

The logo for Consumers Energy, featuring the company name in blue bold text with a green swoosh underline.

**Consumers Energy**

*Count on Us*

# Balanced Energy

A decorative graphic consisting of a green horizontal bar with a blue triangle pointing upwards in the center.

I N I T I A T I V E

**May 2007**

# 21st Century Electric Energy Plan

- 20-year resource plan includes energy efficiency, renewables and utility-built generation
- Foundation for comprehensive legislative and regulatory changes
- Concludes Michigan faces electric supply shortfall
- Consumers Energy's Balanced Energy Initiative (BEI) is responsive to 21<sup>st</sup> Century Electric Energy Plan

MICHIGAN'S  
21ST CENTURY ELECTRIC ENERGY PLAN

SUBMITTED TO  
HONORABLE JENNIFER M. GRANHOLM  
GOVERNOR OF MICHIGAN

BY  
J. PETER LARK  
CHAIRMAN, MICHIGAN PUBLIC SERVICE COMMISSION

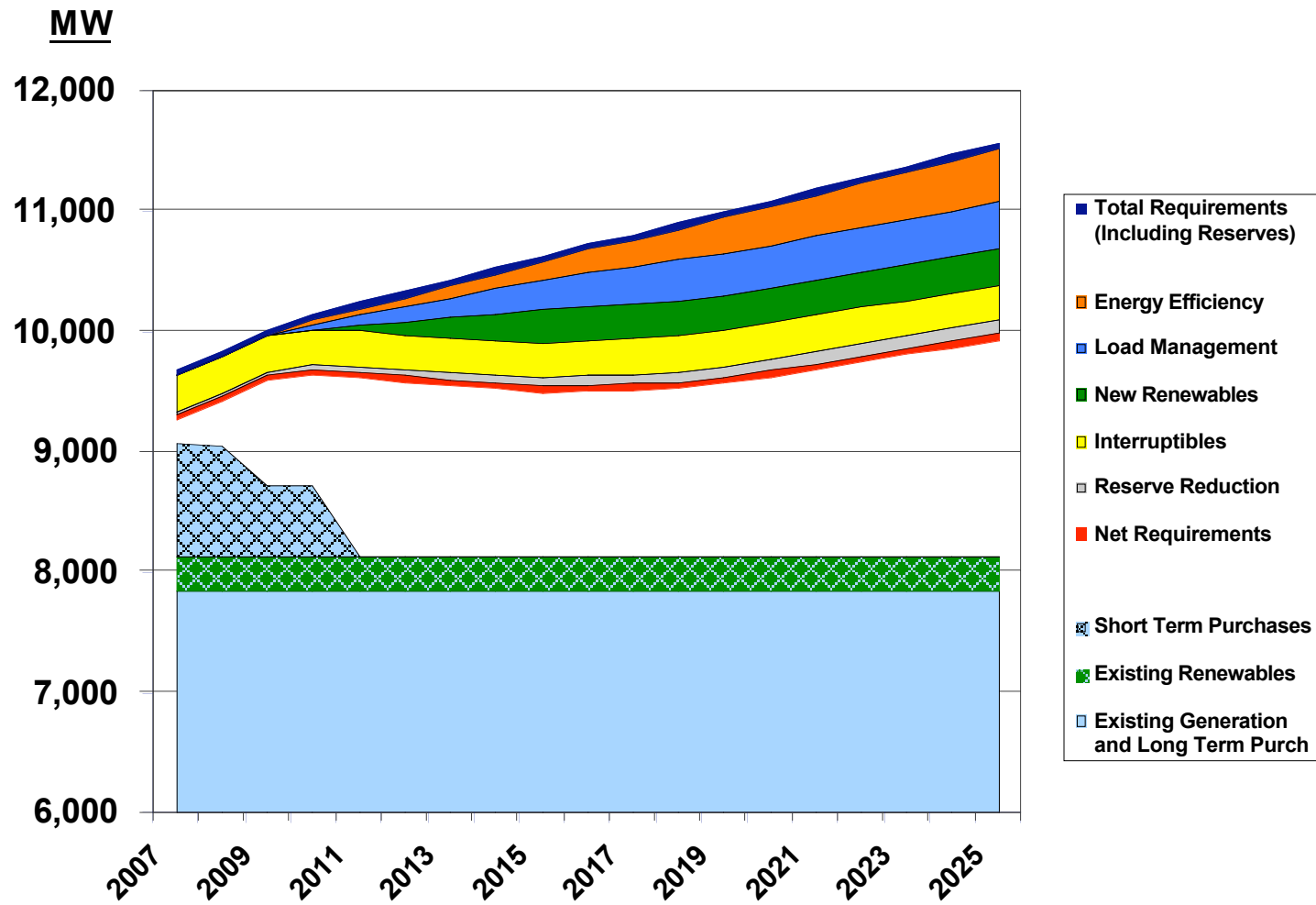
JANUARY 2007

# Consumers Energy Investment

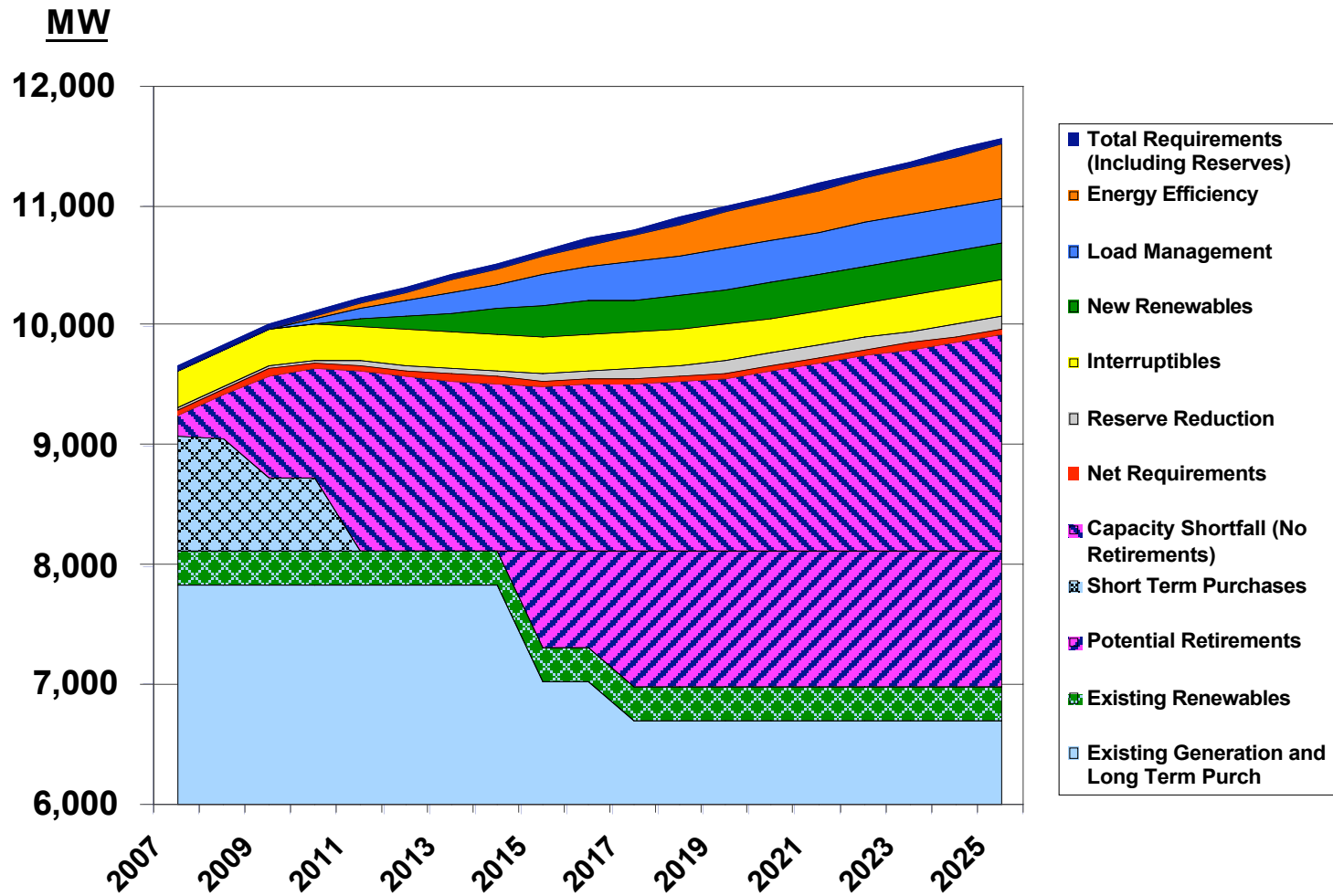
- Continued investment in Michigan
- Improve electric distribution reliability
- Meet environmental standards
- Invest in technology to:
  - Improve customer service
  - Actively manage electric demand
- Invest in needed new power plants in Michigan



# Capacity Shortfall



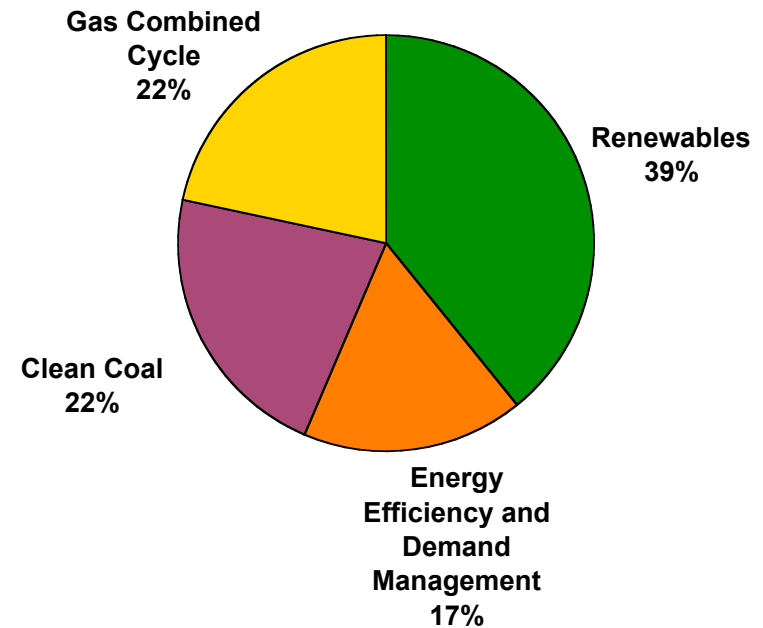
# Potential Shortfall With Retirements



# Balanced Energy Initiative

- Balanced resource portfolio
- Extensive analysis of alternatives to meet customer energy needs
- Advocates energy efficiency and demand management
- Proposes expansion of Green Generation
  - Assumes 10% Renewable Portfolio Standard by 2015
  - Wind availability 12.5% for peak capacity needs
- Plans for new generating plants
  - Plant retirements if economic
  - Natural gas-fired combined cycle and clean coal facilities
- Implementation requires legislative and regulatory changes

Capacity Additions\* 2007-2015



\* Supplemented with short-term purchases