

# Investing in Michigan's Energy Future

Energy efficiency, smart energy grids and renewable energy are important topics these days. Our employees are leading the way in Michigan and nationally in these exciting fields.

Our energy efficiency programs for homes and businesses began in July 2009. We have a smart meter pilot under way and plans to build wind farms and a new clean coal plant.

We plan to invest more than \$6 billion in Michigan over the next five years with our Growing Forward strategy.

As one of the state's largest investors, our substantial investments will create jobs, strengthen Michigan communities and help boost the state's economy.

As one of Michigan's largest landowners and taxpayers (\$195 million annually in local and state taxes), we are a significant part of the state's economy. Plus, our 8,000 employees and their families are woven into the fabric of communities across the state.



## Part of Your Local Community

From economic development to philanthropic grants, matching gifts and volunteering, Consumers Energy and its employees provide many types of support to Michigan communities.

**Economic Development:** Learn more about our Small Town and Rural Development strategies. [www.consumersenergy.com/econdev](http://www.consumersenergy.com/econdev)

**School Safety Programs:** Our elementary school programs — Hazard Hamlet and Respect the Flags — promote electric and natural gas safety. [www.consumersenergy.com/kids](http://www.consumersenergy.com/kids)

**Volunteer Leadership:** In 2008, the Consumers Energy Foundation awarded grants totaling more than \$201,000 to 401 organizations to recognize the volunteer efforts of 495 employees and retirees. [www.consumersenergy.com/foundation](http://www.consumersenergy.com/foundation)

**Foundation Grants:** Consumers Energy, its employees, retirees and philanthropic arm, the Consumers Energy Foundation, contributed \$2.8 million to Michigan nonprofit organizations in 2008.



## Assisting People in Your Community

**United Way:** The United Way was the largest single recipient of monetary contributions from Consumers Energy and its employees with \$1.7 million contributed to 58 local United Way organizations.

**211:** CMS Energy, the parent company of Consumers Energy, provided a \$300,000 grant to expand Michigan 211 in 2009. [www.uwmich.org/2-1-1](http://www.uwmich.org/2-1-1)

**PeopleCare:** In 2008, PeopleCare helped nearly 11,000 households across Michigan, providing food, shelter, clothing and other emergency aid. The company also is providing \$1.5 million in energy bill credits in 2009. [www.consumersenergy.com/peoplecare](http://www.consumersenergy.com/peoplecare)

**Senior Protection:** Customers who are 65 or older qualify for shut-off protection and payment plans regardless of income.

**Gatekeeper:** Employees refer older adults through the Michigan Gatekeeper Program for assistance with essential services. [www.michigan.gov/miseniors](http://www.michigan.gov/miseniors)

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**Consumers Energy**

# Investing in Michigan

## A Balanced Approach





**W**HEN YOU FLIP ON A LIGHT switch or turn up your thermostat, you expect the electricity and natural gas you need to be there.

Over the next five years we plan to invest more than \$6 billion in Michigan to help make sure you and other customers have the reliable and affordable energy that you need for your home and business.

These investments in Michigan communities will help strengthen the state's energy infrastructure, create jobs and protect our environment.

Michigan's energy, environmental and economic needs are linked. Our balanced approach — using energy efficiency, renewable energy and a new baseload clean coal plant — will continue to give Michigan reliable and affordable energy in the years to come while providing environmental and economic benefits.

### Reliable and Affordable Energy

We're working hard to keep your electric and natural gas rates affordable. Consumers Energy is among the nation's leaders when it comes to holding down its operations and maintenance costs while providing reliable service to customers.



Here are a few ways we control costs to help keep prices low:

- We buy natural gas during the summer when it generally costs less and store it in our underground fields to keep prices low during the winter heating season
- We're reducing power plant fuel costs by 41 percent in 2009 by increasing the use of lower-priced Western coal from Wyoming and Montana. Consumers Energy's residential electric prices have been less than the national average for five straight years

### Energy Efficiency Programs

We're helping homes and businesses save energy and save money using our energy efficiency programs. Saving energy also is good for the environment. For more information about these programs, please visit [www.consumersenergy.com/eeprograms](http://www.consumersenergy.com/eeprograms).



### Smart Meter Technology

Smart meters will be another important energy savings tool for customers. This technology will provide detailed information to help you make informed decisions about when and how you use energy.



In the next five years, we plan to replace our electric meters with "smart" meters at homes and businesses. Smart meters also will let us know when you have an electric outage, helping more quickly identify outage locations and restoration time. In addition, we will update our gas meters to help provide customers with information on their gas usage.

### New and Cleaner Generation

We plan to build a new, \$2 billion-plus clean coal plant that will be operational in 2017 at our existing Karn/Weadock generating complex. The new clean coal plant near Bay City will:

- Feature 80 percent to 90 percent reduction in sulfur dioxide, nitrogen oxides and mercury emissions and accommodate future carbon capture and sequestration technology
- Provide \$1.2 billion economic benefit (1,800 construction/100 permanent jobs) [www.consumersenergy.com/newgeneration](http://www.consumersenergy.com/newgeneration)

### Protecting the Environment

While Michigan's air is the cleanest it's been in the modern era, we are doing our part to further control air emissions.



- Investing \$1.5 billion in major clean air projects at Consumers Energy fossil-fueled generating plants: Campbell (West Olive/near Grand Haven), Cobb (Muskegon), Karn/Weadock (Bay City), and Whiting (Erie/near Monroe)
- Increasing the use of Western coal from Wyoming and Montana, which produces lower emissions
- The new clean coal plant in Bay City, plus renewables and energy efficiency, will help reduce the company's carbon footprint

### Renewable Energy

Consumers Energy already is the largest supplier of renewable energy in Michigan. About 4 percent of the power we supply to our customers comes from a variety of renewable sources in the state, including wind, hydroelectric, biomass, and anaerobic digesters (animal waste).



We plan to more than double that to 10 percent by 2015 to meet the state's new renewable energy standard.

### Careful Stewardship

Our continuing commitment to caring for Michigan's environment remains firm, from protecting precious flowers to building nesting platforms for bald eagles.



Our four fossil-fueled baseload generating facilities were designated as Clean Corporate Citizens in 2007 by the Michigan Department of Environmental Quality. The designation is one of the state's highest honors for volunteer programs that protect and enhance the environment. [www.consumersenergy.com/environment](http://www.consumersenergy.com/environment)

