

August 12, 2025


Ms. Lisa Felice  
Executive Secretary  
Michigan Public Service Commission  
7109 W. Saginaw Hwy, 3<sup>rd</sup> Floor  
Lansing, MI 48917

**RE: Case No. U-20889 – In the matter of the application of CONSUMERS ENERGY COMPANY for a Financing Order Approving the Securitization of Qualified Costs.**

Dear Ms. Felice:

Enclosed for electronic filing in the above-captioned case, please find Consumers Energy Company's revised Attachment A and C to the 2025 annual routine true-up adjustment to the current Karn 1 and 2 Securitization Charge. During Staff's audit of the Company's July 28, 2025 annual true up filing, the Company discovered that it used incorrect line loss percentages to calculate the new securitization charges. Revised Attachments A and C calculate the appropriate new securitization charges based on the corrected line loss percentages.

Sincerely,

 Digitally signed by  
Bret A. Totoraitis  
Date: 2025.08.12  
11:33:30 -04'00'

Bret A. Totoraitis  
Phone: 517-788-0835  
Email: [bret.totoraitis@cmsenergy.com](mailto:bret.totoraitis@cmsenergy.com)

| Line  | Description                              | Amount         | Source                          |
|---|--|----------------|---------------------------------|
| <b>Next Period Required Securitization Revenue</b>  |  |                |                                 |
| 1   | Principal Due                            | \$ 89,796,713  | Attachment B Page 2 Line 13     |
| 2   | Interest Due                             | 25,381,171     | Attachment B Page 2 Line 12     |
| 3   | Fees Due (Est)                           | 715,200        | Attachment B Page 2 Line 14     |
| 4   | Capital Subaccount Replenishment         | -              | Attachment B Page 2 Line 5      |
| 5   | Total                                    | \$ 115,893,083 |                                 |
| <b>True Up Period Actual Securitization Revenue</b> |  |                |                                 |
| 6   | Cash Collected                           | \$ 124,652,150 | Attachment B Page 1 Line 2      |
| <b>True Up Period Actual Securitization Costs</b>   |  |                |                                 |
| 7   | Principal Due                            | \$ 84,704,503  | Attachment B Page 1 Line 13     |
| 8   | Interest Due                             | 30,151,894     | Attachment B Page 1 Line 12     |
| 9   | Fees Due (Est)                           | 678,567        | Attachment B Page 1 Line 14     |
| 10  | Capital Subaccount Replenishment         | -              | Attachment B Page 1 Line 5      |
| 11  | Required General Subaccount Funding      | 5,346,597      | Footnote <sup>1</sup>           |
| 12  | Total                                    | \$ 120,881,561 |                                 |
| 13  | <b>Next Period Securitization Charge</b> | \$ 112,122,494 | Line 5 less Line 6 plus Line 12 |

**Footnotes:**

- <sup>1</sup> Cash balances are impacted by fluctuations in sales and scheduled payments. The amount on line 11 represents the cash adjustment necessary to maintain cash balances at a reasonable level at all times in the forecast period

| Line | Rate Class     | Allocation | Allocated<br>Securitization<br>Charge Amount | Sales          | Rate                  | Current<br>Securitization<br>Charge | Proposed<br>Securitization<br>Charge |
|------|----------------|------------|--|----------------|-----------------------|-------------------------------------|--------------------------------------|
|      | (a)            | (b)        | (c)  | (d)            | (e)                   | (f)                                 | (g)                                  |
| 1    | Residential    | 45.7%      | \$ 51,262,404                                | 12,659,147,000 | Rate RSP              | \$ 0.004556                         | \$ 0.004049                          |
| 2    |                |            |  |                | Rate RSH              | \$ 0.004556                         | \$ 0.004049                          |
| 3    |                |            |  |                | Rate RSM              | \$ 0.004556                         | \$ 0.004049                          |
| 4    |                |            |  |                | Rate RPM              | \$ 0.004556                         | \$ 0.004049                          |
| 5    | Secondary      | 23.1%      | \$ 25,844,235                                | 7,057,818,562  | Rate GS               | \$ 0.004103                         | \$ 0.003662                          |
| 6    |                |            |  |                | Rate GSTU             | \$ 0.004103                         | \$ 0.003662                          |
| 7    |                |            |  |                | Rate GSD              | \$ 0.004103                         | \$ 0.003662                          |
| 8    | Primary        | 2.1%       | \$ 2,388,209                                 |                | Rate GP               |                                     |                                      |
| 9    |                |            |  | 3,440,211      | CVL 1                 | \$ 0.004173                         | \$ 0.003522                          |
| 10   |                |            |  | 31,315,947     | CVL 2                 | \$ 0.004222                         | \$ 0.003564                          |
| 11   |                |            |  | 629,148,908    | CVL 3                 | \$ 0.004268                         | \$ 0.003599                          |
| 12   |                | 11.9%      | \$ 13,353,789.09                             |                | Rate GPTU             |                                     |                                      |
| 13   |                |            |  | 465,293,390    | CVL 1                 | \$ 0.004183                         | \$ 0.003375                          |
| 14   |                |            |  | 500,248,508    | CVL 2                 | \$ 0.004231                         | \$ 0.003415                          |
| 15   |                |            |  | 2,921,417,721  | CVL 3                 | \$ 0.004278                         | \$ 0.003449                          |
| 16   |                | 11.3%      | \$ 12,703,478.62                             |                | Rate GPD, GSG-2 & LED |                                     |                                      |
| 17   |                |            |  | 2,610,749,507  | CVL 1                 | \$ 0.002417                         | \$ 0.001795                          |
| 18   |                |            |  | 1,542,693,442  | CVL 2                 | \$ 0.002445                         | \$ 0.001817                          |
| 19   |                |            |  | 2,841,167,195  | CVL 3                 | \$ 0.002472                         | \$ 0.001835                          |
| 20   |                | 0.9%       | \$ 953,041.20                                |                | Rate EIP              |                                     |                                      |
| 21   |                |            |  | 340,039,182    | CVL 1                 | \$ 0.003266                         | \$ 0.002370                          |
| 22   |                |            |  | 54,410,014     | CVL 2                 | \$ 0.003304                         | \$ 0.002398                          |
| 23   |                |            |  | 6,886,734      | CVL 3                 | \$ 0.003340                         | \$ 0.002422                          |
| 24   |                | 4.7%       | \$ 5,303,394                                 | 2,762,357,000  | Rate LTILRR           | \$ 0.002274                         | \$ 0.001920                          |
| 25   | Lighting/Other | 0.3%       | \$ 313,943                                   | 203,873,384    | Rate GML              | \$ 0.001728                         | \$ 0.001540                          |
| 26   |                |            |  |                | Rate GUL              | \$ 0.001728                         | \$ 0.001540                          |
| 27   |                |            |  |                | Rate GU-LED           | \$ 0.001728                         | \$ 0.001540                          |
| 28   |                |            |  |                | Rate GU               | \$ 0.001728                         | \$ 0.001540                          |
| 29   |                |            |  |                | Rate PA               | NA                                  | NA                                   |
| 30   |                |            |  |                | Rate ROA-R            | NA                                  | NA                                   |
| 31   |                |            |  |                | Rate ROA-S            | NA                                  | NA                                   |
| 32   |                |            |  |                | Rate ROA-P            | NA                                  | NA                                   |
| 33   | Total          | 100.00%    | \$ 112,122,494                               | 34,630,006,705 |                       |                                     |                                      |

**KARN 1 AND 2 SECURITIZATION CHARGE**

The actual Karn 1 and 2 Securitization Charge is authorized pursuant to Rule C9.2, Karn 1 and 2 Securitization Charges, Initial Implementation and True-up Methodology. The Karn 1 and 2 Securitization Charge is billed to all full service customers, shown in the rate schedules identified below, based upon usage<sup>(1)</sup>. These charges shall be shown separately on the customer's bill.

The actual Karn 1 and 2 Securitization Charge applied to customers' bills are as follows:

| <b>Karn 1 and 2<br/>Securitization Charge<br/>(Case No. U-20889)<br/>Effective for the October <del>2025</del> 2024<br/>through September <del>2026</del> 2025</b> |   |
|--|---|
| <b><u>Rate Schedule</u></b>  | <b><u>Billing Month</u></b>                     |
| Rates RSP, RSH, RPM and RSM  | \$ <del>0.004049</del> <del>0.004556</del> /kWh |
| Rates GS, GSTU and GSD   | <del>0.003662</del> <del>0.004103</del> /kWh    |
| Rate GP  |   |
| CVL 1  | <del>0.003522</del> <del>0.004173</del> /kWh    |
| CVL 2  | <del>0.003564</del> <del>0.004222</del> /kWh    |
| CVL 3  | <del>0.003599</del> <del>0.004268</del> /kWh    |
| Rate GPTU  |   |
| CVL 1  | <del>0.003375</del> <del>0.004183</del> /kWh    |
| CVL 2  | <del>0.003415</del> <del>0.004231</del> /kWh    |
| CVL 3  | <del>0.003449</del> <del>0.004278</del> /kWh    |
| Rates GPD and GSG-2  |   |
| CVL 1  | <del>0.001795</del> <del>0.002417</del> /kWh    |
| CVL 2  | <del>0.001817</del> <del>0.002445</del> /kWh    |
| CVL 3  | <del>0.001835</del> <del>0.002472</del> /kWh    |
| Rate EIP   |   |
| CVL 1  | <del>0.002370</del> <del>0.003266</del> /kWh    |
| CVL 2  | <del>0.002398</del> <del>0.003304</del> /kWh    |
| CVL 3  | <del>0.002422</del> <del>0.003340</del> /kWh    |
| Rate LED   |   |
| CVL 1  | <del>0.001795</del> <del>0.002417</del> /kWh    |
| CVL 2  | <del>0.001817</del> <del>0.002445</del> /kWh    |
| CVL 3  | <del>0.001835</del> <del>0.002472</del> /kWh    |
| Rate LTILRR  | <del>0.001920</del> <del>0.002274</del> /kWh    |
| Rates GML, GUL and GU-LED  | <del>0.001540</del> <del>0.001728</del> /kWh    |
| Rate GU  | <del>0.001540</del> <del>0.001728</del> /kWh    |
| Rate PA  | NA  |
| Rate ROA-R <sup>(1)</sup>  | NA  |
| Rate ROA-S <sup>(1)</sup>  | NA  |
| Rate ROA-P <sup>(1)</sup>  | NA  |

<sup>(1)</sup> Customers taking ROA service on December 17, 2020 are excluded from the Karn 1 and 2 Securitization Charge. This exclusion does not apply to customers first taking ROA service after December 17, 2020 or to customers taking service on December 17, 2020 who discontinue taking ROA service any time after December 17, 2020. Customers who discontinue taking ROA service any time after December 17, 2020 and who return to ROA service will pay the Karn 1 and 2 Securitization Charge applicable to the customer's otherwise applicable Company Full Service Rate Schedule.

Issued XXXXXX XX, 2025 by  
Garrick J. Rochow,  
President and Chief Executive Officer,  
Jackson, Michigan

Effective for bills rendered on and after  
the Company's October 2025 Billing Month

Issued under authority of the  
Michigan Public Service Commission  
dated XXXXXX XX, 2025  
in Case No. U-20889