTION 4. Reference to and Effect on the Transaction Documents.

(a) Upon the effectiveness of this Amendment, (i) each reference in the Receivables Sale Agreement to "this Receivables Sale Agreement", "this Agreement", "hereunder", "hereof", "herein" or words of like import shall mean and be a reference to the Receivables Sale Agreement as amended or otherwise modified hereby, and (ii) each reference to the Receivables Sale Agreement in any other Transaction Document or any other document, instrument or agreement executed and/or delivered in connection therewith, shall mean and be a reference to the Receivables Sale Agreement as amended or otherwise modified hereby.

(b) Except as specifically amended, terminated or otherwise modified above, the terms and conditions of the Receivables Sale Agreement, of all other Transaction Documents and any other documents, instruments and agreements executed and/or delivered in connection therewith, shall remain in full force and effect and are hereby ratified and confirmed.

(c) The execution, delivery and effectiveness of this Amendment shall not operate as a waiver of any right, power or remedy of Buyer or its assigns under the Receivables Sale Agreement or any other Transaction Document or any other document, instrument or agreement executed in connection therewith, nor constitute a waiver of any provision contained therein. Buyer and its assigns hereby expressly reserve all of their rights with respect to the occurrence of other Termination Events, if any, whether previously existing or hereinafter arising or which exist at any time on or after the date first written above.

SECTION 5. Execution in Counterparts. This Amendment may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed and delivered shall be deemed to be an original and all of which taken together shall constitute but one and the

same instrument. Delivery of an executed counterpart of a signature page to this Amendment by telecopier shall be effective as delivery of a manually executed counterpart of this Amendment.

SECTION 6. Governing Law. THIS AGREEMENT SHALL BE GOVERNED AND CONSTRUED IN ACCORDANCE WITH THE INTERNAL LAWS (INCLUDING, WITHOUT LIMITATION, SECTION 5-1401 OF THE GENERAL OBLIGATIONS LAW OF NEW YORK, BUT OTHERWISE WITHOUT REGARD TO THE LAW OF CONFLICTS) OF THE STATE OF NEW YORK, BUT GIVING EFFECT TO FEDERAL LAWS APPLICABLE TO NATIONAL BANKS.

SECTION 7. Headings. Section headings in this Amendment are included herein for convenience of reference only and shall not constitute a part of this Amendment for any other purpose.

[Remainder of Page Deliberately Left Blank]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed by their respective officers as of the date first above written.

CONSUMERS RECEIVABLES FUNDING II, LLC

By: /s/ Laura L. Mountcastle
Name: Laura L. Mountcastle
Title: President, Chief Executive Officer, Chief
Financial Officer and Treasurer

CONSUMERS ENERGY COMPANY

By: /s/ Laura L. Mountcastle
Name: Laura L. Mountcastle
Title: Vice President and Treasurer

Signature Page to Amendment No. 4 to RSA

Consented to by:

FALCON ASSET SECURITIZATION COMPANY LCC

By: JPMorgan Chase Bank, N.A., its attorney-in-fact

By: /s/ Patrick Menichillo

Name: Patrick Menichillo

Title: Vice President

JPMORGAN CHASE BANK, N.A., as a
Financial Institution and Administrative Agent

By: /s/ Patrick Menichillo

Name: Patrick Menichillo

Title: Vice President

Signature Page to Amendment No. 4 to RSA

EXHIBIT III

NAMES OF COLLECTION BANKS; COLLECTION ACCOUNTS; LOCK-BOXES

JP Morgan Chase Bank
717 Travis, TX2-S084
Houston, TX 77002
Contact: Nina Lacy
Phone: 713-216-2227
Collection Account: 1242263

Comerica Bank
500 Woodward Avenue, 9th Floor, MC3268
Detroit, MI 48226
Contact: Stacie McVeigh
Phone: 313-222-4515
Collection Account: 1076119914

Bank of America
540 W Madison St, Suite 1622
Chicago, IL 60661
Contact: Gabrielle Serrao
Phone: 800-699-7188 ext. 49452
Specified Accounts: 4825285820
Collection Account: 1054516142

Wachovia Bank
10401 Deerwood Park Blvd — FL0117
South Building, 3rd Floor
Jacksonville, FL 32256
Contact: Carol Grant
Phone: 800-590-7868 team 662 ext. 4
Collection Account: 2000032635920

Lock-Box Zip Code :
Lansing, MI 48937-0001

Ratio of Earnings to Fixed Charges and Combined Fixed Charges and Preferred Dividends
(Millions of Dollars)

	Year Ended December 31				
	2009	2008	2007 (b)	2006 (c)	2005 (d)
Earnings as defined(a)					
Pretax income from continuing operations	\$ 335	\$ 440	\$(317)	\$(434)	\$(773)
Exclude equity basis subsidiaries	2	(1)	(22)	(14)	(17)
Fixed charges as defined(e)	456	429	489	535	539
Earnings as defined(e)	<u>\$ 793</u>	<u>\$ 868</u>	<u>\$ 150</u>	<u>\$ 87</u>	<u>\$(251)</u>
Fixed charges as defined(a)					
Interest on long-term debt	\$ 383	\$ 371	\$ 415	\$ 492	\$ 514
Estimated interest portion of lease rental	17	25	23	8	6
Other interest charges	58	35	53	37	21
Fixed charges as defined(e)	\$ 458	\$ 431	\$ 491	\$ 537	\$ 541
Preferred dividends	17	17	12	11	10
Combined fixed charges and preferred dividends	<u>\$ 475</u>	<u>\$ 448</u>	<u>\$ 503</u>	<u>\$ 548</u>	<u>\$ 551</u>
Ratio of earnings to fixed charges	<u>1.73</u>	<u>2.01</u>	<u>—</u>	<u>—</u>	<u>—</u>
Ratio of earnings to combined fixed charges and preferred dividends	<u>1.67</u>	<u>1.94</u>	<u>—</u>	<u>—</u>	<u>—</u>

NOTES:

(a) Earnings and fixed charges as defined in instructions for Item 503 of Regulation S-K.

(b) For the year ended December 31, 2007, fixed charges exceeded earnings by \$341 million and combined fixed charges and preferred dividends exceeded earnings by \$353 million. Earnings as defined include \$204 million in asset impairment charges and a \$279 million charge for an electric sales contract termination.

(c) For the year ended December 31, 2006, fixed charges exceeded earnings by \$450 million and combined fixed charges and preferred dividends exceeded earnings by \$461 million. Earnings as defined include \$459 million of asset impairment charges.

(d) For the year ended December 31, 2005, fixed charges exceeded earnings by \$792 million and combined fixed charges and preferred dividends exceeded earnings by \$802 million. Earnings as defined include \$1.184 billion of asset impairment charges.

(e) Preferred dividends of a consolidated subsidiary are included in fixed charges, but excluded from earnings as defined because the amount was not deducted in arriving at pretax income from continuing operations.

CONSUMERS ENERGY COMPANY

**Ratio of Earnings to Fixed Charges and Combined Fixed Charges and Preferred Dividends
 (Millions of Dollars)**

	<u>Year Ended December 31</u>				<u>2005</u> (b)
	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	
Earnings as defined(a)					
Pretax income from continuing operations	\$ 456	\$ 562	\$ 437	\$ 167	\$(590)
Exclude equity basis subsidiaries	—	—	—	(1)	(1)
Fixed charges as defined	313	276	293	307	316
Earnings as defined	<u>\$ 769</u>	<u>\$ 838</u>	<u>\$ 730</u>	<u>\$ 473</u>	<u>\$(275)</u>
Fixed charges as defined(a)					
Interest on long-term debt	\$ 250	\$ 229	\$ 236	\$ 286	\$ 305
Estimated interest portion of lease rental	17	25	23	8	6
Other interest charges	46	22	34	13	5
Fixed charges as defined	\$ 313	\$ 276	\$ 293	\$ 307	\$ 316
Preferred dividends	3	3	3	3	3
Combined fixed charges and preferred dividends	<u>\$ 316</u>	<u>\$ 279</u>	<u>\$ 296</u>	<u>\$ 310</u>	<u>\$ 319</u>
Ratio of earnings to fixed charges	<u>2.46</u>	<u>3.04</u>	<u>2.49</u>	<u>1.54</u>	<u>—</u>
Ratio of earnings to combined fixed charges and preferred dividends	<u>2.43</u>	<u>3.00</u>	<u>2.47</u>	<u>1.53</u>	<u>—</u>

NOTES:

(a) Earnings and fixed charges as defined in instructions for Item 503 of Regulation S-K.

(b) For the year ended December 31, 2005, fixed charges exceeded earnings by \$591 million and combined fixed charges and preferred dividends exceeded earnings by \$594 million. Earnings as defined include \$1.184 billion of asset impairment charges.

For the purpose of this filing, information is organized under the headings of CMS Energy Corporation (Tier 1), CMS Capital, L.L.C. (Tier 2), CMS Enterprises Company (Tier 2), CMS Treasury Services, LLC (Tier 2), Consumers Energy Company (Tier 2) and Dearborn Industrial Energy, L.L.C. (Tier 2). As set forth in detail below, CMS Energy Corporation is the parent company of CMS Capital, L.L.C., CMS Enterprises Company, CMS Treasury Services, LLC, Consumers Energy Company and Dearborn Industrial Energy, L.L.C. All ownership interests are 100% unless indicated parenthetically to the contrary and are accurate as of December 31, 2009.

01 CMS Energy Corporation

Address:
One Energy Plaza
Jackson, Michigan 49201

CMS Energy Corporation is an integrated energy company, which has as its primary business operations an electric and natural gas utility, natural gas pipeline systems, and independent power generation.

The name, state of organization and nature of business of CMS Energy's direct subsidiaries are described below:

02 CMS Capital, L.L.C.

CMS Capital, L.L.C. is a Michigan limited liability company that holds ownership interests in CMS Land Company and EnerBank USA.

02 CMS Enterprises Company

CMS Enterprises Company is a Michigan corporation that, through various subsidiaries and affiliates, is engaged in diversified businesses in the United States and in select international markets.

02 CMS Treasury Services, LLC

CMS Treasury Services, LLC is a Michigan limited liability company formed to handle cash management functions and intercompany banking operations for CMS Energy Corporation and its subsidiaries and affiliates.

02 Consumers Energy Company

Consumers Energy Company is a Michigan corporation engaged in the generation, purchase, distribution and sale of electricity, and in the purchase, storage, distribution and sale of natural gas, in the lower peninsula of the State of Michigan.

02 Dearborn Industrial Energy, L.L.C.

Dearborn Industrial Energy, L.L.C. is a Michigan limited liability company that holds the ownership interest in Dearborn Industrial Generation, L.L.C.

The name, state of organization and nature of business of each subsidiary and their subsidiaries are described below:

02 CMS Capital, L.L.C.

Address:
One Energy Plaza
Jackson, Michigan 49201

CMS Capital, L.L.C. is a Michigan limited liability company that holds ownership interests in CMS Land Company and EnerBank USA.

03 CMS Land Company

CMS Land Company is a Michigan corporation formed to act as a repository for any unused real property formerly owned by Consumers Energy Company, and hold the same for possible non-utility development.

04 Beeland Group LLC

Beeland Group LLC is a Michigan limited liability company formed to acquire land and other property in order to provide a disposal well for the Bay Harbor properties.

04 Daviswell LLC

Daviswell LLC is a Michigan limited liability company formed primarily to acquire a disposal well.

03 EnerBank USA

EnerBank USA is a Utah corporation engaged in the business of an “industrial bank” to issue thrift certificates of deposit and thrift savings accounts for the payment of money, to issue capital notes or debentures, to receive payments with or without allowance for interest and to exercise all of the rights, privileges and powers of an industrial bank.

02 CMS Enterprises Company

Address:
One Energy Plaza
Jackson, Michigan 49201

CMS Enterprises Company is a Michigan corporation that, through various subsidiaries and affiliates, is engaged in diversified businesses in the United States and in select international markets.

03 CMS Energy Asia Private Limited

CMS Energy Asia Private Limited, a Singapore corporation, was involved in the development of electrical generation and distribution opportunities, gas transmission, storage and distribution opportunities, electrical and gas marketing opportunities and development opportunities in Asia and the Pacific Rim (In process of liquidation)

03 CMS Energy Resource Management Company

CMS Energy Resource Management Company is a Michigan corporation concentrating on the purchase and sale of energy commodities in support of CMS Energy's generating facilities.

04 CMS ERM Michigan LLC

CMS ERM Michigan LLC is a Michigan limited liability company formed for the sole purpose of taking an assignment of the Ford/Rouge Electricity Sales Agreements from Dearborn Industrial Generation, L.L.C. and to perform those contracts.

04 CMS Viron Corporation

CMS Viron Corporation is a Missouri corporation formed to provide services in the area of energy usage analysis and the engineering and implementation of energy conservation measures.

03 CMS Energy South America Company

CMS Energy South America Company is a Cayman Islands corporation formed to provide for consolidation of the development expenses and activity in Argentina and Brazil.

03 CMS Enterprises Development, L.L.C.

CMS Enterprises Development, L.L.C. is a Michigan limited liability company formed to invest in various projects.

03 CMS Gas Transmission Company

CMS Gas Transmission Company is a Michigan corporation organized to engage in the transmission, storage and processing of natural gas.

04 CMS Gas Argentina Company

CMS Gas Argentina Company is a Cayman Islands corporation formed to own an equity interest in Transportadora de Gas del Norte S.A., an Argentine corporation, which provides natural gas transmission services to the northern and central parts of Argentina.

04 CMS International Ventures, L.L.C. (37.01%) (See Exhibit A for list of subsidiaries)

CMS International Ventures, L.L.C. is a Michigan limited liability company, formed to own, manage and sell certain of CMS Energy's international investments.

04 Nitrotec Corporation (50%)

Nitrotec Corporation is a Delaware corporation formed to invest in plants that extract helium from natural gas.

03 CMS Generation Jegurupadu I Limited Duration Company (1%)

CMS Generation Jegurupadu I Limited Duration Company is a Cayman Islands company and formerly was one of the owners of the company which operates the GVK project, a 235-MW gas- and naphtha-fired independent power generating plant in Jegurupadu, Andhra Pradesh Province, India.

04 Jegurupadu O&M Company Mauritius (50%)

Jegurupadu O&M Company Mauritius, a Mauritius company, is inactive and in the process of liquidation.

03 CMS Generation Jegurupadu II Limited Duration Company (1%)

CMS Generation Jegurupadu II Limited Duration Company is a Cayman Islands company and formerly was one of the owners of the company which operates the GVK project, a 235-MW gas- and naphtha-fired independent power generating plant in Jegurupadu, Andhra Pradesh Province, India.

04 Jegurupadu O&M Company Mauritius (50%)

03 CMS Generation San Nicolas Company (0.1%)

CMS Generation San Nicolas Company is a Michigan corporation which holds interests in certain Argentine assets.

04 Inversora de San Nicolas, S.A. (0.1%)

05 Centrales Termicas San Nicolas, S.A. (88%)

03 CMS International Ventures, L.L.C. (61.49%) (See Exhibit A for list of subsidiaries)

03 HYDRA-CO Enterprises, Inc. (See Exhibit B for list of subsidiaries)

HYDRA-CO Enterprises, Inc. is a New York corporation involved in the management and operation of various power plants. The plants are fueled by coal, natural gas, waste wood and water.

02 CMS Treasury Services, LLC

Address:
One Energy Plaza
Jackson, Michigan 49201

CMS Treasury Services, LLC is a Michigan limited liability company formed to handle the cash management functions and intercompany banking operations for CMS Energy and certain of its subsidiaries and affiliates.

02 Consumers Energy Company

Address:
One Energy Plaza
Jackson, Michigan 49201

The consolidated operations of Consumers Energy Company (“Consumers”) account for the largest share of CMS Energy’s total assets and income and account for a substantial portion of its revenues. The name, state of organization and nature of business of Consumers’ subsidiaries are described below:

03 CMS Engineering Co.

CMS Engineering Co. is a Michigan corporation engaged in offering design, engineering, project management and related construction services to natural gas utilities, natural gas exploration and production companies, and other energy businesses.

03 Consumers Campus Holdings, LLC

Consumers Campus Holdings, LLC is a Michigan limited liability company formed for the purpose of being the lessee in the synthetic lease financing of the new Consumers Energy Company office building located in downtown Jackson, Michigan.

03 Consumers Funding LLC

Consumers Funding LLC is a Delaware limited liability company formed for the purpose of acting as issuer of securitization bonds and assignee of property transferred by Consumers.

03 Consumers Receivables Funding II, LLC

Consumers Receivables Funding II, LLC is a Delaware limited liability company that buys certain accounts receivable from Consumers Energy Company and sells them to a third party.

03 ES Services Company

ES Services Company is a Michigan corporation formed for the purpose of offering design, engineering, project management and related services primarily to electric utilities and generation facilities.

03 Maxey Flats Site IRP, L.L.C. (1.71%)

Maxey Flats Site IRP, L.L.C. is a Virginia limited liability company formed for the purpose of environmental remediation of a former low-level radioactive waste disposal site.

02 Dearborn Industrial Energy, L.L.C.

Address:
One Energy Plaza
Jackson, Michigan 49201

Dearborn Industrial Energy, L.L.C. is a Michigan limited liability company that holds the ownership interest in Dearborn Industrial Generation, L.L.C.

03 Dearborn Industrial Generation, L.L.C.

Dearborn Industrial Generation, L.L.C. is a Michigan limited liability company engaged in the operation of the Ford/Rouge Cogeneration Facility in Dearborn, Michigan.

EXHIBIT A

Subsidiaries of CMS International Ventures, L.L.C.

Address:
One Energy Plaza
Jackson, Michigan 49201

04 CMS Electric & Gas, L.L.C.

CMS Electric & Gas, L.L.C. is a Michigan limited liability company. CMS International Distribution LLC and CMS Electric and Gas Company merged in December 2002 to form CMS Electric & Gas, L.L.C.

05 CMS (Barbados), SRL

CMS (Barbados), SRL is a Barbados entity which was formed for the purpose of holding investments in Venezuela (In process of liquidation).

06 CMS Venezuela, S.A.

CMS Venezuela, S.A. is a Venezuelan corporation formed to operate Sistema Electrico Nueva Esparta C.A. (SENECA).

06 ENELMAR S.A.

ENELMAR S.A. is a Venezuelan corporation formed to hold CMS Electric & Gas, L.L.C.'s interests in the privatized electric system of the State of Nueva Esparta

05 CMS Empreendimentos Ltda (99.99%)

CMS Empreendimentos Ltda, a Brazilian corporation was established as CMS Electric & Gas, L.L.C.'s Rio office in Brazil and is in the process of liquidation.

04 CMS Generation Jegurupadu I Limited Duration Company (99%)

CMS Generation Jegurupadu I Limited Duration Company is a Cayman Islands company and formerly was one of the owners of the company which operates the GVK project, a 235-MW gas- and naphtha-fired independent power generating plant in Jegurupadu, Andhra Pradesh Province, India.

05 Jegurupadu O&M Company Mauritius (50%)

Jegurupadu O&M Company Mauritius, a Mauritius company, is inactive and in the process of liquidation.

04 CMS Generation Jegurupadu II Limited Duration Company (99%)

CMS Generation Jegurupadu II Limited Duration Company is a Cayman Islands company and formerly was one of the owners of the company which operates the GVK project, a 235-MW gas- and naphtha-fired independent power generating plant in Jegurupadu, Andhra Pradesh Province, India.

05 Jegurupadu O&M Company Mauritius (50%) (In process of liquidation)

04 Jegurupadu CMS Generation Company Ltd.

Jegurupadu CMS Generation Company Ltd. is a Mauritius company that is inactive and is in the process of liquidation.

EXHIBIT B

Subsidiaries of HYDRA-CO Enterprises, Inc.

Address:
One Energy Plaza
Jackson, Michigan 49201

04 CMS Exeter LLC

CMS Exeter LLC is a Michigan limited liability company formed to facilitate the restructuring of Oxford/CMS Development Limited Partnership and Exeter Energy Limited Partnership for state tax planning purposes.

05 Exeter Energy Limited Partnership (2% GP)

05 Oxford/CMS Development Limited Partnership (1% GP)

04 CMS Generation Filer City, Inc.

CMS Generation Filer City, Inc. is a Michigan corporation involved as a General Partner in the T.E.S. Filer City Station Limited Partnership, a Michigan limited partnership that is the owner of the 54 megawatt (net) woodchip- and coal-fired electric generating station in Filer City, Michigan.

05 T.E.S. Filer City Station Limited Partnership (50%)

04 CMS Generation Filer City Operating LLC

CMS Generation Filer City Operating LLC is a Michigan limited liability company formed to operate a coal and waste wood-fueled power plant near Filer City, Michigan owned by the T.E.S. Filer City Station Limited Partnership.

04 CMS Generation Genesee Company

CMS Generation Genesee Company is a Michigan corporation involved as a General Partner in the Genesee Power Station Limited Partnership, a Delaware limited partnership, which owns and operates a 35-megawatt (net) waste wood-fired electric generating facility located in Genesee County, Michigan.

05 Genesee Power Station Limited Partnership (1%)

04 CMS Generation Grayling Company

CMS Generation Grayling Company is a Michigan corporation involved as a General Partner in Grayling Generating Station Limited Partnership, a Michigan limited partnership, that owns a waste wood-fueled power plant in Grayling, Michigan. Grayling Generating Station Limited Partnership owns GGS Holdings Company, a Michigan corporation, which is a General Partner in AJD Forest Products Limited Partnership, a Michigan limited partnership, that operates a sawmill adjacent to the Grayling Generating Station and also supplies waste wood fuel to Grayling Generating Station. Grayling Generating Station Limited Partnership is a Limited Partner in AJD Forest Products Limited Partnership.

05 Grayling Generating Station Limited Partnership (1%)

06 AJD Forest Products Limited Partnership (49.5% LP)

06 GGS Holdings Company

A Michigan corporation that owns a General Partner interest in AJD Forest Products Limited Partnership, a Michigan limited partnership.

07 AJD Forest Products Limited Partnership (0.5% GP)

05 Grayling Partners Land Development, L.L.C. (1%)

A Michigan limited liability company formed to acquire land near the Grayling facility for potential development of an ash disposal site.

04 CMS Generation Grayling Holdings Company

CMS Generation Grayling Holdings Company is a Michigan corporation involved as a Limited Partner in Grayling Generating Station Limited Partnership, a Michigan limited partnership. Grayling Generating Station Limited Partnership owns GGS Holdings Company, a Michigan corporation that owns a General Partner interest in AJD Forest Products Limited Partnership, a Michigan limited partnership.

05 Grayling Generating Station Limited Partnership (49)%

06 AJD Forest Products Limited Partnership (49.5% LP)

06 GGS Holdings Company

07 AJD Forest Products Limited Partnership (0.5% GP)

05 Grayling Partners Land Development, L.L.C. (49)%

04 CMS Generation Holdings Company

CMS Generation Holdings Company is a Michigan corporation involved as a limited partner in various partnerships.

05 Genesee Power Station Limited Partnership (48.75%)

05 GPS Newco, L.L.C. (50%)

GPS Newco, L.L.C. is a Kansas limited liability company formed for the purpose of facilitation financing and /or restricting liabilities of CMS' equity invested in Genesee Power Station Limited Partnership.

06 Genesee Power Station Limited Partnership (0.25%)

04 CMS Generation Honey Lake Company

CMS Generation Honey Lake Company is a Michigan corporation with General Partnership and Limited Partnership interests in H L Power Company, a California limited partnership that uses waste wood and geothermal fluid to generate a 30-megawatt (net) electric generating station in Lassen County, California. It is also involved as General Partner in Honey Lake Energy I L.P., and Honey Lake Energy II, L.P., both Michigan limited partnerships formed to own limited partnership interests in H. L. Power Company.

05 Honey Lake Energy I L.P. (99%)

06 H L Power Company (18.65%)

05 Honey Lake Energy II, L.P. (99%)

06 H L Power Company (18.65%)

05 H L Power Company (0.5%)

04 CMS Generation Michigan Power L.L.C.

CMS Generation Michigan Power L.L.C. is a Michigan limited liability company formed to own generating units which are to be sited in Michigan for the purpose of generating power during peak demand periods.

04 CMS Generation Operating Company II, Inc.

CMS Generation Operating Company II, Inc. is a New York corporation formed to operate power plants, primarily in the United States.

04 CMS Generation Operating LLC

CMS Generation Operating LLC is a Michigan limited liability company involved in the operation of various power plants throughout the United States.

04 CMS Generation Recycling Company

CMS Generation Recycling Company is a Michigan corporation that has ownership interest in Mid-Michigan Recycling, L.C. Mid-Michigan Recycling, L.C. was created to be involved in supplying waste wood fuel for the Genesee Power Station Limited Partnership.

05 Mid-Michigan Recycling, L.C. (50%)

Mid-Michigan Recycling, L.C. is a Michigan limited liability company involved in supplying waste-wood fuel for the Genesee Power Station Limited Partnership.

04 CMS Prairie State LLC

CMS Prairie State LLC is a Michigan limited liability company formed to hold a membership interest in an entity which would hold an interest in the Prairie State mine-mouth coal generation project.

04 Craven County Wood Energy Limited Partnership (44.99%)

04 Dearborn Generation Operating, L.L.C.

Dearborn Generation Operating, L.L.C. is a Michigan limited liability company formed to operate the Ford/Rouge Project.

04 Exeter Energy Limited Partnership (50%)

04 HCE-Biopower, Inc.

HCE-Biopower, Inc. is a New York corporation formed to hold partnership interests in various power projects.

05 IPP Investment Partnership (51%)

06 Craven County Wood Energy Limited Partnership (0.01%)

04 Honey Lake I L.P. (1%)

05 H L Power Company (18.65%)

04 Honey Lake Energy II, L.P. (1%)

05 H L Power Company (18.65%)

04 IPP Investment Partnership (49%)

05 Craven County Wood Energy Limited Partnership (0.01%)

04 New Bern Energy Recovery, Inc.

New Bern Energy Recovery, Inc. is a Delaware corporation formed to participate as a General Partner in the Craven County Wood Energy limited partnership formed to construct, operate and own a wood-fired electric generating facility in Craven County, North Carolina.

05 Craven County Wood Energy Limited Partnership (5%)

04 Oxford/CMS Development Limited Partnership (99% LP)

05 Exeter Energy Limited Partnership (48% LP)

04 Sterling Wind LLC

Sterling Wind LLC is a Delaware limited liability company formed to own wind power projects in Connecticut.

Consent of Independent Registered Public Accounting Firm

We hereby consent to the incorporation by reference in the Registration Statement on Forms S-8 (No. 333-152800) and S-3 (Nos. 333-52560, 333-153353, 333-155293, 333-119255, and 333-119256) of CMS Energy Corporation of our report dated March 1, 2010 relating to the financial statements, financial statement schedules and the effectiveness of internal control over financial reporting, which appears in this Form 10-K.

/s/ PricewaterhouseCoopers LLP

Detroit, Michigan

March 1, 2010

Consent of Independent Registered Public Accounting Firm

We hereby consent to the incorporation by reference in the Registration Statement on Form S-3 (No. 333-153353-03) of Consumers Energy Company of our report dated March 1, 2010 relating to the financial statements, financial statement schedules and the effectiveness of internal control over financial reporting, which appears in this Form 10-K.

/s/ PricewaterhouseCoopers LLP

Detroit, Michigan

March 1, 2010

February 23, 2010

Mr. Thomas J. Webb
Mr. James E. Brunner
Ms. Catherine M. Reynolds
CMS Energy Corporation
One Energy Plaza
Jackson, MI 49201-2276

CMS Energy Corporation is required to file an Annual Report on Form 10-K for the year ended December 31, 2009 with the Securities and Exchange Commission within 60 days after the end of the year.

We hereby make, constitute and appoint each of you our true and lawful attorney for each of us and in each of our names, places and steads to sign and cause to be filed with the Securities and Exchange Commission said Annual Report with any necessary exhibits, and any amendments thereto that may be required.

Very truly yours,

/s/ K. Whipple
Kenneth Whipple

/s/ Philip R. Lochner, Jr.
Philip R. Lochner, Jr.

/s/ Merribel S. Ayres
Merribel S. Ayres

/s/ M. T. Monahan
Michael T. Monahan

/s/ Jon E. Barfield
Jon E. Barfield

/s/ Joseph F. Paquette Jr.
Joseph F. Paquette Jr.

/s/ Stephen E. Ewing
Stephen E. Ewing

/s/ Percy A. Pierre
Percy A. Pierre

/s/ Richard M. Gabrys
Richard M. Gabrys

/s/ K. L. Way
Kenneth L. Way

/s/ D. W. Joos
David W. Joos

/s/ John B. Yasinsky
John B. Yasinsky

February 23, 2010

Mr. Thomas J. Webb
Mr. James E. Brunner
Ms. Catherine M. Reynolds
Consumers Energy Company
One Energy Plaza
Jackson, MI 49201-2276

Consumers Energy Company is required to file an Annual Report on Form 10-K for the year ended December 31, 2009 with the Securities and Exchange Commission within 60 days after the end of the year.

We hereby make, constitute and appoint each of you our true and lawful attorney for each of us and in each of our names, places and steads to sign and cause to be filed with the Securities and Exchange Commission said Annual Report with any necessary exhibits, and any amendments thereto that may be required.

Very truly yours,

/s/ K. Whipple
Kenneth Whipple

/s/ Philip R. Lochner, Jr.
Philip R. Lochner, Jr.

/s/ Merribel S. Ayres
Merribel S. Ayres

/s/ M. T. Monahan
Michael T. Monahan

/s/ Jon E. Barfield
Jon E. Barfield

/s/ Joseph F. Paquette Jr.
Joseph F. Paquette Jr.

/s/ Stephen E. Ewing
Stephen E. Ewing

/s/ Percy A. Pierre
Percy A. Pierre

/s/ Richard M. Gabrys
Richard M. Gabrys

/s/ K. L. Way
Kenneth L. Way

/s/ D. W. Joos
David W. Joos

/s/ John B. Yasinsky
John B. Yasinsky

CERTIFICATION OF DAVID W. JOOS

I, David W. Joos, certify that:

1. I have reviewed this annual report on Form 10-K of CMS Energy Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)), and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: March 1, 2010

By: /s/ David W. Joos

David W. Joos
President and
Chief Executive Officer

CERTIFICATION OF THOMAS J. WEBB

I, Thomas J. Webb, certify that:

1. I have reviewed this annual report on Form 10-K of CMS Energy Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)), and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: March 1, 2010

By /s/ Thomas J. Webb

Thomas J. Webb
Executive Vice President and
Chief Financial Officer

CERTIFICATION OF DAVID W. JOOS

I, David W. Joos, certify that:

1. I have reviewed this annual report on Form 10-K of Consumers Energy Company;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)), and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: March 1, 2010

By: /s/ David W. Joos

David W. Joos
Chief Executive Officer

CERTIFICATION OF THOMAS J. WEBB

I, Thomas J. Webb, certify that:

1. I have reviewed this annual report on Form 10-K of Consumers Energy Company;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)), and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: March 1, 2010

By /s/ Thomas J. Webb

Thomas J. Webb
Executive Vice President and
Chief Financial Officer

**Certification of CEO and CFO Pursuant to
18 U.S.C. Section 1350,
as Adopted Pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002**

In connection with the Annual Report on Form 10-K of CMS Energy Corporation (the "Company") for the annual period ended December 31, 2009 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), David W. Joos, as President and Chief Executive Officer of the Company, and Thomas J. Webb, as Executive Vice President and Chief Financial Officer of the Company, each hereby certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of his knowledge:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ David W. Joos

Name: David W. Joos
Title: President and
Chief Executive Officer
Date: March 1, 2010

/s/ Thomas J. Webb

Name: Thomas J. Webb
Title: Executive Vice President and
Chief Financial Officer
Date: March 1, 2010

**Certification of CEO and CFO Pursuant to
18 U.S.C. Section 1350,
as Adopted Pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002**

In connection with the Annual Report on Form 10-K of Consumers Energy Company (the "Company") for the annual period ended December 31, 2009 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), David W. Joos, as Chief Executive Officer of the Company, and Thomas J. Webb, as Executive Vice President and Chief Financial Officer of the Company, each hereby certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of his knowledge:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ David W. Joos

Name: David W. Joos
Title: Chief Executive Officer
Date: March 1, 2010

/s/ Thomas J. Webb

Name: Thomas J. Webb
Title: Executive Vice President and
Chief Financial Officer
Date: March 1, 2010