

ANNUAL REPORT

OF

CONSUMERS ENERGY COMPANY

TO THE

MICHIGAN PUBLIC SERVICE
COMMISSION

FOR THE YEAR ENDED

DECEMBER 31, 2006

INSTRUCTIONS FOR THE FILING OF THE ANNUAL REPORT OF
MAJOR AND NONMAJOR ELECTRIC UTILITIES

GENERAL INFORMATION

I. Purpose:

By authority conferred upon the Michigan Public Service Commission by 1909 PA 106, as amended, being MCL 460.556 et seq. and 1969 PA 306, as amended, being MCL 24.201 et seq., this form is a regulatory support requirement. It is designed to collect financial and operational information from public utilities, licensees and others subject to the jurisdiction of the Michigan Public Service Commission. This report is a nonconfidential public use form.

II. Who Must Submit:

Each major and nonmajor public utility, licensee, or other, as classified in the Commission's Uniform System of Accounts Prescribed for Public Utilities and Licensees must submit this form.

NOTE: Major utilities means utilities that had, in each of the last three consecutive years, sales or transmission service that exceeded any one or more of the following:

- (a) one million megawatt-hours of total sales;
- (b) 100 megawatt-hours of sales for resale;
- (c) 500 megawatt-hours of gross interchange out; or
- (d) 500 megawatt-hours of wheeling for others (deliveries plus losses)

III. What and Where to Submit:

(a) **Submit an original copy of this form to:**

Michigan Public Service Commission (Regulated Energy Division)
Financial Analysis and Customer Choice Section
6545 Mercantile Way
P.O. Box 30221
Lansing, MI 48909

Retain one copy of this report for your files. Also submit the electronic version of this record to Bill Stosik at the address below or to bmstosi@michigan.gov

- (b) Submit immediately upon publication, one (1) copy of the latest annual report to stockholders and any annual financial or statistical report regularly prepared and distributed to bondholders, security analyst, or industry association. Do not include monthly and quarterly reports. If reports to stockholders are not prepared, enter "NA" in column (c) on Page 4, the List of Schedules.) Mail these reports to:

Michigan Public Service Commission (Regulated Energy Division)
Financial Analysis and Customer Choice Section
6545 Mercantile Way
P.O. Box 30221
Lansing, MI 48909

- (c) For the CPA certification, submit with the original submission, or within 30 days after the filing date for this form, a letter or report:

- (i) Attesting to the conformity, in all material aspects, of the below listed (schedules and) pages with the Commission's applicable Uniform Systems of Accounts (including applicable notes relating thereto and the Chief Accountant's published accounting releases), and
- (ii) Signed by independent certified public accountants or an independent licensed public accountant, certified or licensed by a regulatory authority or a state or other political subdivision of the U.S. (See 18 CFR 41.10-41.12 for specific qualifications).

<u>Schedules</u>	<u>Reference Page</u>
Comparative Balance Sheet	110 - 113
Statement of Income	114 - 117
Statement of Retained Earnings	118 - 119
Statement of Cash Flows	120 - 121
Notes to Financial Statements	122 - 123

When accompanying this form, insert the letter or report immediately following the cover sheet. Use the following form for the letter or report unless unusual circumstances or conditions, explained in the letter or report, demand that it be varied. Insert parenthetical phrases only when exceptions are reported.

In connection with our regular examination of the financial statements of _____ for the year ended on which we have reported separately under the date of _____ we have also reviewed schedules _____ of Form P-521 for the year filed with the Michigan Public Service Commission as set forth in its applicable Uniform System of Accounts and published accounting releases. Our review for this purpose included such tests of accounting records and such other auditing procedures as we considered necessary in the circumstances.

Based on our review, in our opinion the accompanying schedules identified in the preceding paragraph (except as noted below) conform in all material respects with the accounting requirements of the Michigan Public Service Commission as set forth in its applicable Uniform System of Accounts and published accounting releases.

State in the letter or report which, if any, of the pages above do not conform to the Commission's requirements. Describe the discrepancies that exist.

- (d) Federal, state, and local governments and other authorized user may obtain additional blank copies to meet their requirements for a charge from:

Michigan Public Service Commission (Regulated Energy Division)
 Financial Analysis and Customer Choice Section
 6545 Mercantile Way
 P.O. Box 30221
 Lansing, MI 48909

IV. When to Submit

Submit this report form on or before April 30 of the year following the year covered by this report.

GENERAL INSTRUCTIONS

- I. Prepare this report in conformity with the Uniform System of Accounts (USOA). Interpret all accounting words and phrases in accordance with the USOA.
- II. Enter in whole number (dollars or MWH) only, except where otherwise noted. (Enter cents for averages and figures per unit where cents are important. The truncating of cents is allowed except on the four basic financial statements where rounding is required). The amounts shown on all supporting pages must agree with the amounts entered on the statements that they support. When applying thresholds to determine significance for reporting purposes, use for balance sheet accounts the balances

at the end of the current reporting year, and use for statement of income accounts the current year's accounts.

- III. Complete each question fully and accurately, even if it has been answered in a previous annual report. Enter the word "NONE" where it truly and completely states the fact.
- IV. For any page(s) that is not applicable to respondent, either
 - (a) Enter the words "NOT APPLICABLE" on the particular page(s), OR
 - (b) Omit the page(s) and enter "NA", "NONE", or "NOT APPLICABLE" in column (c) on the List of Schedules, pages 2, 3, 4 and 5.
- V. Complete this report by means which result in a permanent record. Complete the original copy in permanent black ink or typewriter print, if practical. Additional copies must be clear and readable.
- VI. Enter the month, day, and year for all dates. Use customary abbreviations. The "Date of Report" included in the header of each page is to be completed only for resubmissions (See VIII. below). The date of the resubmission must be reported in the header for all form pages, whether or not they are changed from the previous filing.
- VII. Indicate negative amounts (such as decreases) by enclosing the figures in parentheses ().
- VIII. When making revisions, resubmit only those pages that have been changed from the original submission. Submit the same number of copies as required for filing the form. Include with the resubmission the identification and Attestation page, page 1. Mail dated resubmissions to:

Michigan Public Service Commission (Regulated Energy Division)
Financial Analysis and Customer Choice Section
6545 Mercantile Way
P.O. Box 30221
Lansing, MI 48909
- IX. Provide a supplemental statement further explaining accounts or pages as necessary. Attach the supplemental statement (8 1/2 x 11 inch size) to the page being supplemented. Provide the appropriate identification information, including the title(s) of the page and page number supplemented.
- X. Do not make references to reports of previous years or to other reports in lieu of required entries, except as specifically authorized.
- XI. Wherever (schedule) pages refer to figures from a previous year, the figures reported must be based upon those shown by the annual report of the previous year, or an appropriate explanation given as to why the different figures were used.
- XII. Respondents may submit computer printed schedules (reduced to 8 1/2 x 11 inch size) instead of the preprinted schedules if they are in substantially the same format.
- XIII. A copy of the FERC Annual Report Form is acceptable to substitute for the same schedules of this report.

DEFINITIONS

- I. Commission Authorization (Comm. Auth.) - The authorization of the Michigan Public Service Commission, or any other Commission. Name the Commission whose authorization was obtained and give the date of the authorization.
- II. Respondent - The person, corporation, licensee, agency, authority, or other legal entity or instrumentality in whose behalf the report is made.

Name of Respondent Consumers Energy Company	This Report Is: (1) [X] An Original (2) [] A Resubmission	Date of Report (Mo, Da, Yr) 4/23/2007	Year of Report December 31, 2006
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LIST OF SCHEDULES (Electric Utility)

1. Enter in column (c) the terms "none", "not applicable", or "NA", as appropriate, where no information or amounts have been reported for certain pages. Omit pages where the responses are "none", "not applicable", or "NA".

2. The "M" prefix below denotes those pages where the information requested by the MPSC differs from that requested by FERC. Each of these pages also contains the "M" designation on the page itself.

Title of Schedule (a)	Reference Page No. (b)	Remarks (c)
GENERAL CORPORATE INFORMATION AND FINANCIAL STATEMENTS		
General Information	101	
Control Over Respondent & Other Associated Companies	M 102	
Corporations Controlled by Respondent	103	
Officers and Employees	M 104	
Directors	M 105	
Security Holders and Voting Powers	M 106-107	
Important Changes During the Year	108-109	
Comparative Balance Sheet	M 110-113	
Statement of Income for the Year	114-117	
Statement of Retained Earnings for the Year	118-119	
Statement of Cash Flows	120-121	
Notes to Financial Statements	122-123	
BALANCE SHEET SUPPORTING SCHEDULES (Assets and Other Debits)		
Summary of Utility Plant and Accumulated Provisions for Depreciation, Amortization, and Depletion	200-201	
Nuclear Fuel Materials	202-203	
Electric Plant in Service	M 204-211	
Electric Plant Leased to Others	213	NONE
Electric Plant Held for Future Use	214	
Construction Work in Progress - Electric	M 216	
Construction Overheads - Electric	217	
General Description of Construction Overhead Procedure	M 218	
Accumulated Provision for Depreciation of Electric Utility Plant	M 219	
Nonutility Property	M 221	
Investment in Subsidiary Companies	224-225	
Materials and Supply	227	
Allowances	228-229	
Extraordinary Property Losses	230B	
Unrecovered Plant and Regulatory Study Costs	230B	
Other Regulatory Assets	M 232	
Miscellaneous Deferred Debits	M 233	
Accumulated Deferred Income Taxes (Account 190)	M 234A-B	
BALANCE SHEET SUPPORTING SCHEDULES (Liabilities and Credits)		
Capital Stock	250-251	
Capital Stock Subscribed, Capital Stock Liability for Conversion Premium on Capital Stock, and Installments Received on Capital Stock	252	

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 4/23/2007	Year of Report December 31, 2006
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LIST OF SCHEDULES (Electric Utility) (Continued)

Title of Schedule (a)	Reference Page No. (b)	Remarks (c)
BALANCE SHEET SUPPORTING SCHEDULES (Liabilities and Other Credits) (Continued)		
Other Paid-In Capital	253	
Discount on Capital Stock	254	
Capital Stock Expense	254	
Long-Term Debt	256-257	
Reconciliation of Reported Net Income with Taxable Income for Federal Income Tax	M 261A-B	
Calculation of Federal Income Tax		
Taxes Accrued, Prepaid and Charged During Year	M 262-263	
Distribution of Taxes Charged	M 262-263	
Accumulated Deferred Income Taxes - Accelerated Amortization Property	M 272-273	NONE
Accumulated Deferred Income Taxes - Other Property	M 274-275	
Accumulated Deferred Income Taxes - Other	M 276A-B	
Other Regulatory Liabilities	M 278	
INCOME ACCOUNT SUPPORTING SCHEDULES		
Electric Operating Revenues	M 300-301	
Sales of Electricity by Rate Schedules	304	
Sales for Resale	310-311	
Electric Operation and Maintenance Expenses	320-323	
Number of Electric Department Employees	323	
Purchased Power	326-327	
Transmission of Electricity for Others	328-330	NONE
Transmission of Electricity by Others	332	
Miscellaneous General Expenses - Electric	M 335	
Depreciation and Amortization of Electric Plant	M 336-337	
Particulars Concerning Certain Income Deduction and Interest Charges Accounts	340	
COMMON SECTION		
Regulatory Commission Expenses	350-351	
Research, Development and Demonstration Activities	352-353	NONE
Distribution of Salaries and Wages	354-355	
Common Utility Plant and Expenses	356	
ELECTRIC PLANT STATISTICAL DATA		
Monthly Transmission System Peak Load	M 400	NONE
Electric Energy Account	401	
Monthly Peaks and Output	401	
Steam-Electric Generating Plant Statistics (Large Plants)	402-403	
Hydroelectric Generating Plant Statistics (Large Plants)	406-407	
Pumped Storage Generating Plant Statistics (Large Plants)	408-409	
Generating Plant Statistics (Small Plants)	410-411	

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year of Report
Consumers Energy Company	(1) [X] An Original (2) [] A Resubmission	4/23/2007	December 31, 2006
LIST OF SCHEDULES (Electric Utility) (Continued)			
Title of Schedule (a)	Reference Page No. (b)	Remarks (c)	
ELECTRIC PLANT STATISTICAL DATA (Continued)			
Transmission Line Statistics	422-423	NONE	
Transmission Lines Added During Year	424-425	NONE	
Substations	426-427		
Electric Distribution Meters and Line Transformers	429		
Environmental Protection Facilities	430		
Environmental Protection Expenses	431		
Footnote Data	450		
Stockholders' Report	---		
MPSC SCHEDULES			
Reconciliation of Deferred Income Tax Expense	117A-B		
Operating Loss Carry Forward	117C		
Plant Acquisition Adjustments and Accumulated Provision for Amortization of Plant Acquisition Adjustments	215		
Construction Work In Progress and Completed Construction Not Classified - Electric	216		
Accumulated Provision for Depreciation and Amortization of Nonutility Property	221		
Investments	222-223		
Notes & Accounts Receivable Summary for Balance Sheet	226A		
Accumulated Provision for Uncollectible Accounts - Credit	226A		
Receivables From Associated Companies	226B		
Production Fuel and Oil Stocks	227A-B		
Miscellaneous Current and Accrued Assets	230A		
Preliminary Survey and Investigation Charges	231A-B	NONE	
Deferred Losses fro Disposition of Utility Plant	235A-B	NONE	
Unamortized Loss and Gain on Reacquired Debt	237A-B		
Securities Issued or Assumed and Securities Refunded or Retired During the Year	255		
Notes Payable	260A	NONE	
Payables to Associated Companies	260B		
Investment Tax Credits Generated and Utilized	264-265		
Miscellaneous Current and Accrued Liabilities	268		
Customer Advances for Construction	268		
Deferred Gains from Disposition of Utility Plant	270A-B	NONE	
Accumulated Deferred Income Taxes - Temporary	277	NONE	
Gain or Loss on Disposition of Property	280A-B		
Income from Utility Plant Leased to Others	281	NONE	
Particulars Concerning Certain Other Income Accounts	282		
Electric Operation and Maintenance Expenses (Nonmajor)	320N-324N	NOT APPLICABLE	
Number of Electric Department Employees	234N	NOT APPLICABLE	
Sales to Railroads & Railways and Interdepartmental Sales	331A		
Rent From Electric Property & Interdepartmental Rents	331A		
Sales of Water and Water Power	331B		
Misc. Service Revenues & Other Electric Revenues	331B		
Lease Rentals Charged	333A-D		
Expenditures for Certain Civic, Political and Related Activities	341		

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LIST OF SCHEDULES (Electric Utility) (Continued)

Title of Schedule (a)	Reference Page No. (b)	Remarks (c)
MPSC SCHEDULES (Continued)		
Extraordinary Items	342	NONE
Charges for Outside Professional and Other Consultative Services	357	
Summary of Costs Billed to Associated Companies	358-359	
Summary of Costs Billed from Associated Companies	360-361	
Monthly Transmission System Peak Load	400	
Changes Made or Scheduled to be Made in Generating Plant Capacities	412	NONE
Steam-Electric Generating Plants	413A-B	
Hydroelectric Generating Plants	414-415	
Pumped Storage Generating Plants	416-418	
Internal Combustion Engine and Gas Turbine Generating Plants	420-421	

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GENERAL INFORMATION

1. Provide name and title of officer having custody of the general corporate books of account and address of office where the general corporate books are kept, and address of office where any other corporate books of account are kept, if different from that where the general corporate books are kept.

Thomas J. Webb, Executive Vice President and Chief Financial Officer

One Energy Plaza

Jackson, MI 49201

2. Provide the name of the State under the laws of which respondent is incorporated, and date of incorporation. If incorporated under a special law, give reference to such law. If not incorporated, state that fact and give the type of organization and date organized.

Incorporated in Michigan, January 22, 1968

3. If at any time during the year the property of respondent was held by a receiver or trustee, give (a) name of receiver or trustee, (b) date such receiver or trustee took possession, (c) the authority by which the receivership or trusteeship was created, and (d) date when possession by receiver or trustee ceased.

None

4. State the classes of utility and other services furnished by respondent during the year in each State in which respondent operated.

Electric

Gas

All within the State of Michigan

5. Have you engaged as the principal accountant to audit your financial statements an accountant who is not the principal accountant for your previous year's certified financial statements?

(1) Yes...Enter date when such independent accountant was initially engaged: _____.
(2) No

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CONTROL OVER RESPONDENT & OTHER ASSOCIATED COMPANIES

1. If any corporation, business trust, or similar organization or combination of such organizations jointly held control over the respondent at end of year, state name of controlling corporation or organization, manner in which control was held, and extent of control. If control was in a holding company organization, show the chain of ownership or control to the main parent company or organization. If control was held by a trustee(s), state name of trustee(s), name of beneficiary or beneficiaries for whom trust was maintained, and purpose of the trust.
2. List any entities which respondent did not control either directly or indirectly and which did not control respondent but which were associated companies at any time during the year.

CMS Energy Corporation owns 100% of Consumers Energy Company's outstanding common stock.

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CORPORATIONS CONTROLLED BY RESPONDENT

1. Report below the names of all corporations, business trusts, and similar organizations, controlled directly or indirectly by respondent at any time during the year. If control ceased prior to end of year, give particulars (details) in a footnote.
2. If control was by other means than a direct holding of voting rights, state in a footnote the manner in which control was held, naming any intermediaries involved.
3. If control was held jointly with one or more other interests, state the fact in a footnote and name the other interests.

DEFINITIONS

1. See the Uniform of Accounts for a definition of control.
2. Direct control is that which is exercised without interposition of an intermediary.
3. Indirect control is that which is exercised by the interposition of an intermediary which exercises direct control.
4. Joint control is that in which neither interest can effectively control or direct action without the consent of the other, as where the voting control is equally divided between two holders, or each party holds a veto power over the other. Joint control may exist by mutual agreement or understanding between two or more parties who together have control within the meaning of the definition of control in the Uniform System of Accounts, regardless of the relative voting rights of each party.

Line	Name of Company Controlled (a)	Kind of Business (b)	Percent Voting Stock (c)	Footnote Ref. (d)
1	CMS Energy Corporation	Holding company for energy	NA	(A)(B)
2		related businesses		
3	CMS Land Company	Purchase & develop property	NA	
4	Bay Harbor Properties, LLC	Inactive		
5	Consumers Energy Company	Energy related utility	NA	
6	Consumers Power Company Financing I	Financing-prefd securities	100%	
7	Consumers Energy Company Financing II	Financing-prefd securities	100%	
8	Consumers Energy Company Financing III	Financing-prefd securities	100%	
9	Consumers Energy Company Financing IV	Financing-prefd securities	100%	
10	Consumers Energy Company Financing V	Financing-prefd securities	100%	
11	Consumers Energy Company VI	Financing-prefd securities	100%	
12	CMS Engineering Co	Project engineering mgmt	100%	
13	CMS Midland, Inc	Sold 11/21/06		
14	CMS Midland Holdings Company	Sold 11/21/06		
15	Consumers Campus Holdings LLC	Lessee in financing of the	100%	
16		CECo office building		
17	Consumers Funding, LLC	Assignee of property transfer	100%	
18		and issuer of securitization		
19		bonds		
20	Consumers Nuclear Services LLC	To hold 20% member interest	100%	
21		in Nuclear Mgmt LLC		
22	Consumers Receivables Funding LLC	Dissolved 10/24/06		
23	Consumers Receivables Funding LLC II	To buy certain account	NA	
24		receivables from Consumers		
25		and sell to a third party		
26	Consumers Saginaw Investments L.L.C			
27	ES Services Company	Energy related services	100%	

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CORPORATIONS CONTROLLED BY RESPONDENT (cont'd)

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Line	Name of Company Controlled (a)	Kind of Business (b)	Percent Voting Stock (c)	Footnote Ref. (d)
1	MEC Development Corp	Held bonds issued in connec-	100%	
2		tion with MCV Partnership		
3	CMS Capital LLC	Financial Services	NA	
4	CMS Enterprises Company	Energy-related projects	NA	(A)(B)
5		world-wide		
6	CMS Comercializadora de Energia SA	Gas & electric marketing	NA	(B)(C)
7	(COMESA) (99% Owner)	operation in Argentina		
8	CMS Distributed Power, LLC	Aggregating generation	NA	(C)
9	CMS Energy Asia Private Limited		NA	(C)
10	CMS Energy Resource Management Co	Provide marketing and risk/	NA	(C)
11		energy management services		
12	CMS ERM Michigan LLC			
13	CMS Viron Corporation			
14	CMS Energy South America Company		NA	(C)
15	CMS Enterprises Development Co S.A.	Dissolved 9/12/06		
16	CMS Energy UK Limited	Energy related projects in	NA	(C)
17		Europe, Africa, Middle East		
18	CMS Enterprises Development, LLC		NA	(C)
19	CMS Enterprises Holdings Company, SA	Dissolved 9/14/06		
20	Dearborn Industrial Energy, L.L.C.			
21	Dearborn Industrial Generation, L.L.C.			
22	CMS Generation Co	Development engineering,	NA	(B)(C)
23		management & operations for		
24		independent power plants		
25	CMS Centrales Termicas S.A.			
26	CMS Enterprises International LLC			
27	CMS Enterprises Investment Company I			
28	CMS Exeter LLC			

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Line	Name of Company Controlled (a)	Kind of Business (b)	Percent Voting Stock (c)	Footnote Ref. (d)
1	CMSThe Generation Filer City, Inc			
2	CMS Generation Genesee Company			
3	CMS Generation Grayling Company			
4	CMS Generation Grayling Holdings Co			
5	CMS Generation Holdings Company			
6	CMS Generation Honey Lake Co			
7	Honey Lake Energy I L.P.			
8	Honey Lake Energy II L.P.			
9	CMS Generation Investment Company VI			
10	CMS Takoradi Investment Company			
11	CMS Generation Investment Co VII			
12	CMS Generation Taweelah Limited			
13	CMS Jubail Investment Company I			
14	CMS Generation Michigan Power LLC			
15	CMS Generation Operating LLC			
16	CMS Generation Recycling Company			
17	CMS International Operating Company			
18	CMS (India) Operations and Maint. Co			
19	Jorf Lasfar Operations Handelsbolag(99%)			
20	CMS Praire State LLC			
21	CMS Rio Grande do Sul Ltda	Inactive		
22	Dearborn Generation Operating, LLC			
23	Exeter Energy Limited Partnership			
24	Hydra-Co Enterprises, Inc			
25	Idaho Wind Generation Company, LLC			
26	MCV2 Development Co Partnership	Sold 11/21/06		
27	Midland Cogeneration Venture Exp LLC			

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DEFINITIONS

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Line	Name of Company Controlled (a)	Kind of Business (b)	Percent Voting Stock (c)	Footnote Ref. (d)
1	Notera Holding B.V.			
2	Oxford Tire Recycling, Inc			
3	Oxford/CMS Development LP			
4	Servicios de Aguas de Chile CMS y Co			
5	Taweelah A2 Operating Company			
6	CMS International Ventures, LLC			(B)(C)
7	CMS Electric & Gas, LLC			
8	CMS Gas Transmission del Sur Co			
9	CMS Generation Investment Company III			
10	CMS Generation Investment Company V			
11	CMS Generation, S.R.L.			
12	CMS Luxembourg S.A.R.L.			
13	CMS Operating S.R.L. (99%)		NA	(B)(C)
14	CMS Ensenada SA (99%)			
15	Cuyana SA de Inversiones (99%)			
16	Transportadora de Gas del Mercosur (20%)			
17	CMS Gas Transmission Company			
18	CMS Energy Investment LLC			
19	CMS Antrim Gas LLC			
20	CMS Gas Argentina Company			
21	CMS Bay Area Pipeline LLC			
22	CMS Grands Lacs LLC			
23	CMS Jackson LLC			
24	Jackson Pipeline Company (75%)			
25	CMS Litchfield LLC			
26	Nitrotec Corporation			
27	Explotaciones CMS Oil and Gas Co	Dissolved 4/27/06		

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 4/23/2007	Year of Report December 31, 2006
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CORPORATIONS CONTROLLED BY RESPONDENT (cont'd)

1. Report below the names of all corporations, business trusts, and similar organizations, controlled directly or indirectly by respondent at any time during the year. If control ceased prior to end of year, give particulars (details) in a footnote.
2. If control was by other means than a direct holding of voting rights, state in a footnote the manner in which control was held, naming any intermediaries involved.
3. If control was held jointly with one or more other interests, state the fact in a footnote and name the other interests.

DEFINITIONS

1. See the Uniform of Accounts for a definition of control.
2. Direct control is that which is exercised without interposition of an intermediary.
3. Indirect control is that which is exercised by the interposition of an intermediary which exercises direct control.
4. Joint control is that in which neither interest can effectively control or direct action without the consent of the other, as where the voting control is equally divided between two holders, or each party holds a veto power over the other. Joint cont

Line	Name of Company Controlled (a)	Kind of Business (b)	Percent Voting Stock (c)	Footnote Ref. (d)
123	CMS Resource Development Company	Pursue and develop power	NA	(C)
124		sources outside US		
125	CMS Texas LLC	To do business in Texas	NA	(C)
126	CMS Special Member Company			
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Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report 12/31/06
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FOOTNOTE DATA

Page Number (a)	Item Number (b)	Column Number (c)	Comments (d)
103	(A)	d	CMS Energy Corporation is the parent holding company of Respondent and CMS Enterprises Company. They may have some common directors and officers.
103	(B)	d	Under common control
103	(C)	d	Wholly owned subsidiary of CMS Enterprises Company

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 4/23/2007	Year of Report December 31, 2006		
OFFICERS AND EMPLOYEES					
<p>1. Report below the name, title and salary for the five executive officers</p> <p>2. Report in column (b) salaries and wages accrued during the year including deferred compensation.</p> <p>3. In column (c) report any other compensation provided, such as bonuses, car allowance, stock options and rights, savings contribution, etc., and explain in a footnote what the amounts represent. Provide type code for other compensation in column (d).</p> <p>4. If a change was made during the year in the incumbent of any position, show the name and total remuneration of the previous incumbent and the date the change in incumbency occurred.</p> <p>5. Upon request, the Company will provide the Commission with supplemental information on officers and other employees and salaries.</p>					
Line	Name and Title (a)	Base Wages (b)	Other Compensation (c)	Type of Other Compensation (d)	Total Compensation (e)
1	David W. Joos (1) President and Chief Executive Officer	946,000	860,860 7,920 1,640,914	A B C	3,455,694
2	Thomas J. Webb (1) Executive Vice President and Chief Financial Officer	600,000	462,000 7,920 741,462	A B C	1,811,382
3	John G. Russell President and Chief Operating Officer	460,000	354,200 7,920 541,664	A B C	1,363,784
4	James E. Brunner (1) Senior Vice President	343,750	237,271 7,920 244,466	A B C	833,407
5	Robert A. Fenech Senior Vice President	334,000	210,420 7,920 185,860	A B C	738,200
1	Footnote Data				
2	The above listed officers are those officers that are included in CMS Energy Corporation's annual Proxy Statement filed with the Securities and Exchange Commission				
3	(1) These employees are also employees of CMS Energy Corp. or its subsidiaries and accordingly the appropriate portion of their compensation is charged to these companies.				
4					
5					
Compensation Type Codes:		A = Executive Incentive Compensation B = Incentive Plan (Matching Employer Contribution) C = Stock Plans D = Other Reimbursements			

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 4/23/2007	Year of Report December 31, 2006
DIRECTORS			
<p>1. Report below any information called for concerning each director of the respondent who held office at any time during the year. Include in column (a), abbreviated titles of the directors who are officers of the respondent.</p> <p>2. Designate members of the Executive Committee by a triple asterisk and the Chairman of the Executive Committee by a double asterisk.</p>			
Name and Title of Director (a)	Principal Business Address (b)	# of Directors Meetings During Yr (c)	Fees During Yr (1) (d)
Merribel S. Ayres	Lighthouse Consulting Group, LLC, Washington D.C.	14	61,500
Jon E. Barfield	The Bartech Group, Inc., Livonia, Michigan	14	74,000
Richard M. Gabrys	Bloomfield Hills, Michigan	14	73,750
Earl D. Holton*** (2)	Grand Rapids, Michigan	5	45,750
David W. Joos Chief Executive Officer	One Energy Plaza, Jackson, Michigan	14	0
Philip R. Lochner, Jr.	Greenwich, Connecticut	13	74,750
Michael T. Monahan***	Monahan Enterprises, LLC, Bloomfield Hills, Michigan	12	75,375
Joseph F. Paquette, Jr.***	Villanova, Pennsylvania	14	79,375
Percy A. Pierre	Michigan State University, East Lansing, Michigan	14	64,500
S. Kinnie Smith, Jr. (3) Vice Chairman of the Board	One Energy Plaza, Jackson, Michigan	5	0
Kenneth L. Way***	Bloomfield Hills, Michigan	13	71,875
Kenneth Whipple** Chairman of the Board	One Energy Plaza, Jackson, Michigan	14	169,500
John B. Yasinsky***	Pittsburgh, Pennsylvania	14	77,375
<p><u>Footnote Data</u></p> <p>1 Represents fees paid for both CMS Energy Corporation and Consumers Energy Company Board activities. Fees are prorated to each company on the Massachusetts formula.</p> <p>2 Retired effective May 19, 2006.</p> <p>3 Retired effective July 1, 2006.</p>			

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 4/23/2007	Year of Report December 31, 2006
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SECURITY HOLDERS AND VOTING POWERS

1. (A) Give the names and addresses of the 10 security holders of the respondent who, at the date of the latest closing of the stock book or compilation of list of stockholders of the respondent, prior to the end of the year, had the highest voting powers in the respondent, and state the number of votes which each would have had the right to cast on that date if a meeting were then in order. If any such holder held in trust, give in a footnote the known particulars of the trust (whether voting trust, etc.), duration of trust, and principal holders of beneficiary interests in the trust. If the stock book was not closed or a list of stockholders was not compiled within one year prior to the end of the year, or if since the previous compilation of a list of stockholders, some other class of security has become vested with voting rights, then show such 10 security holders as of the close of the year. Arrange the names of the security holders in the order of voting power, commencing with the highest. Show in column (a) the titles of officers and directors included in such list of 10 security holders.

1. (B) Give also the name and indicate the voting powers resulting from ownership of securities of the respondent of each officer and director not included in the list of 10 largest security holders.

2. If any security other than stock carries voting rights, explain in a supplemental statement the circumstances whereby such security became vested with voting rights and give other important particulars (details) concerning the voting rights of such security. State whether voting rights are actual or contingent; if contingent, describe the contingency.

3. If any class or issue of security has any special privileges in the election of directors, trustees or managers, or in the determination of corporate action by any method, explain briefly in a footnote.

4. Furnish particulars (details) concerning any options, warrants, or rights outstanding at the end of the year for others to purchase securities of the respondent or any securities or other assets owned by the respondent, including prices, expiration dates, and other material information relating to exercise of the options, warrants, or rights. Specify the amount of such securities or assets so entitled to be purchased by any officer, director, associated company, or any of the ten largest security holders. This instruction is inapplicable to convertible securities or to any securities substantially all of which are outstanding in the hands of the general public where the options, warrants, or rights were issued on a prorata basis.

1. Give date of the latest closing of the stock book prior to end of year, and state the purpose of such closing:

Books not closed prior to end of the year.

2. State the total number of votes cast at the latest general proxy meeting prior to the end of year for election of directors of the respondent and number of such votes cast by proxy:

Total: 84,108,789

By Proxy: 84,108,789

3. Give the date and place of such meeting:

May 19, 2006

Jackson, Michigan

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A resubmission	Date of Report (Mo, Da, Yr) 4/23/2007	Year of Report December 31, 2006
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SECURITY HOLDERS AND VOTING POWERS (Continued)

Line	Name (Title) and Address of Security Holder (a)	VOTING SECURITIES			
		Number of votes as of (date):			
		Total Votes (b)	Common Stock (c)	Preferred Stock (d)	Other (e)
4	TOTAL votes all voting securities	84,550,388	84,108,789	441,599	0
5	TOTAL number of security holders	1,729	1	1,728	0
6	TOTAL votes of security holders listed below	84,452,962	84,108,789	344,173	0
7	<u>1. (A) Largest Security Holders</u>				
8	CMS Energy Corporation	84,108,789	84,108,789		
9	One Energy Plaza				
10	Jackson, MI 49201				
11	Cede & Co*	329,786		329,786	
12	Box 222, Bowling Green Station				
13	New York, NY 10274				
14	Jane Pettee TOD Charles M. Pettee & Roger F. Pettee	3,680		3,680	
15	831 Lakeshore Drive				
16	Rice Lake, MI 54868				
17	Mary I. Kohler & Raymond Hetterick Ttee	2,000		2,000	
18	of the Arnold Kohler Trust UA Dtd 6/9/89				
19	2049 Kansas Avenue, NE				
20	St Petersburg, FL 33703				
21	Ralph Zemke and Agnes M. Zemke Joint Tenants	2,000		2,000	
22	PO Box 364				
23	Belmont, MI 49306				
24	Walter M. Jones	1,470		1,470	
25	6429 Earlington Ln# 110				
26	Lansing, MI 48917				
27	William R. Houghton and Elizabeth P. Houghton, Joint Tenants	1,410		1,410	
28	310 N. Rolling Oaks				
29	San Antonio, TX 78253				
30	Alan L. Johns	1,340		1,340	
31	1254 Fountain Drive				
32	Columbus, OH 43221				
33	William R. Barnes & Judy K. Barnes	1,247		1,247	
34	TRS UA DTD 97/93				
35	9530 Moscow Rd				
36	Horton, MI 49246				
37	Helen T. Seufert TR UA Dtd 4/2/92 MB Helen T. Seufert	1,240		1,240	
38	616 Candlewick Dr				
39	Poplar Grove, IL 61065				
40	Total Votes - 10 Largest Stockholders	84,452,962	84,108,789	344,173	0
41	* Nominee--Represents various brokers and banks				
42					
43	<u>1. (B) Security Holdings of Officers and Directors</u>				
44	K. Whipple Chairman of the Board	0		0	
45	D. W. Joos Chief Executive Officer	0		0	
46	M. J. Ayres Director	0		0	
47	J. E. Barfield Director	0		0	
48	R. M. Gabrys Director	0		0	
49	P. R. Lochner, Jr. Director	0		0	
50	M. T. Monahan Director	0		0	
51	J. F. Paquette, Jr. Director	0		0	
52	P. A. Pierre Director	0		0	
53	K. L. Way Director	10		10	
54	J. B. Yasinksky Director	10		10	
55	Total Votes - Officers and Directors	20	0	20	0

RESPONSE TO INSTRUCTION # 2

No security, other than stock, carries voting rights.

RESPONSE TO INSTRUCTION #3

No special voting privileges in the election of directors except that whenever four quarterly dividends payable on the the Preferred Stock of any class shall be in default in whole or in part, the holders of the Preferred Stock shall have the exclusive right to elect the majority of the Company's directors.

RESPONSE TO INSTRUCTION #4

Not applicable

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 4/23/2007	Year of Report December 31, 2006
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IMPORTANT CHANGES DURING THE YEAR

Give particulars (details) concerning the matters indicated below. Make the statements explicit and precise, and number them in accordance with the inquiries. Each inquiry should be answered. Enter "none", "not acceptable" or "NA" where applicable. If information which answers an inquiry is given elsewhere in the report, make a reference to the schedule in which it appears.

1. Changes in and important additions to franchise rights: Describe the actual consideration given therefore and state from whom the franchise rights were acquired. If acquired without the payment of consideration, state that fact.
2. Acquisition of ownership in other companies by reorganization, merger, or consolidation with other companies: Give names of companies involved, particulars concerning the transactions, name of the Commission authorizing the transaction, and reference to Commission authorization.
3. Purchase or sale of an operating unit or system: Give a brief description of the property, and of the transactions relating thereto, and reference to Commission authorization, if any was required. Give date journal entries called for by the Uniform System of Accounts were submitted to the Commission.
4. Important leaseholds (other than leaseholds for natural gas lands) that have been acquired or given, assigned or surrendered: Give effective dates, lengths of terms, names of parties, rents and other conditions. State name of Commission authorizing lease and give reference to such authorization.
5. Important extension or reduction of transmission or distribution system: State territory added or relinquished and date operations began or ceased and give reference to Commission authorization, if any was required. State also the approximate number of customers added or lost and approximate annual revenues of each class of service. Each natural gas company must also state major new continuing sources of gas made available to it from purchases, development, purchase contract or otherwise, giving location and approximate total gas volumes available, period of contracts, and other parties to any such arrangements etc.
6. Obligations incurred as a result of issuance of securities or assumption of liabilities or guarantees including issuance of short-term debt and commercial paper having a maturity of one year or less. Give reference to FERC or State Commission authorization, as appropriate, and the amount of obligation or guarantee.
7. Changes in articles of incorporation or amendments to charter: Explain the nature and purpose of such changes or amendments.
8. State the estimated annual effect and nature of any important wage scale changes during the year.
9. State briefly the status of any materially important legal proceedings pending at the end of the year, and the results of any such proceedings culminated during the year.
10. Describe briefly and materially important transactions of the respondent not disclosed elsewhere in this report in which an officer, director, security holder reported on page 106, voting trustee, associated company or known associate of any of these persons was a party or in which any such person had a material interest.
11. (Reserved.)
12. If the important changes during the year relating to the respondent company appearing in the annual report to stockholders are applicable in every respect and furnish the data required by instruction 1 to 11 above, such notes may be attached to this page.

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 4/23/2007	Year of Report December 31, 2006
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IMPORTANT CHANGES DURING THE YEAR (Continued)

1. CHANGES IN AND IMPORTANT ADDITIONS TO FRANCHISE RIGHTS:

None

2. ACQUISITION OF OWNERSHIP IN OTHER COMPANIES BY REORGANIZATION, MERGER OR CONSOLIDATION WITH OTHER COMPANIES:

-On 8-9-06, New Midland Inc. was formed as a Delaware corporation and wholly-owned subsidiary of Consumers Energy Company.

-On 8-17-06, CMS Midland, Inc., a Michigan corporation (formed 12-1-86) and a wholly-owned subsidiary of Consumers Energy Company, was merged with and into New Midland Inc. New Midland Inc. was the surviving entity of the merger.

-On 10-1-06, New Midland Inc. was contributed to CMS Midland Holdings Company, a Michigan corporation (formed 3-12-90) and a wholly-owned subsidiary of Consumers Energy Company. (New Midland Inc. was indirectly a wholly-owned subsidiary of Consumers Energy Company.

-On 10-2-06, New Midland Inc. was converted into a new limited liability company formed in Delaware called MCV GP II, LLC. MCV GP II, LLC was formed to hold the general partner interest in the Midland Cogeneration Limited Partnership, a Michigan limited partnership (formed 1-12-87). The sole member of MCV GP II, LLC is CMS Midland Holdings Company. (MCV GP II, LLC is indirectly a wholly-owned subsidiary of Consumers Energy Company.

-On November 21, 2006, the above Midland entities were sold. The sale was approved by the Michigan Public Service Commission on November 9, 2006, Case No. U-14981.

3. PURCHASE OR SALE OF AN OPERATING UNIT OR SYSTEM

None

4. IMPORTANT LEASEHOLD (OTHER THAN LEASEHOLDS FROM NATURAL GAS LANDS) THAT HAVE BEEN ACQUIRED OR GIVEN, ASSIGNED OR SURRENDERED.

None

5. IMPORTANT EXTENSIONS OR REDUCTIONS OF TRANSMISSION OF SECURITIES SYSTEM:

None

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 4/23/2007	Year of Report December 31, 2006
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IMPORTANT CHANGES DURING THE YEAR (Continued)

6. OBLIGATIONS INCURRED AS A RESULT OF ISSUANCE OF SECURITIES OR ASSUMPTION OF LIABILITIES OR GUARANTEES INCLUDING ISSUANCE OF SHORT-TERM DEBT AND COMMERCIAL PAPER HAVING A MATURITY OF ONE YEAR OR LESS.

Consumers' authorization to issue short-term "securities" (used herein as that term is defined by FERC) as of December 31, 2006, was granted by FERC on May 26, 2006 in Docket No. ES06-37-000, and its authorization to issue long-term securities were granted on May 26, 2006 in Docket No. ES06-38-000. Orders in those dockets authorized Consumers to have outstanding at any one time up to \$1 billion of short-term securities for general corporate purposes and up to \$1 billion of First Mortgage Bonds to be issued solely as security for other short-term securities and authorized Consumers to issue up to the following amounts of long-term securities: (1) \$1.5 billion for general corporate purposes, (2) \$1 billion for refinancing or refunding existing long-term securities, and (3) \$2.5 billion to be issued solely as security for other long-term securities. Both of those authorizations went into effect July 1, 2006 for the two-year period ending June 30, 2008.

Waivers of FERC's competitive bid/negotiated placement requirements was also granted in the long term securities order discussed above and was in place for the entire fourth quarter of 2006 for all long-term securities issuances.

Consumers Energy secures its First Mortgage Bonds by a mortgage and lien on substantially all of its property. Consumers' ability to issue and sell securities is restricted by certain provisions in its First Mortgage Bond Indenture, its Articles of Incorporation and the need for regulatory approvals to meet appropriate federal law.

In addition to the securities listed above, Consumers Energy has an agreement for an ongoing sale of its accounts receivables in an amount not to exceed \$325 million, unless increased by mutual consent. As of December 31, 2006, \$326 million of receivables were sold under this agreement.

7. CHANGES IN ARTICLES OF INCORPORATION OR AMENDMENTS TO CHARTER:

None

8. STATE THE ESTIMATED ANNUAL EFFECT AND NATURE OF ANY IMPORTANT WAGE SCALE CHANGES DURING THE YEAR:

Consumers' wage scale adjustments in the fourth quarter of 2006, were as follows: total general increase was \$0 of which \$0 was chargeable to operations. Total cost-of-living allowances were \$353,152 of which \$289,585 were chargeable to operations.

9. STATE BRIEFLY THE STATUS OF ANY MATERIALLY IMPORTANT LEGAL PROCEEDINGS PENDING AT THE END OF THE YEAR, AND THE RESULTS OF ANY SUCH PROCEEDINGS CULMINATED DURING THE YEAR:

Consumers and some of its subsidiaries and affiliates are parties to certain routine lawsuits and administrative proceedings incidental to their businesses involving, for example, claims for personal injury and property damage, contractual matters, various taxes, and rates and licensing. Reference is made to the Notes to Consolidated Financial Statements, included herein, for additional information regarding various pending administrative and judicial proceedings involving regulatory, operating and environmental matters.

10. DESCRIBE BRIEFLY ANY MATERIALLY IMPORTANT TRANSACTIONS OF THE RESPONDENT NOT DISCLOSED ELSEWHERE IN THIS REPORT IN WHICH AN OFFICE, DIRECTOR, SECURITY HOLDER REPORTED ON PAGE 106, VOTING TRUSTEE, ASSOCIATED COMPANY OR KNOWN ASSOCIATE OF ANY OF THESE PERSONS WAS A PARTY OR IN WHICH ANY SUCH PERSON HAD A MATERIAL INTEREST:

See Notes to Consolidated Financial Statements.

Name of Respondent		This Report Is:	Date of Report	Year of Report
Consumers Energy Company		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) 4/23/2007	December 31, 2006
COMPARATIVE BALANCE SHEET (ASSETS AND OTHER DEBITS)				
Line	Title of Account (a)	Ref. Page No. (b)	Balance at Beginning of Year (c)	Balance at End of Year (d)
1	UTILITY PLANT			
2	Utility Plant (101-106, 114)	200-201	10,965,171,162	11,348,697,955
3	Construction Work in Progress (107)	200-201	475,764,685	630,153,821
4	TOTAL Utility Plant (Enter total of lines 2 and 3)		11,440,935,847	11,978,851,776
5	(Less) Accum.Prov for Depr.Amort.Depl (108,111,115)	200-201	5,557,116,373	5,759,953,183
6	Net Utility Plant (Enter total of line 4 less 5)		5,883,819,474	6,218,898,593
7	Nuclear Fuel in Process of Ref., Conv., Enrich., and Fab (120.1)		18,381,562	8,333,023
8	Nuclear Fuel Materials & Assemblies - Stock Account (120.2)		45,574	0
9	Nuclear Fuel Assemblies in Reactor (120.3)		101,034,495	113,271,889
10	Spent Nuclear Fuel (120.4)		244,850,379	266,977,849
11	Nuclear Fuel under Capital Leases (120.6)		0	0
12	Assemblies (120.5)	202-203	359,674,458	378,107,017
13	Net Nuclear Fuel (Enter total of line 7 less 8)		4,637,552	10,475,744
14	Net Utility Plant (Enter total of lines 6 and 13)		5,888,457,026	6,229,374,337
15	Utility Plant Adjustments (116)	122		
16	Gas Stored Underground-Noncurrent (117)	---		
17	OTHER PROPERTY AND INVESTMENTS			
18	Nonutility Property (121)	221	14,528,440	14,793,832
19	(Less) Accum.Prov. for Depr. and Amort. (122)	---	980,080	1,296,973
20	Investments in Associated Companies (123)	222-223	32,875,641	36,709,205
21	Investments in Subsidiary Companies (123.1)	224-225	665,202,802	326,209,554
22	(For Cost of Account 123.1, See Footnote Page 224, line 42)			
23	Noncurrent Portion of Allowances	228-229	940,972	330,879
24	Other Investments (124)		6,492,923	6,813,035
25	Sinking Funds (125)			
26	Depreciation Fund (126)		555,316,592	601,799,219
27	Amortization Fund - Federal (127)			
28	Other Special Funds (128)		30,660,519	33,180,587
29	Special Funds (Non-Major Only) (129)			
30	Long-Term Portion of Derivative Assets (175)			
31	Long-Term Portion of Derivative Assets - Hedges (176)			
32	TOTAL Other Property and Investments (Total of lines 18 thru 21, 23 thru 31)		1,305,037,809	1,018,539,338
33	CURRENT AND ACCRUED ASSETS			
34	Cash and Working Funds (Non-Major Only) (130)			
35	Cash (131)	---	20,320,371	1,580,595
36	Special Deposits (132-134)	---	166,435,750	39,598,013
37	Working Fund (135)	---	75,582	101,428
38	Temporary Cash Investments (136)	222-223	32,800,000	33,096,828
39	Notes Receivable (141)	226A	12,491,400	65,820,784
40	Customer Accounts Receivable (142)	226A	3,414,152	55,902,302
41	Other Accounts Receivable (143)	226A	27,878,110	26,425,046
42	(Less) Accum.Prov. for Uncoll. Acct.- Credit (144)	226A	13,494,656	14,480,394
43	Notes Receivable from Assoc. Companies (145)	226B	0	
44	Accounts Receivable from Assoc. Companies (146)	226B	7,615,703	6,022,722
45	Fuel Stock (151)	227	63,882,399	105,294,968
46	Fuel Stock Expenses Undistributed (152)	227	0	
47	Residuals (Elec) and Extracted Products (153)	227	0	
48	Plant Materials and Operating Supplies (154)	227	74,830,869	80,612,878
49	Merchandise (155)	227	0	
50	Other Materials and Supplies (156)	227	0	
51	Nuclear Materials Held for Sale (157)	202-203, 207	11,387,952	0
52	Allowances (158.1 and 158.2)	228-229	5,321,452	2,173,025

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 4/23/2007	Year of Report December 31, 2006
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COMPARATIVE BALANCE SHEET (ASSETS AND OTHER DEBITS) (Continued)

Line	Title of Account (a)	Ref. Page No. (b)	Balance at Beginning of Year (c)	Balance at End of Year (d)
53	(Less) Noncurrent Portion of Allowances	---	940,972	330,879
54	Stores Expense Undistributed (163)	227	0	
55	Gas Stored Underground-Current (164.1)	---	1,068,029,750	1,129,013,448
56	Liquefied Natural Gas Stored and Held for Processing (164.2-164.3)	---	0	
57	Prepayments (165)	---	319,083,852	35,373,732
58	Advances for Gas (166-167)	---	0	
59	Interest and Dividends Receivable (171)	---	138,781	136,131
60	Rents Receivable (172)	---	1,027,720	1,234,625
61	Accrued Utility Revenues (173)	---	495,000	70,000
62	Misc Current and Accrued Assets (174)		297,661,525	393,962,635
63	Derivative Instrument Assets (175)		1,146,790	0
64	(Less) LT Portion of Derivative Inst. Assets (175)		0	0
65	Derivative Instrument Assets - Hedges (176)		0	0
66	(Less) LT Portion of Derivative Inst. Assets - Hedges (176)		0	0
67	TOTAL Current and Accrued Assets (Enter total of lines 34 thru 66)		2,099,601,530	1,961,607,887
68	DEFERRED DEBITS			
69	Unamortized Debt Expenses (181)	---	33,026,582	26,411,546
70	Extraordinary Property Losses (182.1)	230	0	
71	Unrecovered Plant & Regulatory Study Costs (182.2)	230	9,318,184	8,800,507
72	Other Regulatory Assets	232	1,724,730,764	2,245,833,356
73	Prelim. Survey & Invest. Charges (Elec) (183)	231	0	
74	Prelim. Survey & Invest. Charges (Gas) (183.1)	---	0	
75	Other Prelim. Survey & Investigation Charges (183.2)		0	
76	Clearing Accounts (184)	---	14,475	9,676
77	Temporary Facilities (185)	---	0	
78	Miscellaneous Deferred Debits (186)	233	59,998,267	73,087,154
79	Def. Losses from Disposition of Utility Plant (187)	235	0	
80	Research, Devel. and Demonstration Expend (188)	352-353	0	
81	Unamortized Loss on Reacquired Debt (189)	237	92,494,639	86,171,716
82	Accumulated Deferred Income Taxes (190)	234	912,699,240	1,407,277,153
83	Unrecovered Purchased Gas Costs (191)	---		
84	TOTAL Deferred Debits (Enter total of lines 69 thru 83)		2,832,282,151	3,847,591,108
85	TOTAL Assets and Other Debits (Enter total of lines 14 thru 16, 32, 67, and 84)		12,125,378,516	13,057,112,670

Name of Respondent		This Report Is:	Date of Report	Year of Report
Consumers Energy Company		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) 4/23/2007	December 31, 2006
COMPARATIVE BALANCE SHEET (LIABILITIES AND OTHER CREDITS)				
Line	Title of Account (a)	Ref. Page No. (b)	Balance at Beginning of Year (c)	Balance at End of Year (d)
1	PROPRIETARY CAPITAL			
2	Common Stock Issued (201)	250-251	841,087,890	841,087,890
3	Preferred Stock Issued (204)	250-251	44,159,900	44,159,900
4	Capital Stock Subscribed (202, 205)	252	0	0
5	Stock Liability for Conversion (203, 206)	252	0	0
6	Premium on Capital Stock (207)	252	386,028,613	386,028,613
7	Other Paid-In Capital (208-211)	253	1,269,013,613	1,469,013,613
8	Installments Received on Capital Stock (212)	252	0	0
9	(Less) Discount on Capital Stock (213)	254	0	0
10	(Less) Capital Stock Expense (214)	254	23,718,573	23,718,573
11	Retained Earnings (215, 215.1, 216)	118-119	294,376,490	269,539,430
12	Unappropriated Undistributed Subsidiary Earnings (216.1)	118-119	(61,316,751)	177,526
13	(Less) Recquired Capital Stock (217)	250-251	0	
14	Noncorporate Proprietorship (Non-major only) (218)			
15	Accumulated Other Comprehensive Income (219)	122(a)(b)	72,155,728	15,388,539
16	TOTAL Proprietary Capital (Enter total of lines 2 thru 15)		2,821,786,910	3,001,676,938
17	LONG-TERM DEBT			
18	Bonds (221)	256-257	3,174,985,000	3,172,408,000
19	(Less) Recquired Bonds (222)	256-257		
20	Advances from Associated Companies (223)	256-257	459,905,581	300,388,646
21	Other Long-Term Debt (224)	256-257	600,666,720	607,607,267
22	Unamortized Premium on Long-Term Debt (225)	---	2,329,250	2,002,422
23	(Less) Unamortized Discount on Long-Term Debt -Debit (226)	---	9,880,262	8,501,001
24	TOTAL Long-Term Debt (Enter total lines 18 thru 23)		4,228,006,289	4,073,905,334
25	OTHER NONCURRENT LIABILITIES			
26	Obligations Under Capital Leases-Noncurrent (227)		48,090,142	42,296,357
27	Accumulated Prov. for Property Insurance (228.1)			
28	Accumulated Prov. for Injuries and Damage (228.2)		37,565,731	33,286,086
29	Accumulated Prov. for Pensions and Benefits (228.3)		600,682,074	997,218,705
30	Accumulated Misc. Operating Provisions (228.4)			
31	Accumulated Provision for Rate Refunds (229)		2,479,441	33,479,280
32	Long-Term Portion of Derivative Instrument Liabilities			
33	LT Portion of Derivative Instrument Liabilities - Hedges			
34	Asset Retirement Obligations (230)		493,969,488	497,488,953
35	TOTAL Other Noncurrent Liabilities (Enter total of lines 26 thru 34)		1,182,786,876	1,603,769,381
36	CURRENT AND ACCRUED LIABILITIES			
37	Notes Payable (231)		0	
38	Accounts Payable (232)		343,174,041	406,255,175
39	Notes Payable to Associated Companies (233)		64,395,393	69,295,393
40	Accounts Payable to Associated Companies (234)		50,706,226	17,916,374
41	Customer Deposits (235)		31,482,243	34,459,019
42	Taxes Accrued (236)	262-263	392,821,087	236,988,253
43	Interest Accrued (237)		60,309,973	64,986,571
44	Dividends Declared (238)		0	
45	Matured Long-Term Debt (239)		0	

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 4/23/2007	Year of Report December 31, 2006
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COMPARATIVE BALANCE SHEET (LIABILITIES AND OTHER CREDITS) (Continued)

Line	Title of Account (a)	Ref. Page No. (b)	Balance at Beginning of Year (c)	Balance at End of Year (d)
46	Matured Interest (240)		0	
47	Tax Collections Payable (241)		13,985,296	9,609,848
48	Misc. Current and Accrued Liabilities (242)		106,864,444	93,952,982
49	Obligations Under Capital Leases -Current (243)		11,383,800	12,573,230
50	Federal Income Taxes Accrued for Prior Years (244)		6,061,485	0
51	Michigan Single Business Taxes Accrued for Prior Years (244.1)			27,570,836
52	Fed. Inc. Taxes Accrued for Prior Years -Adj. (245)		(242,659)	22,756,745
53	Michigan Single Business Taxes Accrued for Prior Years - Adj. (245.1)		0	
54	Total Current and Accrued Liabilities (lines 37 thru 53)		1,080,941,329	996,364,426
55	DEFERRED CREDITS			
56	Customer Advances for Construction (252)		36,507,015	44,137,484
57	Accumulated Deferred Investment Tax Credits (255)	266-267	65,508,787	61,768,026
58	Deferred Gains from Disposition of Utility Plt. (256)	270		
59	Other Deferred Credits (253)	269	97,156,802	184,769,471
60	Other Regulatory Liabilities	278	659,460,307	813,224,905
61	Unamortized Gain on Reacquired Debt (257)	237	0	
62	Accum. Deferred Income Taxes-Accel. Amort. (281)		0	
63	Accum. Deferred Income Taxes-Other Property (282)		1,077,871,504	1,148,906,567
64	Accum. Deferred Income Taxes-Other (283)	272-277	875,352,697	1,128,590,138
65	TOTAL Deferred Credits (Enter total of lines 56 thru 64)		2,811,857,112	3,381,396,591
66	TOTAL Liabilities and Other Credits (Enter total of lines 16, 24, 35, 54 and 65)		12,125,378,516	13,057,112,670

Name of Respondent Consumers Energy Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 4/23/2007	Year of Report December 31, 2006
STATEMENT OF INCOME FOR THE YEAR				
<p>1. Report amounts for accounts 412 and 413, Revenue and Expenses for Utility Plant Leased to Others, in another utility column (l,k,m,o) in a similar manner to a utility department. Spread the amount(s) over lines 02 thru 24 as appropriate. Include these amounts in columns (c) and (d) totals.</p> <p>2. Report amounts in account 414, Other Utility Operating Income, in the same manner as accounts 412 and 413 above.</p> <p>3. Report data for lines 7, 9, and 10 for Natural Gas companies using accounts 404.1, 404.2, 404.3, 407.1, and 407.2</p> <p>4. Use pages 122-123 for important notes regarding the statement of income or any account thereof.</p> <p>5. Give concise explanations concerning unsettled rate proceedings where a contingency exists such that refunds of a material amount may need to be made to the utility's customers or which may result in a material refund to the utility with respect to power or gas purchases. State for each year affected the gross revenues or costs to which the contingency relates and the tax effects together with an explanation of the major factors which affect the rights of the utility to....</p>				
			TOTAL	
Line	Title of Account (a)	Ref. Page No. (b)	Current Year (c)	Previous Year (d)
1	UTILITY OPERATING INCOME			
2	Operating Revenues (400)	300-301	5,654,035,571	5,145,912,412
3	Operating Expenses			
4	Operation Expenses (401)	320-323	4,120,196,205	3,838,475,035
5	Maintenance Expenses (402)	320-323	267,210,133	202,474,648
6	Depreciation Expenses (403)	336-337	340,200,715	310,044,197
7	Depreciation Expenses for Asset Retirement Costs (403.1)			
8	Amortization and Depl. of Utility Plant (404-405)	336-337	20,694,534	19,035,324
9	Amortization of Utility Plant Acq. Adj (406)	336-337	6,158	6,158
10	Amort. Of Property Losses, Unrecovered Plant and Regulatory Study Costs (407)		517,677	517,677
11	Amort. Of Conversion Expenses (407)			
12	Regulatory Debits		141,075,237	79,412,312
13	(Less) Regulatory Credits			0
14	Taxes Other Than Income Taxes (408.1)	262-263	196,717,053	185,476,936
15	Income Taxes-Federal (409.1)	262-263	198,520,148	159,477,963
16	-Other (409.1)	262-263	240,000	0
17	Provision for Deferred Income Taxes (410.1)	234,272-276	167,213,910	157,684,567
18	(Less) Provision for Deferred Income Taxes-Cr. (411.1)	234,272-276	259,813,623	193,551,904
19	Investment Tax Credit Adj.- Net (411.4)	266-267	(3,740,761)	(3,720,552)
20	(Less) Gains from Disp. of Utility Plant (411.7)	270A-B	3,607,589	0
21	Losses from Disposition of Utility Plant (411.6)	235A-B	161,935	3,966
22	(Less) Gains from Disposition of Allowances		12,487	
23	Losses from Disposition of Allowances		9,205	106,110
24	Accretion Expense (411.10)		177,862	572,412
25	TOTAL Utility Operating Expenses (Enter Total of lines 4 thru 24)		5,185,766,312	4,756,014,849
26	Net Utility Operating Income (Enter Total of line 2 less 25) (Carry forward to page 117, line 27)		468,269,259	389,897,563

Name of Respondent Consumers Energy Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 4/23/2007	Year of Report December 31, 2006	
STATEMENT OF INCOME FOR THE YEAR (Continued)						
...retain such revenues or recover amounts paid with respect to power and gas purchases.						
6. Give concise explanations concerning significant amounts of any refunds made or received during the year resulting from settlement of any rate proceeding affecting revenues received or costs incurred for power or gas purchases, and a summary of the adjustments made to balance sheet, income, and expense accounts.						
7. If any notes appearing in the report to stockholders are applicable to this Statement of Income, such notes may be included on pages 122-123.						
8. Enter on pages 122-123 a concise explanation of only those changes in accounting methods made during the year which had an effect on net income, including the basis of allocations and apportionments from those used in the proceeding year. Also give the approximate dollar effect of such changes.						
9. Explain in a footnote if the previous year's figures are different from that reported in prior years.						
10. If the columns are insufficient for reporting additional utility departments, supply the appropriate account titles, lines 2 to 23, and report the information in the blank space on pages 122-123 or in a footnote.						
ELECTRIC UTILITY		GAS UTILITY		OTHER UTILITY		
Current Year (e)	Previous Year (f)	Current Year (g)	Previous Year (h)	Current Year (i)	Previous Year (j)	Line
						1
3,259,363,561	2,655,682,671	2,394,672,010	2,490,229,741			2
						3
2,070,859,308	1,717,008,118	2,049,336,897	2,121,466,917			4
226,744,551	152,247,412	40,465,582	50,227,236			5
228,041,525	202,988,457	112,159,190	107,055,740			6
	0		0			7
10,486,020	9,098,321	10,208,514	9,937,003			8
	0	6,158	6,158			9
517,677	517,677		0			10
						11
140,997,070	79,355,465	78,167	56,847			12
	0					13
139,315,136	132,584,553	57,401,917	52,892,383			14
161,349,226	131,265,714	37,170,922	28,212,249			15
233,806	0	6,194	0			16
150,647,943	85,691,042	16,565,967	71,993,525			17
						18
222,441,843	130,765,819	37,371,780	62,786,085			18
(2,892,803)	(2,922,651)	(847,958)	(797,901)			19
3,607,589	0					20
161,935	3,966					21
12,487	0		0			22
9,205	106,110		0			23
177,862	572,412					24
2,900,586,542	2,377,750,777	2,285,179,770	2,378,264,072	0		0 25
358,777,019	277,931,894	109,492,240	111,965,669	0		0 26

Name of Respondent		This Report Is:		Date of Report	Year of Report
Consumers Energy Company		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		(Mo, Da, Yr) 4/23/2007	December 31, 2006
STATEMENT OF INCOME FOR THE YEAR (Continued)					
Line	Account (a)	(Ref.) Page No. (b)	Total		
			Current Year (c)	Previous Year (d)	
27	Net Utility Operating Income <i>(Carried forward from page 114)</i>		468,269,259	389,897,563	
28	OTHER INCOME AND DEDUCTIONS				
29	Other Income				
30	Nonutility Operating Income				
31	Revenues From Merchandising, Jobbing and Contract Work (415)	282	44,646,156	47,126,322	
32	(Less) Costs and Exp. Of Merchandising, Job. And Contract Work (416)	282	35,573,462	37,281,572	
33	Revenues From Nonutility Operations (417)	282	2,598,211	2,125,080	
34	(Less) Expenses of Nonutility Operations (417.1)	282	1,733,830	1,563,863	
35	Nonoperating Rental Income (418)	282	740,839	742,200	
36	Equity in Earnings of Subsidiary Companies (418.1)	119,282	(68,369,581)	(283,991,859)	
37	Interest and Dividend Income (419)	282	21,389,577	16,832,763	
38	Allowance for Other Funds Used During Construction (419.1)	282	11,810,158	16,252,245	
39	Miscellaneous Nonoperating Income (421)	282	66,833,150	17,777,742	
40	Gain on Disposition of Property (421.1)	280	2,911,713	258,575	
41	TOTAL Other Income <i>(enter Total of lines 31 thru 40)</i>		45,252,931	(221,722,367)	
42	Other Income Deductions				
43	Loss on Disposition of Property (421.2)	280	328,132	388,325	
44	Miscellaneous Amortization (425)	340			
45	Donations (426.1)		8,384,508	225,904	
46	Life Insurance (426.2)				
47	Penalties (426.3)		4,212	9,833	
48	Exp. For Certain Civic, Political & Related Activities (426.4)		2,485,920	2,658,910	
49	Other Deductions (426.5)		48,577,191	40,160,577	
50	TOTAL Other Income Deductions (Total of lines 43 thru 49)		59,779,963	43,443,549	
51	Taxes Applicable to Other Income and Deductions				
52	Taxes Other Than Income Taxes (408.2)	262-263	(2,052,536)	316,104	
53	Income Taxes - Federal (409.2)	262-263	(29,744,586)	(13,695,969)	
54	Income Taxes - Other (409.2)	262-263		200	
55	Provision for Deferred Income Taxes (410.2)	234,272-276	60,648,450	12,888,545	
56	(Less) Provision for Deferred Income Taxes - Cr. (411.2)	234,272-276	5,788,811	(8,854,820)	
57	Investment Tax Credit Adjustment - Net (411.5)	264-265			
58	(Less) Investment Tax Credits (420)	264-265		0	
59	TOTAL Taxes on Other Income and Deductions (total of 52 thru 58)		23,062,517	8,363,700	
60	Net Other Income and Deductions (total of lines 41, 50 & 59)		(37,589,549)	(273,529,616)	
61	INTEREST CHARGES				
62	Interest on Long-Term Debt (427)	257	200,007,992	172,530,313	
63	Amort. Of Debt Disc. And Expense (428)	256-257	5,168,856	6,120,439	
64	Amortization of Loss on Reacquired Debt (428.1)		12,437,261	11,516,018	
65	(Less) Amort. Of Premium on Debt-Credit (429)	256-257	326,828	326,828	
66	(Less) Amort. of Gain on Reacquired Debt-Credit (429.1)				
67	Interest on Debt to Associated Companies (430)	257-340	23,576,745	35,660,440	
68	Other Interest Expense (431)	340	13,081,330	5,145,258	
69	(Less) Allowance for Borrowed Funds Used During Construction-Cr. (432)		9,586,768	18,053,679	
70	Net Interest Charges (total of lines 62 thru 69)		244,358,588	212,591,961	
71	Income Before Extraordinary Items (total lines 27,60,70)		186,321,122	(96,224,014)	
72	EXTRAORDINARY ITEMS				
73	Extraordinary Income (434)	342		0	
74	(Less) Extraordinary Deductions (435)	342		0	
75	Net Extraordinary Items (total line 73 less line 74)		0	0	
76	Income Taxes-Federal and Other (409.3)	262-263		0	
77	Extraordinary Items After Taxes (Enter Total of lines 75 less line 76)		0	0	
78	Net Income (Enter Total of lines 71 and 77)		186,321,122	(96,224,014)	

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Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 4/23/2007	Year of Report December 31, 2006
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RECONCILIATION OF DEFERRED INCOME TAX EXPENSE

1. Report on this page the charges to accounts 410, 411 and 420 reported in the contra accounts 190, 281, 282, 283 and 284. In the event the deferred income tax expenses reported on pages 114-117 do not directly reconcile with the amounts found on these pages, then provide the additional information requested in instruction #3, on a separate page.

2. The charges to the subaccounts of 410 and 411 found on pages 114-117 should agree with the subaccount totals reported on these pages.

Line No.	Electric Utility	Gas Utility
1 Debits to Account 410 from:		
2 Account 190	(69,248,249)	197,688
3 Account 281	0	0
4 Account 282	87,411,992	33,701,548
5 Account 283	132,484,200	(17,333,269)
6 Account 284		
7 Reconciling Adjustments		
8 TOTAL Account 410.1 (on pages 114-115 line 17)	150,647,943	16,565,967
9 TOTAL Account 410.2 (on page 117 line 55)		
10 Credits to Account 411 from:		
11 Account 190	51,017,444	19,798,634
12 Account 281	0	0
13 Account 282	31,783,530	4,766,561
14 Account 283	139,640,869	12,806,585
15 Account 284		
16 Reconciling Adjustments		
17 TOTAL Account 411.1 (on page 114-115 line 18)	222,441,843	37,371,780
18 TOTAL Account 411.2 (on page 117 line 56)		
19 Net ITC Adjustment:		
20 ITC Utilized for the Year DR		
21 ITC Amortized for the Year CR	(2,892,803)	(847,958)
22 ITC Adjustments:		
23 Adjust last year's estimate to actual per filed return		
24 Other (specify)		
25 Net Reconciling Adjustments Account 411.4*	(2,892,803)	(847,958)
26 Net Reconciling Adjustments Account 411.5**		
27 Net Reconciling Adjustments Account 420***		

* on pages 114-15 line 19

** on page 117 line 57

*** on page 117 line 58

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 4/23/2007	Year of Report December 31, 2006
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RECONCILIATION OF DEFERRED INCOME TAX EXPENSE

3. (a) Provide a detailed reconciliation of the applicable deferred income tax expense subaccount(s) reported on pages 114-117 with the amount reported on these pages. (b) Identify all contra accounts (other than accounts 190 and 281-284). (c) Identify the company's regulatory authority to utilize contra accounts other than accounts 190 or 281-284 for the recording of deferred income tax expense(s).

Other Utility	Total Utility	Other Income	Total Company	Line No.
	(69,050,561)	14,450,063	(54,600,498)	1
	0		0	2
	121,113,540	75,934	121,189,474	3
	115,150,931	46,122,453	161,273,384	4
			0	5
				6
				7
0	167,213,910			8
		60,648,450		9
	70,816,078	3,634,569	74,450,647	10
			0	11
	36,550,091	698,579	37,248,670	12
	152,447,454	1,455,663	153,903,117	13
				14
				15
				16
0	259,813,623			17
		5,788,811		18
	(3,740,761)		(3,740,761)	19
				20
				21
				22
				23
				24
0	(3,740,761)	0		25
		0		26
		0		27

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 4/23/2007	Year of Report December 31, 2006
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OPERATING LOSS CARRYFORWARD

Fill in below when the company sustains an operating loss, loss carryback or carryforward whenever or wherever applicable.

Line No.	Year (a)	Operating Loss (b)	Loss Carryforward (F) or Carryback (B) (c)	Loss Utilized		Balance Remaining (f)	
				Amount (d)	Year (e)		
1	2001	674,397,536	Tax Sharing	153,097,883	2001	0	
2			B	481,289,356	Various		
3			B	40,010,297			
4	2003	142,656,967	Tax Sharing	56,702,820	2003		
5			B	74,088,975	Various		
6			F				
7	2004	53,032,265	Tax Sharing	19,118,239	2004		11,865,172
8			F				33,914,026
9	2005	303,688,280	Tax Sharing				303,688,280
10			F				
11							
12			Total				349,467,478
13							
14							
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16							
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Name of Respondent Consumers Energy Company	This Report Is: (1) [X] An Original (2) [] A Resubmission	Date of Report (Mo, Da, Yr) 4/23/2007	Year of Report December 31, 2006
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STATEMENT OF RETAINED EARNINGS FOR THE YEAR

1. Report all changes in appropriated retained earnings, unappropriated retained earnings, and unappropriated undistributed subsidiary earnings for the year.
2. Each credit and debit during the year should be identified as to the retained earnings account in which recorded (Accounts 433, 436-439 inclusive). Show the contra primary account affected in column (b).
3. State the purpose and amount for each reservation or appropriation of retained earnings.
4. List first account 439 (Adjustments to Retained Earnings), reflecting adjustments to the opening balance of retained earnings. Follow by credit, then debit, items in that order.
5. Show dividends for each class and series of capital stock.
6. Show separately the state and federal income tax effect of items shown in account 439 (Adjustments to Retained Earnings)
7. Explain in a footnote the basis for determining the amount reserved or appropriated. If such reservation or appropriation is to be recurrent, state the number and annual amounts to be reserved or appropriated as well as the totals eventually to be accumulated.
8. If any notes appearing in the report to stockholders are applicable to this statement, include them on pages 122-123.

Line No.	Item (a)	Contra Primary Account Affected (b)	Amount (c)
	UNAPPROPRIATED RETAINED EARNINGS (Account 216)		
1	Balance-Beginning of Year		244,542,567
2	Changes (<i>Identify by prescribed retained earnings accounts</i>)		
3	Adjustments to Retained Earnings (Account 439)		
4	Credit: Unrealized gain on securities		
5	Credit: Taxes related to unrealized gain on securities		
6	Credit: Minimum pension liability		
7	Credit: Taxes related to Minimum pension liability		
8	TOTAL Credits to Retained Earnings (439)		0
9	Debit: Redemption of Common Stock		
10	Debit:		
11	Debit:		
12	Debit:		
13	TOTAL Debits to Retained Earnings (439)		0
14	Balance Transferred from Income (Account 433 Less Account 418.1)		254,690,704
15	Appropriations of Retained Earnings (Account 436)		
16	Excess Hydro Earnings		(736,657)
17	CE Indenture		0
18			
19			
20			
21	TOTAL Appropriations of Retained Earnings (Account 436)		(736,657)
22	Dividends Declared-Preferred Stock (Account 437)		
23	Dividends Declared-Preferred Stock		(1,963,906)
24			
25			
26			
27			
28	TOTAL Dividends Declared-Preferred Stock (Account 437)		(1,963,906)

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 4/23/2007	Year of Report December 31, 2006
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STATEMENT OF RETAINED EARNINGS FOR THE YEAR (Continued)

Line No.	Item (a)	Contra Primary Account Affected (b)	Amount (c)
29	Dividends Declared-Common Stock (Account 438)		
30			(147,700,000)
31			
32			
33			
34			
35	TOTAL Dividends Declared-Common Stock (Account 438)		(147,700,000)
36	Transfers from Account 216.1 Unappropriated Undistributed Subsidiary Earnings		(129,863,858)
37	Balance - End of the Year (Enter Total of lines 1 thru 36)		218,968,850
	APPROPRIATED RETAINED EARNINGS (Account 215)		
	State balance and purpose of each appropriated retained earnings amount at end of year and give accounting entries for any applications of appropriated retained earnings during the year.		
38			
39			
40			
41			
42			
43	TOTAL Appropriated Retained Earnings (Account 215)		0
	APPROPRIATED RETAINED EARNINGS-AMORTIZATION RESERVE, FEDERAL (Account 215.1)		
	State below the total amount set aside through appropriations of retained earnings, as of the end of the year, in compliance with the provisions of Federally granted hydroelectric project licenses held by the respondent. If any reductions or changes other than the normal annual credits hereto have been made during the year, explain such items in a footnote.		
44	TOTAL Appropriated Retained Earnings-Amortization Reserve, Federal (Account 215.1)		50,570,580
45	TOTAL Appropriated Retained Earnings (Account 215 & 215.1)		50,570,580
46	TOTAL Retained Earnings (Accounts 215, 215.1 & 216)		269,539,430
	UNAPPROPRIATED UNDISTRIBUTED SUBSIDIARY EARNINGS (Account 216.1)		
47	Balance-Beginning of Year (Debit or Credit)		(61,316,751)
48	Equity in Earnings for Year (Credit) (Account 418.1)		(68,369,581)
49	(Less) Dividends Received (Debit)		0
50	Other Changes (Dissolved subsidiaries - transferred to 216)		129,863,858
51	Balance-End of Year (Enter Total of lines 47 thru 50)		177,526

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report 12/31/06
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FOOTNOTE DATA

Page Number (a)	Item Number (b)	Column Number (c)	Comments (d)
119	50	C	<p>Consumers Energy Financing IV was dissolved in February 2006 CMS Midland, Inc was dissolved in August 2006 New Midland, Inc was dissolved in October 2006 Interest in MCV GP II, LLC subsidiary was transferred to CMS Midland Co in October 2006. CMS Midland Holding Co was dissolved in November 2006. Consumers Saginaw Investments LLC was dissolved in December 2006.</p>

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Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 4/23/2007	Year of Report December 31, 2006
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STATEMENT OF CASH FLOWS

1. If the notes to the cash flow statement in the respondent's annual stockholders report are applicable to this statement, such notes should be included on pages 122-123. Information about noncash investing and financing activities should be provided on pages 122-123. "Cash and Cash Equivalents at End of Year" with related amounts on the balance sheet.
2. Under "Other" specify significant amounts and group others.
3. Operating Activities-Other: Include gains and losses pertaining to operating activities only. Gains and losses pertaining to investing and financing activities should be reported in those activities. Show on pages 122-123 the amounts of interest paid (net of amounts capitalized) and income taxes paid.

Line No.	Description (See instructions for Explanation of Codes) (a)	Amounts (b)
1	Net Cash Flow from Operating Activities: (enter outflows from company as negative #s)	
2	Net Income (Line 78 (c) on page 117)	186,321,122
3	Noncash Charges (Credits) to Income:	
4	Depreciation and Depletion	502,494,321
5	Amortization of (Specify)	34,450,440
6	Gain (Loss) on Disposal of Assets	(33,724,600)
7	Regulatory Return on Capital Expenditures	(25,902,854)
8	Deferred Income Taxes (Net)	(104,585,562)
9	Investment Tax Credit Adjustment (Net)	(3,740,761)
10	Net (Increase) Decrease in Receivables	33,395,863
11	Net (Increase) Decrease in Inventory	(92,781,514)
12	Net (Increase) Decrease in Allowances Inventory	0
13	Net (Increase) Decrease in Payables and Accrued Expenses	(49,100,028)
14	Net (Increase) Decrease in Other Regulatory Assets	5,982,782
15	Net (Increase) Decrease in Other Regulatory Liabilities	142,719,944
16	(Less) Allowance for Other Funds Used During Construction	11,810,158
17	(Less) Undistributed Earnings from Subsidiary Companies	(68,404,376)
18	Other:	
19	Prepayments	69,253,513
20	Changes in Other Assets and Liabilities	(96,449,511)
21		
22	Net Cash Provided by Operating Activities (Total of lines 2 thru 21)	624,927,373
23		
24	Cash Flows from Investment Activities:	
25	Construction and Acquisition of Plant (including land):	
26	Gross Additions to Utility Plant (less nuclear fuel)	(538,230,672)
27	Gross Additions to Nuclear Fuel	(23,401,081)
28	Gross Additions to Common Utility Plant	(65,187,575)
29	Gross Additions to Nonutility Plant	0
30	(Less) Allowance to Other Funds Used During Construction	0
31	Other:	
32		
33		
34	Cash Outflows for Plant (Total of lines 26 thru 33)	(626,819,328)
35		
36	Acquisition of Other Noncurrent Assets (d)	0
37	Proceeds from Disposal of Noncurrent Assets (d)	68,673,932
38	Costs to Retire Property	(78,381,409)
39	Investments in and Advances to Assoc. and Subsidiary Companies	(180,793,553)
40	Contributions and Advances from Assoc. and Subsidiary Companies	0
41	Disposition of Investments in (and Advances to)	
42	Associated and Subsidiary Companies	0
43	Miscellaneous Investments	(2,001,447)
44	Purchase of Investment Securities (a)	0
45	Proceeds from Sales of Investment Securities (a)	0

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 4/23/2007	Year of Report December 31, 2006
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STATEMENT OF CASH FLOWS (Continued)

4. Investing Activities (a) Include at Other (line 31) net cash outflow to acquire other companies. Provide a reconciliation of asset acquired with liabilities assumed on pages 122-123. (b) Do not include on this statement the dollar amount of leases capitalized per USofA General Instruction 20; instead provide a reconciliation of the dollar amount of leases capitalized with the plant cost on pages 122-123.	5. Codes used: (a) Net proceeds or payments. (b) Bonds, debentures and other long-term debt. (c) Include commercial paper. (d) Identify separately such items as investments, fixed assets, intangibles, etc. 6. Enter on pages 122-123 clarifications and explanations.
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Line No.	Description (See instructions for Explanation of Codes) (a)	Amount (b)
46	Loans Made or Purchased	
47	Collections on Loans	
48		
49	Net (Increase) Decrease in Receivables	
50	Net (Increase) Decrease in Inventory	
51	Net (Increase) Decrease in Allowances Held for Speculation	
52	Net Increase (Decrease) in Payables and Accrued Expenses	
53	Other:	
54		
55		
56	Net Cash Used in Investing Activities	
57	(Total of lines 34 thru 55)	(819,321,805)
58		
59	Cash Flows from Financing Activities:	
60	Proceeds from Issuance of:	
61	Long Term Debt (b)	(3,289,153)
62	Preferred Stock	
63	Common Stock	
64	Other:	
65	Contribution from Stockholder	200,000,000
66	Net Increase in Short-Term Debt (c)	14,900,000
67	Other:	
68		
69		
70	Cash Provided by Outside Sources (Total of lines 61 thru 69)	211,610,847
71		
72	Payments for Retirement of:	
73	Long Term Debt (b)	(2,577,000)
74	Preferred Stock	
75	Common Stock	
76	Other:	
77	Payment of Capital Leases	(10,230,348)
78	Net Decrease in Short-Term Debt (c)	
79		
80	Dividends on Preferred Stock	(1,963,906)
81	Dividends on Common Stock	(147,700,000)
82	Net Cash Provided by Financing Activities	
83	(Total of lines 70 thru 81)	49,139,593
84		
85	Net Increase in Cash and Cash Equivalents	
86	(Total of lines 22, 57 and 83)	(145,254,839)
87		
88	Cash and Cash Equivalents at Beginning of Year	219,631,703
89		
90	Cash and Cash Equivalents at End of Year	74,376,864

Name of Respondent Consumers Energy Company	This report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Year) 4/23/2007	Year of Report December 31, 2006
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STATEMENT OF ACCUMULATED COMPREHENSIVE INCOME, COMPREHENSIVE INCOME, AND HEDGING ACTIVITIES

- Report in columns (b), (c), (d) and (e) the amounts of accumulated other comprehensive income items, on a net-of-tax basis, where appropriate.
- Report in columns (f) and (g) the amounts of other categories of other cash flow hedges
- For each category of hedges that have been accounted for as "fair value hedges", report the accounts affected and the related amounts in a footnote.

Line No.	Item (a)	Unrealized Gains and Losses on Available for Sale Securities (b)	Minimum Pension Liability and adjustment (net amount) (c)	Foreign Currency Hedges (d)	Other Adjustments (e)
1	Balance of Account 219 at Beginning of Preceding Year	12,745,636	(1,072,407)		
2	Preceding Year to Date Reclassifications from Acct 219 to Net Income				
3	Preceding Year to Date Changes in Fair Value	5,750,343	(639,673)		
4	Total (lines 2 and 3)	5,750,343	(639,673)		
5	Balance of 219 at End of Preceding Year	18,495,979	(1,712,080)		
6	Balance of Account 219 at Beginning of Current Year	18,495,979	(1,712,080)		
7	Current Year to Date Reclassifications from Acct 219 to Net Income				
8	Current Year to Date Changes in Fair Value	4,489,163	(5,884,523)		
9	Total (lines 7 and 8)	4,489,163	(5,884,523)		
10	Balance of Account 219 at End of Current Year	22,985,142	(7,596,603)		

Name of Respondent Consumers Energy Company	This report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Year) 4/23/2007	Year of Report December 31, 2006
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STATEMENT OF ACCUMULATED COMPREHENSIVE INCOME, COMPREHENSIVE INCOME, AND HEDGING ACTIVITIES (cont'd)

Line No.	Other Cash Flow Hedges Interest Rate Swaps (f)	Other Cash Flow Hedges (specify) (g)	Totals for each category of items recorded in Account 219 (h)	Net Income (carried forward from Page 117, Line 78) (i)	Total Comprehensive Income (j)
1	(775,340)	20,949,451	31,847,340		
2	458,923	(17,796,187)	(17,337,264)		
3		52,534,982	57,645,652		
4	458,923	34,738,795	40,308,388		40,308,388
5	(316,417)	55,688,246	72,155,728		
6	(316,417)	55,688,246	72,155,728		
7	316,417	(35,139,263)	(34,822,846)		
8		(20,548,983)	(21,944,343)		
9	316,417	(55,688,246)	(56,767,189)		(56,767,189)
10	0	0	15,388,539		

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 4/23/2007	Year of Report December 31, 2006
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NOTES TO FINANCIAL STATEMENTS

<p>1. Use the space below for important notes regarding the Balance Sheet, Statement of Income for the year, Statement of Retained Earnings for the year, and Statement of Cash Flows, or any account thereof. Classify the notes according to each basic statement, providing a subheading for each statement except where a note is applicable to more than one statement.</p> <p>2. Furnish particulars (details) as to any significant contingent assets or liabilities existing at end of year, including a brief explanation of any action initiated by the Internal Revenue Service involving possible assessment of additional income taxes of material amount, or of a claim for refund of income taxes of a material amount initiated by the utility. Give also a brief explanation of any dividends in arrears on cumulative preferred stock.</p> <p>3. For Account 116, Utility Plant Adjustments, explain the origin of such amount, debits and credits during the year, and</p>	<p>plan of disposition contemplated giving references to Commission orders or other authorizations respecting classification of amounts as plant adjustments and requirements as to disposition thereof.</p> <p>4. Where Accounts 189, <i>Unamortized Loss on Reacquired Debt</i>, and 257, <i>Unamortized Gain on Reacquired Debt</i>, are not used, give an explanation, providing the rate treatment given these items. See General Instruction 16 of Uniform System of Accounts.</p> <p>5. Give a concise explanation of any retained earnings restrictions and state the amount of retained earnings affected by such restrictions.</p> <p>6. If the notes to financial statements relating to the respondent company appearing in the annual report to the stockholders are applicable and furnish the data required by instructions above and on pages 114-121, such notes may be herein.</p>
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Name of Respondent	This Report is:	Date of Report	Year of Report
Consumers Energy Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(mo, Da, Yr) 4/23/2007	December 31, 2006

CONSUMERS ENERGY COMPANY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

The footnotes included herein are from Consumers Energy's annual report as of December 31, 2006, which are prepared on a consolidated basis as permitted by instruction 6 on page 122 of this report. These include the consolidated balances of the Midland Cogeneration Venture Limited Partnership and First Midland Limited Partnership (FMLP), in accordance with Revised FASB Interpretation 46. MCV Partnership and FMLP were sold on November 21, 2006. The financial statements on pages 110-121 of the line item classifications utilized in regulatory accounting. Accordingly, the footnotes have been presented on a consolidated basis as allowed by regulatory guidance. The FMLP's earnings for January 1 through November 21, 2006 were \$36 million and MCV Partnership's losses for January 1 through November 21, 2006 were \$79 million.

1: CORPORATE STRUCTURE AND ACCOUNTING POLICIES

Corporate Structure: Consumers, a subsidiary of CMS Energy, a holding company, is a combination electric and gas utility company serving Michigan's Lower Peninsula. Our customer base includes a mix of residential, commercial, and diversified industrial customers. We manage our business by the nature of services each provides and operate principally in two business segments: electric utility and gas utility.

Principles of Consolidation: The consolidated financial statements include Consumers, and all other entities in which we have a controlling financial interest or are the primary beneficiary, in accordance with FASB Interpretation No. 46(R). We use the equity method of accounting for investments in companies and partnerships that are not consolidated, where we have significant influence over operations and financial policies, but are not the primary beneficiary. We eliminate intercompany transactions and balances.

Use of Estimates: We prepare our consolidated financial statements in conformity with U.S. GAAP. We are required to make estimates using assumptions that may affect the reported amounts and disclosures. Actual results could differ from those estimates.

We record estimated liabilities in our consolidated financial statements when it is probable that a loss will be incurred in the future as a result of a current event, and when the amount can be reasonably estimated. For additional details, see Note 3, Contingencies.

Revenue Recognition Policy: We recognize revenues from deliveries of electricity and natural gas, and the storage of natural gas when services are provided. We record sales tax on a net basis and exclude it from revenues.

Accounting for MISO Transactions: We account for MISO transactions on a net basis for all of our generating units combined. We record billing adjustments when we receive invoices and record an expense accrual for future adjustments based on historical experience.

Name of Respondent	This Report is:	Date of Report	Year of Report
Consumers Energy Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(mo, Da, Yr) 4/23/2007	December 31, 2006

Capitalized Interest: We capitalize interest on certain qualifying assets that are undergoing activities to prepare them for their intended use. Capitalization of interest for the period is limited to the actual interest cost incurred. Our regulated businesses capitalize AFUDC on regulated construction projects and include such amounts in plant in service.

Cash Equivalents and Restricted Cash: Cash equivalents are all liquid investments with an original maturity of three months or less.

At December 31, 2006, our restricted cash on hand was \$57 million. We classify restricted cash dedicated for repayment of Securitization bonds as a current asset, as the related payments occur within one year.

Collective Bargaining Agreements: At December 31, 2006, the Utility Workers of America Union represented approximately 45 percent of our employees. The Union represents Consumers' operating, maintenance, and construction employees and our call center employees.

Determination of Pension MRV of Plan Assets: We determine the MRV for pension plan assets, as defined in SFAS No. 87, as the fair value of plan assets on the measurement date, adjusted by the gains or losses that will not be admitted into MRV until future years. We reflect each year's assets gain or loss in MRV in equal amounts over a five-year period beginning on the date the original amount was determined. We use the MRV in the calculation of net pension cost.

Effects of Prior Year Misstatements when Quantifying Misstatements in Current Year Financial Statements: SAB No. 108 was adopted on December 31, 2006. The standard clarifies how we should assess the materiality of prior period financial statement errors in the current period. Prior to the adoption of this standard, we used the "iron-curtain" method to quantify the effects of prior period financial statement errors. The iron-curtain method focuses on the effects of correcting the period-end balance sheet with less emphasis on the effects the correction would have on our consolidated income statement. This standard requires quantification of financial statement errors based on their effect on each of our consolidated financial statements. The adoption of this standard did not have an effect on our financial position or results of operations.

Financial and Derivative Instruments: We record debt and equity securities classified as available-for-sale at fair value determined from quoted market prices. We record debt and equity securities classified as held-to-maturity at cost.

On a specific identification basis, we report unrealized gains or losses from changes in fair value of certain available-for-sale debt and equity securities, net of tax, in equity as part of AOCI. We exclude unrealized gains or losses from earnings unless the related changes in fair value are determined to be other than temporary. We reflect unrealized gains or losses on our nuclear decommissioning investments as regulatory liabilities on our Consolidated Balance Sheets. Realized gains or losses would not affect our consolidated earnings or cash flows.

We account for derivative instruments using SFAS No. 133. We report derivatives on our Consolidated Balance Sheets at their fair value. We record changes in fair value in AOCI if the derivative qualifies for cash flow hedge accounting; otherwise, we record the changes in earnings.

Name of Respondent	This Report is:	Date of Report	Year of Report
Consumers Energy Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(mo, Da, Yr) 4/23/2007	December 31, 2006

For additional details regarding financial and derivative instruments, see Note 5, Financial and Derivative Instruments.

Impairment of Investments and Long-Lived Assets: We evaluate the potential impairment of our investments and other long-lived assets, other than goodwill, based on various analyses, including the projection of undiscounted cash flows, whenever events or changes in circumstances indicate that the carrying amount of the investment or asset may not be recoverable. If the carrying amount of the investment or asset exceeds its estimated undiscounted future cash flows, we recognize an impairment loss and write down the investment or asset to its estimated fair value. For additional details, see Note 2, Asset Sales and Impairment Charges.

Inventory: We use the weighted average cost method for valuing working gas and recoverable cushion gas in underground storage facilities. We use the weighted average cost method for valuing materials and supplies inventory. We use the weighted average cost method for valuing coal inventory and classify these costs as generating plant fuel stock on our Consolidated Balance Sheets.

Maintenance and Depreciation: We charge property repairs and minor property replacement to maintenance expense. We use the direct expense method to account for planned major maintenance activities. We charge planned major maintenance activities to operating expense unless the cost represents the acquisition of additional components or the replacement of an existing component. We capitalize the cost of plant additions and replacements. We depreciate utility property using straight-line rates approved by the MPSC. The composite depreciation rates for our properties are:

Years Ended December 31	2006	2005	2004
Electric utility property	3.1%	3.1%	3.1%
Gas utility property	3.6%	3.6%	3.7%
Other property	8.2%	7.6%	8.4%

Nuclear Fuel Cost: We amortize nuclear fuel cost to fuel expense based on the quantity of heat produced for electric generation. For nuclear fuel used after April 6, 1983, we charge certain disposal costs to nuclear fuel expense, recover these costs through electric rates, and remit them to the DOE quarterly. We elected to defer payment for disposal of spent nuclear fuel burned before April 7, 1983. Our DOE liability is \$152 million at December 31, 2006 and \$145 million at December 31, 2005. This amount includes interest, which is payable upon the first delivery of spent nuclear fuel to the DOE. We have recovered, through electric rates, the amount of this liability, excluding a portion of interest. In conjunction with the sale of Palisades and the Big Rock ISFSI, we will retain this obligation and provide security to Entergy for this obligation in the form of cash, a letter of credit, or other acceptable means. For additional details on disposal of spent nuclear fuel, see Note 3, Contingencies, "Other Electric Contingencies – Nuclear Matters."

Other Income and Other Expense: The following tables show the components of Other income and Other expense:

Years Ended December 31	In Millions		
	2006	2005	2004

Name of Respondent	This Report is:	Date of Report	Year of Report	
Consumers Energy Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(mo, Da, Yr) 4/23/2007	December 31, 2006	

Other income			
Electric restructuring return	\$ 4	\$ 6	\$ 6
Return on stranded and security costs	5	6	9
Nitrogen oxide allowance sales	8	2	-
Gain on stock	1	1	-
All other	2	5	1
Total other income	\$ 20	\$ 20	\$ 16

	In Millions		
Years Ended December 31	2006	2005	2004
Other expense			
Loss on reacquired debt	\$ -	\$ (6)	\$ -
Civic and political expenditures	(2)	(2)	(2)
Donations	(9)	-	(1)
Loss on SERP investment	-	(1)	(1)
All other	-	(4)	(3)
Total other expense	\$ (11)	\$ (13)	\$ (7)

Property, Plant, and Equipment: We record property, plant, and equipment at original cost when placed into service. When regulated assets are retired, or otherwise disposed of in the ordinary course of business, we charge the original cost to accumulated depreciation, along with associated cost of removal, net of salvage. Cost of removal collected from our customers, but not spent, is recorded as a regulatory liability. We capitalize AFUDC on regulated major construction projects. We recognize gains or losses on the retirement or disposal of non-regulated assets in income. For additional details, see Note 7, Asset Retirement Obligations and Note 11, Property, Plant, and Equipment.

Reclassifications: We have reclassified certain prior year amounts for comparative purposes. These reclassifications did not affect consolidated net income (loss) for the years presented.

Related Party Transactions: We received income from related parties as follows:

		In Millions		
Type of Income	Related Party	2006	2005	2004
Income from our investments in related party trusts	Consumers' affiliated Trust Preferred Securities companies	\$ -	\$ 1	\$ 1

Name of Respondent	This Report is:	Date of Report	Year of Report
Consumers Energy Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(mo, Da, Yr) 4/23/2007	December 31, 2006

We recorded expense from related parties as follows:

Type of Cost	Related Party	In Millions		
		2006	2005	2004
Electric generating capacity and energy	Affiliates of Enterprises	\$ 74	\$ 68	\$ 67
Interest expense on long-term debt	Consumers' affiliated Trust Preferred Securities companies	1	15	44
Gas purchases	CMS ERM	-	-	1
Overhead expense (a)	CMS Energy parent company	1	1	-
Gas transportation	CMS Bay Area Pipeline, L.L.C.	4	4	4

(a) We base our related party transactions on regulated prices, market prices, or competitive bidding. We pay overhead costs to CMS Energy based on an industry allocation methodology, such as the Massachusetts Formula.

We own 2.2 million shares of CMS Energy Common Stock with a fair value of \$36 million at December 31, 2006. For additional details on our investment in CMS Energy Common Stock, see Note 5, Financial and Derivative Instruments.

Trade Receivables: Accounts receivable is primarily composed of trade receivables and unbilled receivables. We record our accounts receivable at fair value. We establish an allowance for uncollectible accounts based on historical losses and management's assessment of existing economic conditions, customer trends, and other factors. We assess late payment fees on trade receivables based on contractual past-due terms established with customers. We charge accounts deemed uncollectible to operating expense.

Unamortized Debt Premium, Discount, and Expense: We capitalize premiums, discounts, and expenses incurred in connection with the issuance of long-term debt and amortize those costs over the terms of the debt issues. We expense any refinancing costs as incurred. For the regulated portions of our businesses, if we refinance debt, we capitalize any remaining unamortized premiums, discounts, and expenses and amortize them over the terms of the newly issued debt.

Utility Regulation: We account for the effects of regulation using SFAS No. 71. As a result, the actions of regulators affect when we recognize revenues, expenses, assets, and liabilities.

We reflect the following regulatory assets and liabilities, which include both current and non-current amounts, on our Consolidated Balance Sheets. We expect to recover these costs through rates over periods of up to 14 years. We recognized an OPEB transition obligation in accordance with SFAS No. 106 and established a regulatory asset for the amount that we expect to recover in rates over the next six years.

Name of Respondent	This Report is:	Date of Report	Year of Report
Consumers Energy Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(mo, Da, Yr) 4/23/2007	December 31, 2006

December 31	In Millions	
	2006	2005
Securitized costs (Note 4)	\$ 514	\$ 560
Additional minimum pension liability (Note 6) (a)	-	399
Postretirement benefits (Note 6) (a)	1,150	135
Customer Choice Act	190	222
Electric restructuring implementation plan	40	74
Manufactured gas plant sites (Note 3)	56	62
Abandoned Midland project	9	9
Unamortized debt costs	86	93
Asset retirement obligations (Note 7)	177	169
Stranded costs (Note 3)	65	63
Other	29	14
Total regulatory assets (b)	\$ 2,316	\$ 1,800
Cost of removal (Note 7)	\$ 1,166	\$ 1,120
Income taxes, net (Note 8)	539	455
Asset retirement obligations (Note 7)	180	165
Other	69	13
Total regulatory liabilities (b)	\$ 1,954	\$ 1,753

(a) The change from 2005 to 2006 is largely due to the implementation of SFAS No. 158, *Employers' Accounting for Defined Benefit Pension and Other Postretirement Plans - an amendment of FASB Statements No. 87, 88, 106, and 132(R)*. For additional details, see Note 6, Retirement Benefits.

(b) At December 31, 2006, we classified \$19 million of regulatory assets as current regulatory assets and we classified \$2.297 billion of regulatory assets as non-current regulatory assets. At December 31, 2005, we classified \$19 million of regulatory assets as current regulatory assets and we classified \$1.781 billion of regulatory assets as non-current regulatory assets. At December 31, 2006 and December 31, 2005, all of our regulatory liabilities represented non-current regulatory liabilities.

New Accounting Standards Not Yet Effective: *SFAS No. 157, Fair Value Measurements:* In September 2006, the FASB issued SFAS No. 157, effective for us January 1, 2008. The standard provides a revised definition of "fair value" and gives guidance on how to measure the fair value of assets and liabilities. Under the standard, fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly exchange between market participants. The standard does not expand the use of fair value in any new circumstances. However, additional disclosures will be required on the impact and reliability of fair value measurements reflected in our consolidated financial statements. The standard will also eliminate the existing prohibition of recognizing "day one" gains or losses on derivative instruments, and will generally require such gains and losses to be recognized through earnings. We are presently evaluating the impacts, if any, of implementing SFAS No. 157. We currently do not hold any derivatives that would involve day one gains or losses.

Name of Respondent	This Report is:	Date of Report	Year of Report
Consumers Energy Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(mo, Da, Yr) 4/23/2007	December 31, 2006

SFAS No. 159, The Fair Value Option for Financial Assets and Financial Liabilities, Including an amendment to FASB Statement No. 115: In February 2007, the FASB issued SFAS No. 159, effective for us January 1, 2008. This standard will give us the option to select certain financial instruments and other items, which otherwise are not required to be measured at fair value, and measure those items at fair value. If we choose to elect the fair value option for an item, we would recognize unrealized gains and losses associated with changes in the fair value of the item over time. The statement will also require disclosures for items for which the fair value option has been elected. We are presently evaluating whether we will choose to elect the fair value option for any financial instruments or other items.

FIN 48, Accounting for Uncertainties in Income Taxes: We discuss the requirements of this new accounting standard in Note 8, Income Taxes.

2: ASSET SALES AND IMPAIRMENT CHARGES

ASSET SALES

Gross cash proceeds received from the sale of assets totaled \$69 million in 2006.

For the year ended December 31, 2006, we sold the following assets:

Date sold	Business/Project	In Millions	
		Pretax Gain	After-tax Gain
October	Land in Ludington, Michigan (a)	\$ 2	\$ 2
November	MCV GP II (b)	77	38
Total gain on asset sales		\$ 79	\$ 40

(a) *Sale of Ludington Land:* We sold 36 parcels of land near Ludington, Michigan. We held a majority share of the land, which we co-owned with DTE Energy. Our portion of the proceeds was approximately \$6 million.

(b) *Sale of our Interest in the MCV Partnership and the MCV Facility:* We sold 100 percent of our ownership interest of MCV GP II (the successor to CMS Midland, Inc.) and 100 percent of our ownership of the stock of CMS Midland Holdings Company to an affiliate of GSO Capital Partners and Rockland Capital Energy Investments for \$60.5 million. These Consumers subsidiaries held our 49 percent interest in the MCV Partnership and our 35 percent lessor interest in the MCV Facility, held by the FMLP. The transaction is composed of non-real estate and real estate components. Since the carrying value of the MCV Facility, the real estate component of the transaction, exceeded the fair value, we recorded an impairment charge of \$218 million. After considering tax effects and minority interest, the impairment charge reduced our consolidated net income by \$80 million.

Because of the MCV PPA, the transaction is a sale and leaseback for accounting purposes. SFAS No. 98 specifies the accounting required for a seller's sale and simultaneous leaseback involving real estate. We will have continuing involvement with the MCV Partnership through an existing guarantee associated with the future operations of the MCV Facility. As a result, we accounted for the MCV Facility, which is the asset subject to the leaseback, as a financing for accounting purposes and not a

Name of Respondent	This Report is:	Date of Report	Year of Report
Consumers Energy Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(mo, Da, Yr) 4/23/2007	December 31, 2006

sale. We accounted for the non-real estate assets and liabilities associated with the transaction as a sale.

As a financing, the MCV Facility remains on our Consolidated Balance Sheets and the related proceeds are recorded as a financing obligation. The value of the finance obligation is based on an allocation of the sale proceeds to the fair values of the net assets sold and fair value of the MCV Facility asset under the financing. The total proceeds of \$57 million (net of \$3 million of selling expenses) were less than the fair value of the net assets sold. As a result, there were no proceeds remaining to allocate to the MCV Facility and a finance obligation was not recorded.

The previously described transaction resulted in an after-tax loss of \$41 million. This loss includes the reversal of \$30 million, into earnings, of certain cumulative amounts of the MCV Partnership derivative fair value changes that we accounted for in AOCI, the impairment charge on the MCV Facility, and gain on the sale of our interests in the MCV Partnership and the FMLP. For further information, see Note 5, Financial and Derivative Instruments, "Derivative Contracts Associated with the MCV Partnership."

The following table summarizes the impacts of the transaction on net income and stockholder's equity:

Description	In Millions
	After-tax Impact
Asset impairment charges, net of minority interest of \$95 million and \$43 million in taxes	\$ (80)
General taxes, net of \$1 million in taxes	1
Gain on asset sales, net	
Reclassification of AOCI into earnings, net of \$17 million in taxes	30
Removal of interests in the MCV Partnership and the FMLP, net of \$22 million in taxes	8
Decrease to consolidated net income	\$ (41)
Reclassification of AOCI into earnings, net of \$17 million in taxes	(30)
Decrease to stockholder's equity	\$ (71)

ASSET IMPAIRMENT CHARGES

As discussed in "Asset Sales," in November 2006, we recorded an impairment charge of \$218 million in our Consolidated Statements of Income (Loss). This impairment charge recognizes the reduction in fair value of the MCV Facility's real estate assets and results in an \$80 million reduction to our consolidated net income after considering tax effects and minority interest.

In the third quarter of 2005, NYMEX forward natural gas price forecasts for the years 2005 through 2010 increased substantially. Additionally, other independent natural gas long-term forward price forecasting organizations indicated their intention to raise their forecasts for the price of natural gas beyond 2010. As a result, the MCV Partnership determined an impairment analysis considering revised forward natural gas price assumptions was required. The MCV Partnership determined the fair value of its fixed assets by discounting a set of probability-weighted streams of future operating cash flows. The carrying value of the MCV Partnership's fixed assets exceeded the estimated fair value resulting in impairment charges of \$1.159 billion to recognize the reduction in fair value of the MCV Facility's fixed

Name of Respondent	This Report is:	Date of Report	Year of Report
Consumers Energy Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(mo, Da, Yr) 4/23/2007	December 31, 2006

assets and \$25 million of interest capitalized during the construction of the MCV Facility. Our 2005 consolidated net income was reduced by \$385 million, after considering tax effects and minority interest.

Our interests in the MCV Partnership were reported as a component of our “other” business segment.

3: CONTINGENCIES

SEC and DOJ Investigations: During the period of May 2000 through January 2002, CMS MST engaged in simultaneous, prearranged commodity trading transactions in which energy commodities were sold and repurchased at the same price. These so called round-trip trades had no impact on previously reported consolidated net income, earnings per share or cash flows, but had the effect of increasing operating revenues and operating expenses by equal amounts.

CMS Energy is cooperating with an investigation by the DOJ concerning round-trip trading, which the DOJ commenced in May 2002. CMS Energy is unable to predict the outcome of this matter and what effect, if any, this investigation will have on its business. In March 2004, the SEC approved a cease-and-desist order settling an administrative action against CMS Energy related to round-trip trading. The order did not assess a fine and CMS Energy neither admitted to nor denied the order’s findings. The settlement resolved the SEC investigation involving CMS Energy and CMS MST. Also in March 2004, the SEC filed an action against three former employees related to round-trip trading at CMS MST. One of the individuals has settled with the SEC. CMS Energy is currently advancing legal defense costs for the remaining two individuals in accordance with existing indemnification policies. Those two individuals filed a motion to dismiss the SEC action, which was denied.

Securities Class Action Lawsuits: Beginning in May 2002, a number of complaints were filed against CMS Energy, Consumers and certain officers and directors of CMS Energy and its affiliates in the United States District Court for the Eastern District of Michigan. The cases were consolidated into a single lawsuit (the “Shareholder Action”), which generally seeks unspecified damages based on allegations that the defendants violated United States securities laws and regulations by making allegedly false and misleading statements about CMS Energy’s business and financial condition, particularly with respect to revenues and expenses recorded in connection with round-trip trading by CMS MST. In January 2005, the court granted a motion to dismiss Consumers and three of the individual defendants, but denied the motions to dismiss CMS Energy and the 13 remaining individual defendants. In March 2006, the court conditionally certified a class consisting of “all persons who purchased CMS Common Stock during the period of October 25, 2000 through and including May 17, 2002 and who were damaged thereby.” The court excluded purchasers of CMS Energy’s 8.75 percent Adjustable Convertible Trust Securities (“ACTS”) from the class and, in response, a new class action lawsuit was filed on behalf of ACTS purchasers (the “ACTS Action”) against the same defendants named in the Shareholder Action. The settlement described in the following paragraph, if approved, will resolve both the Shareholder and ACTS Actions.

On January 3, 2007, CMS Energy and other parties entered into a Memorandum of Understanding (the “MOU”) dated December 28, 2006, subject to court approval, regarding settlement of the two class action lawsuits. The settlement was approved by a special committee of independent directors and by the full board of directors. Both judged that it was in the best interests of shareholders to eliminate this business uncertainty. The MOU is expected to lead to a detailed stipulation of settlement that will be

Name of Respondent	This Report is:	Date of Report	Year of Report
Consumers Energy Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(mo, Da, Yr) 4/23/2007	December 31, 2006

presented to the assigned federal judge and the affected class in the first quarter of 2007. Under the terms of the MOU, the litigation will be settled for a total of \$200 million, including the cost of administering the settlement and any attorney fees the court awards. CMS Energy will make a payment of approximately \$123 million plus an amount equivalent to interest on the outstanding unpaid settlement balance beginning on the date of preliminary approval of the court and running until the balance of the settlement funds is paid into a settlement account. Out of the total settlement, CMS Energy's insurers will pay approximately \$77 million directly to the settlement account. CMS Energy took an approximately \$123 million net pre-tax charge to 2006 earnings in the fourth quarter. In entering into the MOU, CMS Energy makes no admission of liability under the Shareholder Action and the ACTS Action.

ELECTRIC CONTINGENCIES

Electric Environmental Matters: Our operations are subject to environmental laws and regulations. Costs to operate our facilities in compliance with these laws and regulations generally have been recovered in customer rates.

Routine Maintenance Classification: The EPA has alleged that some utilities have incorrectly classified plant modifications as "routine maintenance" rather than seeking permits to modify the plant from the EPA. We have received and responded to information requests from the EPA on this subject. We believe that we have properly interpreted the requirements of "routine maintenance." If our interpretation is found to be incorrect, we may be required to install additional pollution controls at some or all of our coal-fired electric generating plants and potentially pay fines. Additionally, the viability of certain plants remaining in operation could be called into question.

Cleanup and Solid Waste: Under the Michigan Natural Resources and Environmental Protection Act, we expect that we will ultimately incur investigation and remedial action costs at a number of sites. We believe that these costs will be recoverable in rates under current ratemaking policies.

We are a potentially responsible party at several contaminated sites administered under Superfund. Superfund liability is joint and several, meaning that many other creditworthy parties with substantial assets are potentially responsible with respect to the individual sites. Based on our experience, we estimate that our share of the total liability for the known Superfund sites will be between \$1 million and \$10 million. At December 31, 2006, we have recorded a liability for the minimum amount of our estimated probable Superfund liability. The timing of payments related to the remediation of our Superfund sites is uncertain. Any significant change in assumptions, such as different remediation techniques, nature and extent of contamination, and legal and regulatory requirements, could affect our estimate of remedial action costs and the timing of our remediation payments.

In October 1998, during routine maintenance activities, we identified PCB as a component in certain paint, grout, and sealant materials at Ludington. We removed and replaced part of the PCB material. Since proposing a plan to deal with the remaining materials, we have had several conversations with the EPA. The EPA has proposed a rule which would authorize continued use of such material in place, subject to certain restrictions. We are not able to predict when a final rule will be issued.

Litigation: In 2003, a group of eight PURPA qualifying facilities (the plaintiffs), which sell power to

Name of Respondent	This Report is:	Date of Report	Year of Report
Consumers Energy Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(mo, Da, Yr) 4/23/2007	December 31, 2006

us, filed a lawsuit in Ingham County Circuit Court. The lawsuit alleged that we incorrectly calculated the energy charge payments made pursuant to power purchase agreements with qualifying facilities. The judge deferred to the primary jurisdiction of the MPSC, dismissing the circuit court case without prejudice. In February 2005, the MPSC issued an order in the 2004 PSCR plan case concluding that we have been correctly administering the energy charge calculation methodology. The plaintiffs have appealed the MPSC order to the Michigan Court of Appeals. The plaintiffs also filed suit in the United States Court for the Western District of Michigan, which the judge subsequently dismissed. The plaintiffs have appealed the dismissal to the United States Court of Appeals. We cannot predict the outcome of these appeals.

ELECTRIC RATE MATTERS

Electric ROA: In prior orders, the MPSC approved recovery of Stranded Costs incurred from 2002 through 2003 plus the cost of money through the period of collection. At December 31, 2006, we had a regulatory asset for Stranded Costs of \$65 million on our Consolidated Balance Sheets. We collect Stranded Costs through a surcharge on ROA customers. At December 31, 2006, alternative electric suppliers were providing 300 MW of generation service to ROA customers, which represent a decrease of 46 percent of ROA load compared to the end of December 2005. If downward ROA trends continue, it may extend the time it takes to recover fully our Stranded Costs. It is difficult to predict future ROA customer trends and their effect on the timely recovery of Stranded Costs.

Power Supply Costs: To reduce the risk of high power supply costs during peak demand periods and to achieve our reserve margin target, we purchase electric capacity and energy contracts for the physical delivery of electricity primarily in the summer months and to a lesser degree in the winter months. We have purchased capacity and energy contracts covering partially the estimated reserve margin requirements for 2007 through 2010. As a result, we have an asset of \$62 million for unexpired seasonal capacity and energy contracts at December 31, 2006. Capacity cost for these primarily seasonal electric capacity and energy contracts was \$17 million in 2006.

PSCR: The PSCR process allows recovery of reasonable and prudent power supply costs. The MPSC reviews these costs for reasonableness and prudence in annual plan and reconciliation proceedings.

2005 PSCR Reconciliation: In March 2006, we submitted our 2005 PSCR reconciliation filing to the MPSC. Our filing indicated that 2005 underrecoveries were \$36 million for commercial and industrial customers.

2006 PSCR Plan: In August 2006, the MPSC issued an order approving our amended 2006 PSCR plan, which resulted in an increased PSCR factor for the remainder of 2006. PSCR underrecoveries for 2006 were \$119 million. These underrecoveries are due to the MPSC delaying recovery of our increased METC costs and coal supply costs, increased bundled sales, and other cost increases beyond those included in the 2006 PSCR plan filings.

PSCR 2007 Plan: In December 2006, the MPSC issued a temporary order allowing us to implement our 2007 PSCR monthly factor on January 1, 2007, as filed in our September 2006 case filing. The order also approved the incorporation of our 2005 and 2006 PSCR underrecoveries into our 2007 PSCR monthly factor and allowed us to continue to roll in prior year under and overrecoveries into future

Name of Respondent	This Report is:	Date of Report	Year of Report
Consumers Energy Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(mo, Da, Yr) 4/23/2007	December 31, 2006

PSCR plans.

We expect to recover fully all of our PSCR costs. When we are unable to collect these costs as they are incurred, there is a negative impact on our cash flows from electric utility operations. We cannot predict the outcome of these proceedings.

OTHER ELECTRIC CONTINGENCIES

The MCV PPA: The MCV Partnership, which leases and operates the MCV Facility, contracted to sell 1,240 MW of electricity to Consumers under a 35-year power purchase agreement beginning in 1990. We estimate that capacity and energy payments under the MCV PPA will be \$620 million per year. The MCV PPA and the associated customer rates are unaffected by the November 2006 sale of our interest in the MCV Partnership.

Underrecoveries related to the MCV PPA: The cost that we incur under the MCV PPA exceeds the recovery amount allowed by the MPSC. We expensed underrecoveries of \$57 million in 2006 and we estimate cash underrecoveries of \$39 million in 2007. However, we use savings from the RCP, after allocating a portion to customers, to offset a portion of our capacity and fixed energy underrecoveries expense.

RCP: In January 2005, we implemented the MPSC-approved RCP with modifications. The RCP allows us to recover the same amount of capacity and fixed energy charges from customers as approved in prior MPSC orders. However, we are able to dispatch the MCV Facility based on natural gas market prices. This results in fuel cost savings for the MCV Facility, which the MCV Partnership shares with us. The RCP also requires us to contribute \$5 million annually to a renewable resources program. As of December 2006, we have contributed \$10 million to the renewable resources program. The underlying RCP agreement between Consumers and the MCV Partnership extends through the term of the MCV PPA. However, either party may terminate that agreement under certain conditions. In January 2007, the Michigan Attorney General filed an appeal with the Michigan Supreme Court regarding the MPSC's order approving the RCP. We cannot predict the outcome of this matter.

Regulatory Out Provision in the MCV PPA: After September 15, 2007, we expect to claim relief under the regulatory out provision in the MCV PPA, thereby limiting our capacity and fixed energy payments to the MCV Partnership to the amounts that we collect from our customers. The MCV Partnership has notified us that it takes issue with our intended exercise of the regulatory out provision. We believe that the provision is valid and fully effective, but cannot assure that it will prevail in the event of a dispute. If we are successful in exercising the regulatory out provision, the MCV Partnership has the right to terminate the MCV PPA, which could affect our reserve margin. We anticipate that the MPSC will review our exercise of the regulatory out provision and the likely consequences of such action in 2007. It is possible that in the event that the MCV Partnership ceases performance under the MCV PPA, prior orders could limit recovery of replacement power costs to the amounts that the MPSC authorized for recovery under the MCV PPA. Depending on the cost of replacement power, this could result in our costs exceeding the recovery amount allowed by the MPSC. We cannot predict the outcome these matters.

The Sale of Nuclear Assets and the Palisades Power Purchase Agreement: In July 2006, we reached an agreement to sell Palisades to Entergy for \$380 million and pay Entergy \$30 million to

Name of Respondent	This Report is:	Date of Report	Year of Report
Consumers Energy Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(mo, Da, Yr) 4/23/2007	December 31, 2006

assume ownership and responsibility for the Big Rock ISFSI.

Palisades Asset Sale: The sale is subject to various regulatory approvals, including the MPSC’s approval of the power purchase agreement and the NRC’s approval of the transfer of the operating license to Entergy and other related matters. In February 2007, the FERC issued an order approving the sale of power to us under the power purchase agreement and granted other related approvals, with what we believe are minor exceptions and conditions that we believe can be adequately accepted. In October 2006, the Federal Trade Commission issued a notice that neither it nor the DOJ’s Antitrust Division plans to take enforcement action on the sale. The final purchase price will be subject to various closing adjustments such as working capital and capital expenditure adjustments, adjustments for nuclear fuel usage and inventory, and the date of closing. However, termination of the sale agreement can occur if the closing does not take place by January 2008. To accommodate delays in receiving regulatory approval, extension of the closing can occur for up to six months. We cannot predict with certainty whether or when satisfaction of the closing conditions will occur or whether or when completion of the transaction will occur.

Under the agreement, if the transaction does not close by March 1, 2007, a reduction in the purchase price occurs of approximately \$80,000 per day, with additional costs if the deal does not close by June 1, 2007. Based on the MPSC’s published schedule for the contested case proceedings regarding this transaction, we target to close on the transaction in the second quarter of 2007. Based on the anticipated closing date, this delay would result in a purchase price reduction for Palisades of approximately \$5 million. We estimate that the Palisades sale will result in a \$31 million premium above the Palisades asset value at the anticipated closing date after accounting for estimated sales-related costs. We expect that this premium will benefit our customers. We cannot predict with certainty whether or when satisfaction of the closing conditions will occur or whether or when completion of the transaction will occur.

We have notified the NMC that we plan to terminate the NMC’s operation of Palisades, if the sale is completed, which would require us to pay the NMC an estimated \$12 million. Due to the regulatory approvals pending, we have not recorded this contingent obligation.

Palisades Power Purchase Agreement: As part of the transaction, Entergy will sell us 100 percent of the plant’s output up to its current capacity of 798 MW under a 15-year power purchase agreement. During the term of the power purchase agreement, Entergy is obligated to supply, and we are obligated to take, all capacity and energy from the Palisades plant, exclusive of uprates above the plant's presently specified capacity. When the plant is not operating or is derated, under certain circumstances Entergy can elect to provide replacement power from another source at the rates set in the power purchase agreement. Otherwise, we would have to obtain replacement power from the market. However, we are only obligated to pay Entergy for capacity and energy actually delivered by Entergy either from the plant or from an allowable replacement source chosen by Entergy. If Entergy schedules a plant outage in June, July or August, Entergy is required to provide replacement power at power purchase agreement rates. There are significant penalties incurred by Entergy if the delivered energy fails to achieve a minimum capacity factor level during July and August. Over the term of the power purchase agreement, the pricing terms are such that Consumers’ ratepayers will retain the benefits of the Palisades plant’s low-cost nuclear generation.

Name of Respondent	This Report is:	Date of Report	Year of Report
	(1) <input checked="" type="checkbox"/> An Original	(mo, Da, Yr)	
Consumers Energy Company	(2) <input type="checkbox"/> A Resubmission	4/23/2007	December 31, 2006

Because of the power purchase agreement that will be in place between Consumers and Entergy, the transaction is effectively a sale and leaseback for accounting purposes. SFAS No. 98 specifies the accounting required for a seller's sale and simultaneous leaseback transaction involving real estate, including real estate with equipment. Due to forms of continuing involvement, we will account for the transaction as a financing for accounting purposes and not a sale. As such, we have not classified the assets as held for sale on our Consolidated Balance Sheets.

Nuclear Plant Decommissioning: The MPSC and the FERC regulate the recovery of costs to decommission, or remove from service, our Big Rock and Palisades nuclear plants. Decommissioning funding practices approved by the MPSC require us to file a report on the adequacy of funds for decommissioning at three-year intervals. We prepared and filed updated cost estimates for Big Rock and Palisades in March 2004. Excluding additional costs for spent nuclear fuel storage due to the DOE's failure to accept this spent nuclear fuel on schedule, these reports show a decommissioning cost of \$361 million for Big Rock and \$868 million for Palisades. Big Rock's estimated cost includes historical expenditures in nominal dollars and future costs in 2003 dollars, with all Palisades costs given in 2003 dollars. Updated cost projections for Big Rock indicate an anticipated decommissioning cost of \$390 million as of December 2006.

Big Rock: In December 2000, funding of the Big Rock trust fund stopped because the MPSC-authorized decommissioning surcharge collection period expired. In our March 2004 report to the MPSC, we indicated that we would manage the decommissioning trust fund to meet annual NRC financial assurance requirements by withdrawing NRC radiological decommissioning costs from the fund and initially funding non-NRC greenfield costs out of corporate funds. In March 2006, we contributed \$16 million to the trust fund from our corporate funds to support NRC radiological decommissioning costs. Excluding the additional nuclear fuel storage costs due to the DOE's failure to accept spent fuel on schedule, we are projecting that the level of funds provided by the trust will fall short of the amount needed to complete the decommissioning by an additional \$37 million. This total of \$53 million, which are costs associated with NRC radiological and non-NRC greenfield decommissioning work, are being funded out of corporate funds. We plan to seek recovery of such expenditures recorded on our consolidated balance sheets in future filings with the MPSC.

We have incurred Big Rock expenditures, excluding nuclear fuel storage costs, of \$41 million for the year ended December 31, 2006, and cumulative expenditures through December 31, 2006 of \$386 million. These activities had no material impact on consolidated net income. At December 31, 2006, we have an investment in nuclear decommissioning corporate funded trust funds of \$4 million for Big Rock. In addition, at December 31, 2006, we have charged \$10 million to our FERC jurisdictional depreciation reserve for the decommissioning of Big Rock.

Palisades: Excluding additional nuclear fuel storage costs due to the DOE's failure to accept spent fuel on schedule, we concluded, based on the cost estimates filed in March 2004, that the existing Palisades' surcharge of \$6 million needed to be increased to \$25 million annually, beginning January 2006. A settlement agreement was approved by the MPSC, providing for the continuation of the existing \$6 million annual decommissioning surcharge through 2011, which was our original license expiration date, and for the next periodic review to be filed in March 2007. Amounts collected from electric retail customers and deposited in trusts, including trust earnings, are credited to a regulatory liability.

Name of Respondent	This Report is:	Date of Report	Year of Report
Consumers Energy Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(mo, Da, Yr) 4/23/2007	December 31, 2006

At December 31, 2006, we have an investment in the MPSC nuclear decommissioning trust funds of \$587 million for Palisades. In addition, at December 31, 2006, we have a FERC decommissioning trust fund with a balance of \$11 million. In the FERC's February 2007 order regarding the Palisades sale, the FERC granted our request to apply the \$11 million FERC decommissioning trust fund balance toward the Big Rock decommissioning shortfall, subject to the outcome of the NRC operating license transfer proceedings and completion of the Palisades sale transaction. For additional details on decommissioning costs accounted for as asset retirement obligations, see Note 7, Asset Retirement Obligations.

In March 2005, the NMC, which operates the Palisades plant, applied for a 20-year license renewal for the plant on behalf of Consumers. In January 2007, the NRC renewed the Palisades operating license for 20 years, extending it to 2031. At this time, we cannot determine what impact this will have on decommissioning costs or the adequacy of funding. Initial estimates of decommissioning costs, assuming a plant retirement date of 2031, show decommissioning costs of either \$818 million or \$1.049 billion for Palisades, depending on the decommissioning methodology assumed. These costs, which exclude additional costs for spent nuclear fuel storage due to the DOE's failure to accept spent nuclear fuel on schedule, are given in 2003 dollars.

Nuclear Matters: DOE Litigation: In 1997, a U.S. Court of Appeals decision confirmed that the DOE was to begin accepting deliveries of spent nuclear fuel for disposal by January 1998. Subsequent U.S. Court of Appeals litigation, in which we and other utilities participated, has not been successful in producing more specific relief for the DOE's failure to accept the spent nuclear fuel.

There are two court decisions that support the right of utilities to pursue damage claims in the United States Court of Claims against the DOE for failure to take delivery of spent nuclear fuel. Over 60 utilities have initiated litigation in the United States Court of Claims. We filed our complaint in December 2002. If our litigation against the DOE is successful, we plan to use any recoveries as reimbursement for the incurred costs of spent nuclear fuel storage. We can make no assurance that the litigation against the DOE will be successful.

In 2002, the site at Yucca Mountain, Nevada was designated for the development of a repository for the disposal of high-level radioactive waste and spent nuclear fuel. We expect that the DOE, in due course, will submit a final license application to the NRC for the repository. The application and review process is estimated to take several years.

Insurance: We maintain nuclear insurance coverage on our nuclear plants. At Palisades, we maintain nuclear property insurance from NEIL totaling \$2.750 billion and insurance that would partially cover the cost of replacement power during certain prolonged accidental outages. Because NEIL is a mutual insurance company, we could be subject to assessments of up to \$30 million in any policy year if insured losses in excess of NEIL's maximum policyholders surplus occur at our, or any other member's, nuclear facility. NEIL's policies include coverage for acts of terrorism.

At Palisades, we maintain nuclear liability insurance for third-party bodily injury and off-site property damage resulting from a nuclear energy hazard for up to approximately \$10.761 billion, the maximum insurance liability limits established by the Price-Anderson Act. Part of the Price-Anderson Act's financial protection is a mandatory industry-wide program under which owners of nuclear generating facilities could be assessed if a nuclear incident occurs at any nuclear generating facility. The maximum

Name of Respondent	This Report is:	Date of Report	Year of Report
Consumers Energy Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(mo, Da, Yr) 4/23/2007	December 31, 2006

assessment against us could be \$101 million per occurrence, limited to maximum annual installment payments of \$15 million.

We also maintain insurance under a program that covers tort claims for bodily injury to nuclear workers caused by nuclear hazards. The policy contains a \$300 million nuclear industry aggregate limit. Under a previous insurance program providing coverage for claims brought by nuclear workers, we remain responsible for a maximum assessment of up to \$6 million. This requirement will end December 31, 2007.

Big Rock remains insured for nuclear liability up to \$544 million through nuclear insurance and NRC indemnity, and maintains a nuclear property insurance policy from NEIL.

Insurance policy terms, limits, and conditions are subject to change during the year as we renew our policies.

GAS CONTINGENCIES

Gas Environmental Matters: We expect to incur investigation and remediation costs at a number of sites under the Michigan Natural Resources and Environmental Protection Act, a Michigan statute that covers environmental activities including remediation. These sites include 23 former manufactured gas plant facilities. We operated the facilities on these sites for some part of their operating lives. For some of these sites, we have no current ownership or may own only a portion of the original site. In 2005, we estimated our remaining costs to be between \$29 million and \$71 million, based on 2005 discounted costs, using a discount rate of three percent. The discount rate represents a 10-year average of U.S. Treasury bond rates reduced for increases in the consumer price index. We expect to fund most of these costs through proceeds derived from a settlement with insurers and MPSC-approved rates. At December 31, 2006, we have a liability of \$24 million, net of \$59 million of expenditures incurred to date, and a regulatory asset of \$56 million. The timing of payments related to the remediation of our manufactured gas plant sites is uncertain. Any significant change in assumptions, such as an increase in the number of sites, different remediation techniques, nature and extent of contamination, and legal and regulatory requirements, could affect our estimate of remedial action costs and the timing our remediation payments.

GAS RATE MATTERS

Gas Cost Recovery: The GCR process is designed to allow us to recover all of our purchased natural gas costs if incurred under reasonable and prudent policies and practices. The MPSC reviews these costs, policies, and practices for prudence in annual plan and reconciliation proceedings.

Name of Respondent	This Report is:	Date of Report	Year of Report
Consumers Energy Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(mo, Da, Yr) 4/23/2007	December 31, 2006

The following table summarizes our GCR reconciliation filings with the MPSC:

Gas Cost Recovery Reconciliation

GCR Year	Date Filed	Order Date	Net Over-recovery	GCR Cost of Gas Sold	Description of Net Overrecovery
2004-2005	June 2005	April 2006	\$2 million	\$1.4 billion	The net overrecovery includes interest expense through March 2005 and refunds that we received from our suppliers that are required to be refunded to our customers.
2005-2006	June 2006	Pending	\$3 million	\$1.8 billion	The net overrecovery includes \$1 million interest income through March 2006, which resulted from a net underrecovery position during the majority of the GCR period.

GCR plan for year 2005-2006: In November 2005, the MPSC issued an order for our 2005-2006 GCR Plan year, which resulted in approval of a settlement agreement and established a fixed price cap of \$10.10 per mcf for the December 2005 through March 2006 billing period. We were able to maintain our billing GCR factor below the authorized level for that period. The order was appealed to the Michigan Court of Appeals by one intervenor. We are unable to predict the outcome of this proceeding.

GCR plan for year 2006-2007: In December 2005, we filed an application with the MPSC seeking approval of a GCR plan for the 12-month period of April 2006 through March 2007. Our request proposed using a GCR factor consisting of:

- a base GCR ceiling factor of \$11.10 per mcf, plus
- a quarterly GCR ceiling price adjustment contingent upon future events.

In July 2006, all parties signed a partial settlement agreement, which calls for a base GCR ceiling factor of \$9.48 per mcf. The settlement agreement base GCR ceiling factor is subject to a quarterly GCR ceiling price adjustment mechanism. The adjustment mechanism allows an adjustment of the base ceiling factor to reflect a portion of cost increases, if the average NYMEX price for a specified period is greater than that used in calculating the base GCR factor. The MPSC approved the settlement agreement in August 2006.

The GCR billing factor is adjusted monthly in order to minimize the over or underrecovery amounts in our annual GCR reconciliation. Our GCR billing factor for the month of February 2007 is \$7.63 per mcf.

GCR plan for year 2007-2008: In December 2006, we filed an application with the MPSC seeking approval of a GCR plan for the 12-month period of April 2007 through March 2008. Our request proposed using a GCR factor consisting of:

- a base GCR ceiling factor of \$8.47 per mcf, plus

Name of Respondent	This Report is:	Date of Report	Year of Report
Consumers Energy Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(mo, Da, Yr) 4/23/2007	December 31, 2006

- a quarterly GCR ceiling price adjustment contingent upon future events.

2005 Gas Rate Case: In July 2005, we filed an application with the MPSC for an annual gas rate increase of \$132 million. In May 2006, the MPSC issued an order granting us interim rate relief of \$18 million annually.

In November 2006, the MPSC issued an order granting rate relief of \$81 million, which included the \$18 million of interim relief granted in May 2006. The MPSC authorized an 11 percent return on common equity, a reduction from our then current 11.4 percent authorized rate of return. In addition, the order made permanent the collection of a \$58 million surcharge granted in October 2004.

2007 Gas Rate Case: In February 2007, we filed an application with the MPSC for an annual gas rate increase of \$88 million and an 11.25 percent authorized return on equity. We have proposed the use of a Revenue Decoupling and Conservation Incentive Mechanism for residential and general service rate classes to help assure a reasonable opportunity to recover costs that do not fluctuate with volumetric changes.

OTHER CONTINGENCIES

Other: In addition to the matters disclosed within this Note, we are party to certain lawsuits and administrative proceedings before various courts and governmental agencies arising from the ordinary course of business. These lawsuits and proceedings may involve personal injury, property damage, contractual matters, environmental issues, federal and state taxes, rates, licensing, and other matters.

We have accrued estimated losses for certain contingencies discussed within this Note. Resolution of these contingencies is not expected to have a material adverse impact on our financial position, liquidity, or future results of operations.

FASB Interpretation No. 45, *Guarantor's Accounting and Disclosure Requirements for Guarantees, Including Indirect Guarantees of Indebtedness of Others:* The Interpretation requires the guarantor, upon issuance of a guarantee, to recognize a liability for the fair value of the obligation it undertakes in issuing the guarantee.

The following table describes our guarantees at December 31, 2006:

Guarantee Description	Issue Date	Expiration Date	Maximum Obligation	In Millions
				Carrying Amount
Surety bonds and other indemnifications	Various	Various	\$ 1	-
Guarantee	January 1987	March 2016	85	-
Nuclear insurance retrospective premiums	Various	Indefinite	137	-

Name of Respondent	This Report is:	Date of Report	Year of Report
Consumers Energy Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(mo, Da, Yr) 4/23/2007	December 31, 2006

The following table provides additional information regarding our guarantees:

Guarantee Description	How Guarantee Arose	Events That Would Require Performance
Surety bonds and other indemnifications	Normal operating activity, permits and licenses	Nonperformance
Guarantee	Agreement to provide power and steam to Dow	MCV Partnership's nonperformance or non-payment under a related contract
Nuclear insurance retrospective premiums	Normal operations of nuclear plants	Call by NEIL and Price-Anderson Act for nuclear incident

At December 31, 2006, none of our guarantees contained provisions allowing us to recover, from third parties, amounts paid under the guarantees with the exception of the Consumers guarantee to provide power and steam to Dow.

We sold our interests in the MCV Partnership and the FMLP. The sales agreement calls for the purchaser, an affiliate of GSO Capital Partners and Rockland Capital Energy Investments to pay Consumers \$85 million, subject to certain reimbursement rights, if Dow terminates an agreement under which the MCV Partnership provides it power and steam. This agreement expires in March 2016, subject to certain terms and conditions. The purchaser secured their reimbursement obligation with an irrevocable letter of credit of up to \$85 million.

We enter into various agreements containing tax and other indemnification provisions in connection with a variety of transactions, including the sale of our interests in the MCV Partnership and the FMLP. While we are unable to estimate the maximum potential obligation related to these indemnities, we consider the likelihood that we would be required to perform or incur significant losses related to these indemnities and the guarantees listed in the preceding tables to be remote.

Name of Respondent	This Report is:	Date of Report	Year of Report
Consumers Energy Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(mo, Da, Yr) 4/23/2007	December 31, 2006

4: FINANCINGS AND CAPITALIZATION

Long-term debt at December 31 follows:

	Interest Rate (%)	Maturity	In Millions	
			2006	2005
First mortgage bonds	4.250	2008	\$ 250	\$ 250
	4.800	2009	200	200
	4.400	2009	150	150
	4.000	2010	250	250
	5.000	2012	300	300
	5.375	2013	375	375
	6.000	2014	200	200
	5.000	2015	225	225
	5.500	2016	350	350
	5.150	2017	250	250
	5.650	2020	300	300
	5.650	2035	147	150
	5.800	2035	175	175
			<u>3,172</u>	<u>3,175</u>
Senior notes	6.375	2008	159	159
	6.875	2018	180	180
			<u>339</u>	<u>339</u>
Securitization bonds	5.384 (a)	2007-2015	<u>340</u>	<u>369</u>
FMLP Debt:				
Subordinated secured notes	13.250		-	56
Tax-exempt subordinated secured notes	6.875		-	137
Tax-exempt subordinated secured notes	6.750		-	14
			<u>-</u>	<u>207</u>
Nuclear fuel disposal liability		(b)	152	145
Tax-exempt pollution control revenue bonds	Various	2010-2035	<u>161</u>	<u>161</u>
			<u>313</u>	<u>306</u>
Total principal amounts outstanding			4,164	4,396
Current amounts			(31)	(85)
Net unamortized discount			(6)	(8)
Total Long-term debt			<u>\$ 4,127</u>	<u>\$ 4,303</u>

(a) Represents the weighted average interest rate at December 31, 2006 (5.295 percent at December 31, 2005).

(b) Maturity date uncertain.

Name of Respondent	This Report is:	Date of Report	Year of Report
Consumers Energy Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(mo, Da, Yr) 4/23/2007	December 31, 2006

Debt Retirements: The following is a summary of significant long-term debt retirements during 2006:

	Principal (In millions)	Interest Rate (%)	Retirement Date	Maturity Date
Long-term debt – related parties	\$ 129	9.00	February 2006	June 2031
FMLP debt	56	13.25	July 2006	July 2006
FMLP debt (a)	151	Various	November 2006	July 2009
Total	\$ 336			

(a) FMLP debt of \$151 million was removed as part of the November 2006 transaction in which we sold our interest in the FMLP.

First Mortgage Bonds: We secure our FMB by a mortgage and lien on substantially all of our property. Our ability to issue FMB is restricted by certain provisions in the first mortgage bond indenture and the need for regulatory approvals under federal law. Restrictive new issuance provisions in our first mortgage bond indenture include achieving a two-times interest coverage ratio and having sufficient net unfunded property additions.

Securitization Bonds: Certain regulatory assets collateralize Securitization bonds. The bondholders have no recourse to our other assets. Through our rate structure, we bill customers for securitization surcharges to fund the payment of principal, interest, and other related expenses on the Securitization bonds. Securitization surcharges collected are remitted to a trustee for the Securitization bonds and are not available to our creditors. Securitization surcharges totaled \$50 million in 2006 and 2005.

Debt Maturities: At December 31, 2006, the aggregate annual contractual maturities for long-term debt for the next five years are:

	In Millions				
	Payments Due				
	2007	2008	2009	2010	2011
Long-term debt	\$ 31	\$ 441	\$ 384	\$ 343	\$ 37

Regulatory Authorization for Financings: In May 2006, the FERC issued an order authorizing us to issue up to \$2.0 billion of secured and unsecured short-term securities for the following purposes:

- up to \$1.0 billion for general corporate purposes,
- up to \$1.0 billion of FMB or other securities to be issued solely as collateral for other short-term securities.

Also in May 2006, the FERC issued an order authorizing us to issue up to \$5.0 billion of secured and unsecured long-term securities for the following purposes:

- up to \$1.5 billion for general corporate purposes,
- up to \$1.0 billion for purposes of refinancing or refunding existing long-term debt, and
- up to \$2.5 billion of FMB or other securities to be issued solely as collateral for other long-term securities.

Name of Respondent	This Report is:	Date of Report	Year of Report
Consumers Energy Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(mo, Da, Yr) 4/23/2007	December 31, 2006

The authorizations are for a two-year period beginning July 1, 2006 and ending June 30, 2008. Any long-term issuances during the two-year authorization period are exempt from FERC's competitive bidding and negotiated placement requirements.

Revolving Credit Facilities: The following secured revolving credit facilities with banks are available at December 31, 2006:

					In Millions	
Company	Expiration Date	Amount of Facility	Amount Borrowed	Outstanding Letters-of-Credit	Amount Available	
Consumers	March 30, 2007	\$ 300	\$ -	\$ -	\$ 300	
Consumers	May 18, 2010	500	-	58	442	

Effective February 2007, we terminated the \$300 million facility.

Dividend Restrictions: Under the provisions of our articles of incorporation, at December 31, 2006, we had \$215 million of unrestricted retained earnings available to pay common stock dividends. Covenants in our debt facilities cap common stock dividend payments at \$300 million in a calendar year. Provisions of the Federal Power Act and the Natural Gas Act effectively restrict dividends to the amount of our retained earnings. During 2006, we paid \$147 million in common stock dividends to CMS Energy.

Sale of Accounts Receivable: Under a revolving accounts receivable sales program, we sell certain accounts receivable to a wholly owned, consolidated, bankruptcy remote special purpose entity. In turn, the special purpose entity may sell an undivided interest in up to \$325 million of the receivables. The special purpose entity sold \$325 million of receivables at December 31, 2006 and December 31, 2005. We continue to service the receivables sold to the special purpose entity. The purchaser of the receivables has no recourse against our other assets for failure of a debtor to pay when due and no right to any receivables not sold. We have neither recorded a gain or loss on the receivables sold nor retained interest in the receivables sold.

Certain cash flows under our accounts receivable sales program are shown in the following table:

			In Millions	
Years Ended December 31	2006	2005		
Net cash flow as a result of accounts receivable financing	\$ -	\$ 21		
Collections from customers	\$ 5,684	\$ 4,859		

Name of Respondent	This Report is:	Date of Report	Year of Report
Consumers Energy Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(mo, Da, Yr) 4/23/2007	December 31, 2006

Preferred Stock: Our Preferred Stock outstanding follows:

December 31	Series	Optional Redemption Price	Number of Shares		In Millions	
			2006	2005	2006	2005
Preferred Stock						
Cumulative \$100 par value, Authorized 7,500,000 shares, with no mandatory redemption						
	\$4.16	\$103.25	68,451	68,451	\$ 7	\$ 7
	\$4.50	\$110.00	373,148	373,148	<u>37</u>	<u>37</u>
Total Preferred Stock					\$ 44	\$ 44

5: FINANCIAL AND DERIVATIVE INSTRUMENTS

Financial Instruments: The carrying amounts of cash, short-term investments, and current liabilities approximate their fair values because of their short-term nature. We estimate the fair values of long-term financial instruments based on quoted market prices or, in the absence of specific market prices, on quoted market prices of similar instruments or other valuation techniques.

The cost and fair value of our long-term financial debt instruments are as follows:

December 31	In Millions					
	2006			2005		
	Cost	Fair Value	Unrealized Gain	Cost	Fair Value	Unrealized (Loss)
Long-term debt (a)	\$ 4,158	\$ 4,111	\$ 47	\$ 4,388	\$ 4,393	\$ (5)
Long-term debt - related parties (b)	-	-	-	129	131	(2)

(a) Includes current maturities of \$31 million at December 31, 2006 and \$85 million at December 31, 2005. Settlement of long-term debt is generally not expected until maturity.

(b) Includes current maturities of \$129 million at December 31, 2005.

Name of Respondent	This Report is:	Date of Report	Year of Report
Consumers Energy Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(mo, Da, Yr) 4/23/2007	December 31, 2006

The summary of our available-for-sale investment securities is as follows:

December 31	2006				2005				In Millions
	Cost	Unrealized Gains	Unrealized Losses	Fair Value	Cost	Unrealized Gains	Unrealized Losses	Fair Value	
Common stock of CMS Energy (a)	\$ 10	\$ 26	\$ -	\$ 36	\$ 10	\$ 23	\$ -	\$ 33	
Nuclear decommissioning investments (b):									
Equity securities	140	150	(4)	286	134	123	(5)	252	
Debt securities	307	4	(2)	309	287	6	(2)	291	
SERP:									
Equity securities	17	9	-	26	16	6	-	22	
Debt securities	6	-	-	6	8	-	-	8	

(a) At December 31, 2006, we held 2.2 million shares, and at December 31, 2005, we held 2.3 million shares of CMS Energy Common Stock.

(b) Nuclear decommissioning investments include cash and cash equivalents and accrued income totaling \$7 million at December 31, 2006 and \$12 million at December 31, 2005. Unrealized gains and losses on nuclear decommissioning investments are reflected as regulatory liabilities.

The fair value of available-for-sale debt securities by contractual maturity at December 31, 2006 is as follows:

	In Millions
Due in one year or less	\$ 38
Due after one year through five years	94
Due after five years through ten years	73
Due after ten years	110
Total	\$ 315

In July 2006, we reached an agreement to sell Palisades and the Big Rock ISFSI to Entergy. Entergy will assume responsibility for the future decommissioning of the plant and for storage and disposal of spent nuclear fuel. Accordingly, upon completion of the sale, we will transfer \$400 million of nuclear decommissioning trust fund assets to Entergy and retain \$205 million. We will also be entitled to receive a return of \$147 million, pending either a favorable federal tax ruling regarding the release of the funds, or if no such ruling is issued, after decommissioning of the Palisades site is complete. These estimates fluctuate based on existing market conditions and the closing date of the transaction. The disposition of the retained and receivable nuclear decommissioning funds is subject to regulatory proceedings.

Our held-to-maturity investments consist of debt securities held by the MCV Partnership totaling \$91 million at December 31, 2005. They were removed as part of the November 2006 transaction in which we sold our interest in the MCV Partnership. These securities represent funds restricted primarily for future lease payments and are classified as Other assets on our Consolidated Balance Sheets. These

Name of Respondent	This Report is:	Date of Report	Year of Report
Consumers Energy Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(mo, Da, Yr) 4/23/2007	December 31, 2006

investments had original maturity dates of approximately one year or less and, because of their short-term maturities, carrying amounts approximate fair value.

Derivative Instruments: In order to limit our exposure to certain market risks, we may enter into various risk management contracts, such as swaps, options, futures, and forward contracts. These contracts, used primarily to manage our exposure to changes in interest rates and commodity prices, are entered into for purposes other than trading. We enter into these contracts using established policies and procedures, under the direction of both:

- an executive oversight committee consisting of senior management representatives, and
- a risk committee consisting of business unit managers.

The contracts we use to manage market risks may qualify as derivative instruments that are subject to derivative and hedge accounting under SFAS No. 133. If a contract is a derivative, it is recorded on our consolidated balance sheet at its fair value. We then adjust the resulting asset or liability each quarter to reflect any change in the market value of the contract, a practice known as marking the contract to market. From time to time, we enter into cash flow hedges. If a derivative qualifies for cash flow hedge accounting treatment, the changes in fair value (gains or losses) are reported in AOCI; otherwise, the changes are reported in earnings.

For a derivative instrument to qualify for cash flow hedge accounting:

- the relationship between the derivative instrument and the forecasted transaction being hedged must be formally documented at inception,
- the derivative instrument must be highly effective in offsetting the hedged transaction's cash flows, and
- the forecasted transaction being hedged must be probable.

If a derivative qualifies for cash flow hedge accounting treatment and gains or losses are recorded in AOCI, those gains or losses will be reclassified into earnings in the same period or periods the hedged forecasted transaction affects earnings. If a cash flow hedge is terminated early because it is determined that the forecasted transaction will not occur, any gain or loss recorded in AOCI at that date is recognized immediately in earnings. If a cash flow hedge is terminated early for other economic reasons, any gain or loss as of the termination date is deferred and then reclassified to earnings when the forecasted transaction affects earnings. The ineffective portion, if any, of all hedges is recognized in earnings.

To determine the fair value of our derivatives, we use information from external sources (i.e., quoted market prices and third-party valuations), if available. For certain contracts, this information is not available and we use mathematical valuation models to value our derivatives. These models require various inputs and assumptions, including commodity market prices and volatilities, as well as interest rates and contract maturity dates. The cash returns we actually realize on these contracts may vary, either positively or negatively, from the results that we estimate using these models. As part of valuing our derivatives at market, we maintain reserves, if necessary, for credit risks arising from the financial condition of our counterparties.

Name of Respondent	This Report is:	Date of Report	Year of Report
Consumers Energy Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(mo, Da, Yr) 4/23/2007	December 31, 2006

The majority of our commodity purchase and sale contracts are not subject to derivative accounting under SFAS No. 133 because:

- they do not have a notional amount (that is, a number of units specified in a derivative instrument, such as MWh of electricity or bcf of natural gas),
- they qualify for the normal purchases and sales exception, or
- there is not an active market for the commodity.

Our coal purchase contracts are not derivatives because there is not an active market for the coal we purchase. If an active market for coal develops in the future, some of these contracts may qualify as derivatives and the resulting mark-to-market impact on earnings could be material.

In 2005, the MISO began operating the Midwest Energy Market. As of December 31, 2006, we have determined that, due to the increased liquidity for electricity within the Midwest Energy Market since its inception, it is our best judgment that this market should be considered an active market, as defined by SFAS No. 133. This conclusion does not impact how we account for our electric capacity and energy contracts, however, because these contracts qualify for the normal purchases and sales exception and, as a result, are not required to be marked-to-market.

Derivative accounting is required for certain contracts used to limit our exposure to commodity price risk. The following table summarizes our derivative instruments:

December 31	In Millions					
	2006			2005		
Derivative Instruments	Cost	Fair Value	Unrealized Gain	Cost	Fair Value	Unrealized Gain (Loss)
Gas supply option contracts	\$ -	\$ -	\$ -	\$ 1	\$ (1)	\$ (2)
FTRs	-	-	-	-	1	1
<i>Derivative contracts associated with the MCV Partnership:</i>						
Long-term gas contracts (a)	-	-	-	-	205	205
Gas futures, options, and swaps (a)	-	-	-	-	223	223

(a) The fair value of the MCV Partnership's long-term gas contracts and gas futures, options, and swaps has decreased to \$0 as a result of the sale of our interest in the MCV Partnership in November 2006. In conjunction with that sale, our interest in these contracts was also sold and, as a result, we no longer record the fair value of these contracts on our Consolidated Balance Sheets.

At December 31, 2005, we recorded the fair value of our derivative contracts in Derivative instruments, Other assets, or Other liabilities on our Consolidated Balance Sheets.

Gas Supply Option Contracts: Our gas utility business uses gas supply call and put options to meet our regulatory obligation to provide gas to our customers at a reasonable and prudent cost. As part of regulatory accounting, the mark-to-market gains and losses associated with these options are reported directly in earnings as part of Other income, and then immediately reversed out of earnings and recorded

Name of Respondent	This Report is:	Date of Report	Year of Report
Consumers Energy Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(mo, Da, Yr) 4/23/2007	December 31, 2006

on our consolidated balance sheet as a regulatory asset or liability.

FTRs: With the creation of the Midwest Energy Market, FTRs were established. FTRs are financial instruments that manage price risk related to electricity transmission congestion. An FTR entitles its holder to receive compensation (or, conversely, to remit payment) for congestion-related transmission charges. As part of regulatory accounting, the mark-to-market gains and losses associated with these instruments are reported directly in earnings as part of Other income, and then immediately reversed out of earnings and recorded on our consolidated balance sheet as a regulatory asset or liability.

Derivative Contracts Associated with the MCV Partnership: In November 2006, we sold our interest in the MCV Partnership. In conjunction with that sale, our interest in all of the MCV Partnership's long-term gas contracts and related futures, options, and swaps was sold. Before the sale, we accounted for certain long-term gas contracts and all of the related futures, options, and swaps as derivatives.

Long-term gas contracts: The MCV Partnership used long-term gas contracts to purchase and manage the cost of the natural gas it needed to generate electricity and steam. The MCV Partnership determined that certain of these contracts qualified as normal purchases under SFAS No. 133. Accordingly, we did not recognize these contracts at fair value on our Consolidated Balance Sheets.

The MCV Partnership also held certain long-term gas contracts that did not qualify as normal purchases because they contained volume optionality or because the gas was not expected to be used to generate electricity or steam in the normal course of business. Accordingly, prior to the sale, we accounted for these contracts as derivatives, with changes in fair value recorded in earnings each quarter.

During 2006, through the date of the sale, we recorded a \$151 million loss, before considering tax effects and minority interest, associated with the net decrease in fair value of these long-term gas contracts. This loss is included in the total Fuel costs mark-to-market at the MCV Partnership in our Consolidated Statements of Income (Loss). As a result of the sale, we no longer consolidate the MCV Partnership. Accordingly, we will no longer record the fair value of the long-term gas contracts on our Consolidated Balance Sheets and will not be required to record gains or losses related to changes in the fair value of these contracts in earnings.

Gas Futures, Options, and Swaps: The MCV Partnership entered into natural gas futures, options, and over-the-counter swap transactions in order to hedge against unfavorable changes in the market price of natural gas. The MCV Partnership used these financial instruments to:

- ensure an adequate supply of natural gas for the projected generation and sales of electricity and steam, and
- manage price risk by fixing the price to be paid for natural gas on some of its long-term gas contracts.

Certain of the futures and swaps held by the MCV Partnership qualified for cash flow hedge accounting and, prior to the sale, we recorded our proportionate share of their mark-to-market gains and losses in AOCI. As of the date of the sale, we had accumulated a net gain of \$30 million, net of tax and minority interest, in AOCI representing our proportionate share of mark-to-market gains from these cash flow

Name of Respondent	This Report is:	Date of Report	Year of Report
Consumers Energy Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(mo, Da, Yr) 4/23/2007	December 31, 2006

hedges. After the sale, this amount was reclassified to and recognized in earnings as a reduction of the total loss on the sale in our Consolidated Statements of Income (Loss).

The remaining futures, options, and swap contracts held by the MCV Partnership did not qualify as cash flow hedges and we recorded any changes in their fair value in earnings each quarter. During 2006, through the date of the sale, we recorded a \$53 million loss, before considering tax effects and minority interest, associated with the net decrease in fair value of these contracts. This loss is included in the total Fuel costs mark-to-market at the MCV Partnership in our Consolidated Statements of Income (Loss).

As a result of the sale, we will no longer record the fair value of the futures, options, and swaps on our Consolidated Balance Sheets and will not be required to record gains or losses related to changes in the fair value of these contracts in earnings or AOCI. For additional details on the sale of our interest in the MCV Partnership, see Note 2, Asset Sales and Impairment Charges.

6: RETIREMENT BENEFITS

We provide retirement benefits to our employees under a number of different plans, including:

- a non-contributory, defined benefit Pension Plan,
- a cash balance Pension Plan for certain employees hired between July 1, 2003 and August 31, 2005,
- a DCCP for employees hired on or after September 1, 2005,
- benefits to certain management employees under SERP,
- a defined contribution 401(k) Savings Plan,
- benefits to a select group of management under the EISP, and
- health care and life insurance benefits under OPEB.

Pension Plan: The Pension Plan includes funds for most of our current employees, the employees of our subsidiaries, and Panhandle, a former subsidiary. The Pension Plan's assets are not distinguishable by company.

On September 1, 2005, we implemented the DCCP. The DCCP provides an employer contribution of 5 percent of base pay to the existing employees' Savings Plan. No employee contribution is required in order to receive the plan's employer contribution. All employees hired on and after September 1, 2005 participate in this plan as part of their retirement benefit program. Cash balance pension plan participants also participate in the DCCP as of September 1, 2005. Additional pay credits under the cash balance pension plan were discontinued as of that date. The DCCP expense was \$2 million for the year ended December 31, 2006 and less than \$1 million for the year ended December 31, 2005.

Effective January 11, 2006, the MPSC electric rate order authorized us to include \$33 million of electric pension expense in our electric rates. Effective November 21, 2006, the MPSC gas rate order authorized us to include \$22 million of gas pension expense in our gas rates. Due to the volatility of these costs, the orders also established a pension equalization mechanism to track actual costs. If actual pension expenses are greater than the amounts included in rate cases, the difference will be recognized as a regulatory asset for future recovery from customers. If actual pension expenses are less than the amounts

Name of Respondent	This Report is:	Date of Report	Year of Report
Consumers Energy Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(mo, Da, Yr) 4/23/2007	December 31, 2006

included in rate cases, the difference will be recognized as a regulatory liability, and refunded to our customers. The difference between pension expenses allowed in Consumers' rate cases and Consumers' \$66 million net pension cost under SFAS No. 87 resulted in the recognition of a regulatory asset of \$11 million.

SERP: SERP benefits are paid from a trust established in 1988. SERP is not a qualified plan under the Internal Revenue Code. SERP trust earnings are taxable and trust assets are included in our consolidated assets. Trust assets were \$32 million at December 31, 2006 and \$30 million at December 31, 2005. The assets are classified as Other non-current assets on our Consolidated Balance Sheets. The ABO for SERP was \$37 million at December 31, 2006 and \$35 million at December 31, 2005.

On April 1, 2006, we implemented a Defined Contribution Supplemental Executive Retirement Plan (DC SERP) and froze further new participation in the defined benefit SERP. The DC SERP provides participants benefits ranging from 5 percent to 15 percent of total compensation. The DC SERP requires a minimum of five years of participation before vesting. Our contributions to the plan, if any, will be placed in a grantor trust. Trust assets were less than \$1 million at December 31, 2006. The assets are classified as Other non-current assets on our Consolidated Balance Sheets. The DC SERP expense was less than \$1 million for the year ended December 31, 2006.

401(k): The employer's match for the 401(k) Savings Plan, which was suspended on September 1, 2002, resumed on January 1, 2005. The employer's match is in CMS Energy Common Stock. On September 1, 2005, employees enrolled in the company's 401(k) Savings Plan had their employer match increased from 50 percent to 60 percent on eligible contributions up to the first six percent of an employee's wages. The total 401(k) Savings Plan cost was \$14 million for the year ended December 31, 2006 and \$12 million for the year ended December 31, 2005.

Beginning May 1, 2007, the CMS Energy Common Stock Fund will no longer be an investment option available for new investments in the 401(k) Savings Plan and the employer's match will no longer be in CMS Energy Common Stock. Participants will have the opportunity to reallocate investments in CMS Energy Stock Fund to other plan investment alternatives. Beginning November 1, 2007 any remaining shares in the CMS Energy Stock Fund will be sold and the sale proceeds will be reallocated to other plan investment options. At February 20, 2007, there were 10.7 million shares of CMS Energy Common Stock in the CMS Energy Stock Fund.

The MCV Partnership sponsors a defined contribution retirement plan and a 401(k) Savings Plan covering all employees. Amounts contributed under these plans were \$1 million for the period January 1, 2006 through November 21, 2006 and \$1 million for each of the years ended December 31, 2005 and 2004.

EISP: We implemented an EISP in 2002 to provide flexibility in separation of employment by officers, a select group of management, or other highly compensated employees. Terms of the plan may include payment of a lump sum, payment of monthly benefits for life, payment of premiums for continuation of health care, or any other legally permissible term deemed to be in our best interest to offer. The EISP expense was less than \$1 million for each of the years ended December 31, 2006 and 2005. The ABO for the EISP was less than \$1 million at December 31, 2006 and December 31, 2005.

Name of Respondent	This Report is:	Date of Report	Year of Report
Consumers Energy Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(mo, Da, Yr) 4/23/2007	December 31, 2006

OPEB: The OPEB plan covers all regular full-time employees covered by the employee health care plan on a company-subsidized basis the day before they retire from the company at age 55 or older and who have at least 10 full years of applicable continuous service. Regular full-time employees who qualify for a disability retirement and have 15 years of applicable continuous service are also eligible. Retiree health care costs were based on the assumption that costs would increase 10 percent in 2006. Starting in 2007, we will use two health care trend rates: one for retirees under 65 and the other for retirees 65 and over. The two health care trend rates recognize that prescription drug costs are increasing at a faster pace than other medical claim costs and that prescription drug costs make up a larger portion of expenses for retirees age 65 and over. The 2007 rate of increase for OPEB health costs for those under 65 is expected to be 9 percent and for those over 65 is expected to be 10.5 percent. The rate of increase is expected to slow to 5 percent for those under 65 by 2011 and for those over 65 by 2013 and thereafter.

Effective January 11, 2006, the MPSC electric rate order authorized us to include \$28 million of electric OPEB expense in our electric rates. Effective November 21, 2006, the MPSC gas rate order authorized us to include \$21 million of gas OPEB expense in our gas rates. Due to the volatility of these costs, the orders also established an OPEB equalization mechanism to track actual costs. If actual OPEB expenses are greater than the amounts included in rate cases, the difference will be recognized as a regulatory asset for future recovery from our customers. If actual OPEB expenses are less than the amounts included in rate cases, the difference will be recognized as a regulatory liability, and refunded to our customers. The difference between OPEB expenses allowed in Consumers' rate cases and Consumers' \$51 million net OPEB cost under SFAS No. 106 resulted in the recognition of a regulatory asset of \$2 million.

The MCV Partnership sponsors defined cost postretirement health care plans that cover all full-time employees, except key management. The ABO of the MCV Partnership's postretirement plans was \$5 million at December 31, 2005. The MCV Partnership's net periodic postretirement health care cost for the period January 1, 2006 through November 21, 2006 and year ended December 31, 2005 was less than \$1 million.

The health care cost trend rate assumption affects the estimated costs recorded. A one percentage point change in the assumed health care cost trend assumption would have the following effects:

	In Millions	
	One Percentage Point Increase	One Percentage Point Decrease
Effect on total service and interest cost component	\$ 18	\$ (15)
Effect on postretirement benefit obligation	\$ 211	\$ (179)

Upon adoption of SFAS No. 106, at the beginning of 1992, we recorded a liability of \$466 million for the accumulated transition obligation and a corresponding regulatory asset for anticipated recovery in utility rates. For additional details, see Note 1, Corporate Structure and Accounting Policies, "Utility Regulation." The MPSC authorized recovery of the electric utility portion of these costs in 1994 over 18 years and the gas utility portion in 1996 over 16 years.

The measurement date for all CMS Energy plans is November 30 for 2006, 2005 and 2004. We changed our measurement date in 2004 from December 31 to November 30, which resulted in a \$1 million cumulative effect of change in accounting for retirement benefits, net of tax benefit, as a

Name of Respondent	This Report is:	Date of Report	Year of Report
Consumers Energy Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(mo, Da, Yr) 4/23/2007	December 31, 2006

decrease to earnings. We also increased the amount of accrued benefit cost on our Consolidated Balance Sheets by \$2 million. The measurement date for the MCV Partnership's plan was December 31 for 2005 and 2004.

SFAS No. 158, Employers' Accounting for Defined Benefit Pension and Other Postretirement Plans - an amendment of FASB Statements No. 87, 88, 106, and 132(R): In September 2006, the FASB issued SFAS No. 158. This standard requires us to recognize the funded status of our defined benefit postretirement plans on our Consolidated Balance Sheets at December 31, 2006. SFAS No. 158 requires us to recognize changes in the funded status of our plans in the year in which the changes occur. This standard also requires that we change our plan measurement date from November 30 to December 31, effective December 31, 2008. We do not believe that implementation of this provision of the standard will have a material effect on our consolidated financial statements. We expect to adopt the measurement date provisions of SFAS No. 158 in 2008.

The following table recaps the incremental effect of applying SFAS No. 158 on individual line items on our Consolidated Balance Sheets. The adoption of SFAS No. 158 had no effect on our Consolidated Statements of Income (Loss) for the year ended December 31, 2006, or for any prior period presented, and it will not affect our operating results in future periods. Had we not been required to adopt SFAS No. 158 at December 31, 2006, we would have recognized an additional minimum liability pursuant to the provisions of SFAS No. 87. The effect of recognizing the additional minimum liability is included in the following table in the column labeled "Before Application of SFAS No. 158:"

Year ended December 31, 2006	In Millions		
	Before Application of SFAS No. 158	Adjustment	After Application of SFAS No. 158
Regulatory asset (a)	\$470	\$680	\$1,150
Intangible asset	46	(46)	-
Total assets	516	634	1,150
Liability for retirement benefits (b)	(351)	(643)	(994)
Regulatory liabilities – Income taxes, net (c)	(459)	(80)	(539)
Deferred income taxes	(941)	83	(858)
Total liabilities	(1,751)	(640)	(2,391)
Accumulated other comprehensive income	2	6	8
Total decrease in stockholders' equity	2	6	8

(a) Consumers recognized the cost of their minimum liability prior to application of SFAS No. 158 and the adjustment resulting from adoption of SFAS No. 158 as a regulatory asset under SFAS No. 71 based upon guidance from the MPSC.

(b) Liabilities for retirement benefits include \$993 million that are non-current and \$1 million that is current at December 31, 2006.

(c) The adjustment represents the Medicare D Subsidy tax benefit of implementing SFAS No. 158.

Name of Respondent	This Report is:	Date of Report	Year of Report
Consumers Energy Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(mo, Da, Yr) 4/23/2007	December 31, 2006

Assumptions: The following tables recap the weighted-average assumptions used in our retirement benefits plans to determine benefit obligations and net periodic benefit cost:

Weighted average for benefit obligations:

Years Ended December 31	Pension & SERP			OPEB		
	2006	2005	2004	2006	2005	2004
Discount rate	5.65%	5.75%	6.00%	5.65%	5.75%	6.00%
Expected long-term rate of return on plan assets (a)	8.25%	8.50%	8.75%			
Union						8.75%
Non-Union						6.00%
Combined in 2005				7.75%	8.00%	
Mortality table (b)	2000	2000	1983	2000	2000	1983
Rate of compensation increase:						
Pension	4.00%	4.00%	3.50%			
SERP	5.50%	5.50%	5.50%			

Weighted average for net periodic benefit cost:

Years Ended December 31	Pension & SERP			OPEB		
	2006	2005	2004	2006	2005	2004
Discount rate	5.75%	5.75%	6.25%	5.75%	5.75%	6.25%
Expected long-term rate of return on plan assets (a)	8.50%	8.75%	8.75%			
Union						8.75%
Non-Union						6.00%
Combined in 2005				8.00%	8.25%	
Mortality table (b)	2000	2000	1983	2000	2000	1983
Rate of compensation increase:						
Pension	4.00%	3.50%	3.25%			
SERP	5.50%	5.50%	5.50%			

(a) We determine our long-term rate of return by considering historical market returns, the current and future economic environment, the capital market principles of risk and return, and the expert opinions of individuals and firms with financial market knowledge. We use the asset allocation of the portfolio to forecast the future expected total return of the portfolio. The goal is to determine a long-term rate of return that can be incorporated into the planning of future cash flow requirements in conjunction with the change in the liability. The use of forecasted returns for various classes of assets used to construct an expected return model is reviewed annually for reasonableness and appropriateness.

(b) Prior to 2005, we utilized the 1983 Group Annuity Mortality Table. Starting in 2005, we utilize the Combined Healthy RP-2000 Table from the 2000 Group Annuity Mortality Tables.

Name of Respondent	This Report is:	Date of Report	Year of Report
Consumers Energy Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(mo, Da, Yr) 4/23/2007	December 31, 2006

Costs: The following tables recap the costs, other changes in plan assets and benefit obligations incurred in our retirement benefits plans:

Years Ended December 31	In Millions		
	Pension & SERP		
	2006	2005	2004
Net periodic pension cost			
Service cost	\$47	\$41	\$36
Interest expense	81	76	77
Expected return on plan assets	(80)	(89)	(109)
Amortization of:			
Net loss	41	33	14
Prior service cost	7	5	6
Net periodic pension cost	96	66	24
Regulatory adjustment	(11)	-	-
Net periodic pension cost after regulatory adjustment	\$85	\$66	\$24

Years Ended December 31	In Millions		
	OPEB		
	2006	2005	2004
Net periodic OPEB cost			
Service cost	\$ 22	\$21	\$18
Interest expense	60	58	54
Expected return on plan assets	(53)	(49)	(45)
Amortization of:			
Net loss	20	20	11
Prior service credit	(10)	(9)	(8)
Net periodic OPEB cost	39	41	30
Regulatory adjustment	(2)	-	-
Net periodic OPEB cost after regulatory adjustment	\$37	\$41	\$30

The estimated net loss and prior service cost for the defined benefit pension plans that will be amortized from regulatory asset into net periodic benefits cost over the next fiscal year is \$50 million. The estimated net loss and prior service credit for OPEB plans that will be amortized from regulatory asset into net periodic benefit cost over the next fiscal year is \$12 million.

Name of Respondent	This Report is:	Date of Report	Year of Report
Consumers Energy Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(mo, Da, Yr) 4/23/2007	December 31, 2006

Reconciliations: The following table reconciles the funding of our retirement benefits plans with our retirement benefits plans' liability:

Years Ended December 31	In Millions					
	Pension Plan		SERP		OPEB	
	2006	2005	2006	2005	2006	2005
Benefit obligation at beginning of period	\$1,510	\$ 1,328	\$46	\$40	\$1,065	\$1,013
Service cost	49	42	1	1	22	21
Interest cost	83	78	3	3	60	58
Plan amendment	-	39	-	1	-	(19)
Actuarial loss (gain)	51	146	(1)	2	79	39
Benefits paid	(117)	(123)	(2)	(1)	(47)	(47)
Benefit obligation at end of period (a)	1,576	1,510	47	46	1,179	1,065
Plan assets at fair value at beginning of period	1,018	1,040	-	-	655	598
Actual return on plan assets	126	101	-	-	67	42
Company contribution	13	-	2	2	57	62
Actual benefits paid (b)	(117)	(123)	(2)	(2)	(45)	(47)
Plan assets at fair value at end of period	1,040	1,018	-	-	734	655
Funded status at end of measurement period	(536)	(492)	(47)	(46)	(445)	(410)
Additional VEBA Contributions or Non-Trust Benefit Payments	-	-	-	-	14	15
Funded status at December 31 (c)	\$ (536)	\$ (492)	\$ (47)	\$ (46)	\$ (431)	\$ (395)

(a) The Medicare Prescription Drug, Improvement and Modernization Act of 2003 establishes a prescription drug benefit under Medicare (Medicare Part D), and a federal subsidy, which is tax-exempt, to sponsors of retiree health care benefit plans that provide a benefit that is actuarially equivalent to Medicare Part D. The Medicare Part D annualized reduction in net OPEB cost was \$27 million for 2006 and \$23 million for 2005. The reduction includes \$7 million for the year ended December 31, 2006 and \$6 million for the year ended December 31, 2005 in capitalized OPEB costs.

(b) We received \$2 million in Medicare Part D Subsidy payments for the year ended December 31, 2006.

(c) Of the \$536 million funded status of Pension Plan at December 31, 2006, \$507 million of is attributable to Consumers and of the \$492 million funded status of this pension plan at December 31, 2005, \$465 million is attributable to consumers, based on allocation of expenses.

The following table provides a reconciliation of benefit obligations, plan assets and funded status of the plans as of December 31, 2005 for all plans combined. (In accordance with SFAS No. 158, we recognized the underfunded status of our defined benefit postretirement plans as a liability on our consolidated balance sheets as of December 31, 2006.)

Name of Respondent	This Report is:	Date of Report	Year of Report
Consumers Energy Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(mo, Da, Yr) 4/23/2007	December 31, 2006

Year Ended December 31	In Millions		
	Pension Plan 2005	SERP 2005	OPEB 2005
Fair value of plan assets	\$ 1,018	\$ -	\$ 655
Net benefit obligations	1,510	46	1,065
Funded status (plan assets less plan obligations)	(492)	(46)	(410)
Amounts not recognized			
Net actuarial loss	747	8	374
Prior service cost (credit)	56	2	(109)
Additional VEBA Contributions or Non-Trust Benefit Payments	-	-	15
Net amount recognized (a)	\$ 311	\$ (36)	\$ (130)

(a) Of the \$311 million net amount recognized, \$293 million was attributable to Consumers based on the allocation of expenses.

The following table provides a reconciliation of the amounts recognized on our Consolidated Balance Sheets as of December 31, 2005 for all plans combined:

Year Ended December 31	In Millions		
	Pension Plan 2005	SERP 2005	OPEB 2005
Prepaid benefit cost	\$ 293	\$ -	\$ -
Accrued benefit cost	-	(36)	(130)
Additional minimum liability	(451)	-	-
Intangible asset	52	-	-
Regulatory asset	399	-	-
Net amount recognized	\$ 293	\$ (36)	\$ (130)

The following table provides pension ABO in excess of plan assets:

Years Ended December 31	In Millions	
	2006	2005
Pension ABO	\$ 1,240	\$ 1,188
Fair value of pension plan assets	1,040	1,018
Pension ABO in excess of pension plan assets	\$ 200	\$ 170

Name of Respondent	This Report is:	Date of Report	Year of Report
Consumers Energy Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(mo, Da, Yr) 4/23/2007	December 31, 2006

SFAS No. 158 Recognized: The following table recaps the amounts recognized in SFAS No. 158 regulatory assets and AOCI that have not been recognized as components of net periodic benefit cost. For additional details on regulatory assets, see Note 1, Corporate Structure and Accounting Policies, "Utility Regulation."

Year ended December 31	In Millions	
	Pension & SERP 2006	OPEB 2006
Regulatory assets		
Net loss	\$676	\$416
Prior service cost (credit)	45	(99)
AOCI		
Net loss (gain)	7	-
Prior service cost (credit)	1	-
Total amounts recognized in regulatory assets and AOCI	\$729	\$317

Plan Assets: The following table recaps the categories of plan assets in our retirement benefits plans:

November 30	Pension		OPEB	
	2006	2005	2006	2005
Asset Category:				
Fixed Income	28%	33%	37%	58%
Equity Securities:	62%	65%	63%	40%
CMS Energy Common Stock (a)	-	-	-	1%
Alternative Strategy	10%	2%	-	1%

(a) At November 30, 2006, there were no shares of CMS Energy Common Stock in the Pension Plan assets, and 143,200 shares in the OPEB plan assets with a fair value of \$2 million. At November 30, 2005, there were no shares of CMS Energy Common Stock in the Pension Plan assets, and 143,200 shares in the OPEB plan assets with a fair value of \$2 million.

We contributed \$55 million to our OPEB plan in 2006 and we plan to contribute \$50 million to our OPEB plan in 2007. We contributed \$13 million to our Pension Plan in 2006 and we plan to contribute \$103 million to our Pension plan in 2007.

We have established a target asset allocation for our Pension Plan assets of 60 percent equity, 30 percent fixed income, and 10 percent alternative strategy investments to maximize the long-term return on plan assets, while maintaining a prudent level of risk. The level of acceptable risk is a function of the liabilities of the plan. Equity investments are diversified mostly across the Standard & Poor's 500 Index, with lesser allocations to the Standard & Poor's Mid Cap Index, the Small Cap Indexes and a Foreign Equity Index Fund. Fixed-income investments are diversified across investment grade instruments of both government and corporate issuers. Alternative strategies are diversified across absolute return investment approaches and global tactical asset allocation. Annual liability measurements, quarterly portfolio reviews, and periodic asset/liability studies are used to evaluate the need for adjustments to the portfolio allocation.

Name of Respondent	This Report is:	Date of Report	Year of Report
Consumers Energy Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(mo, Da, Yr) 4/23/2007	December 31, 2006

We have established union and non-union VEBA trusts to fund our future retiree health and life insurance benefits. These trusts are funded through the ratemaking process for Consumers, and through direct contributions from the non-utility subsidiaries. The equity portions of the union and non-union health care VEBA trusts are invested in a Standard & Poor's 500 Index fund. The fixed-income portion of the union health care VEBA trust is invested in domestic investment grade taxable instruments. The fixed-income portion of the non-union health care VEBA trust is invested in a diversified mix of domestic tax-exempt securities. The investment selections of each VEBA are influenced by the tax consequences, as well as the objective of generating asset returns that will meet the medical and life insurance costs of retirees.

SFAS No. 132(R) Benefit Payments: The expected benefit payments for each of the next five years and the five-year period thereafter are as follows:

	In Millions		
	Pension	SERP	OPEB(a)
2007	\$58	\$2	\$54
2008	65	2	56
2009	73	2	58
2010	81	2	60
2011	93	2	62
2012-2016	652	9	333

(a) OPEB benefit payments are net of employee contributions and expected Medicare Part D prescription drug subsidy payments. The subsidies to be received are estimated to be \$5 million for 2007, \$6 million each year for 2008 through 2011, and \$33 million combined for 2012 through 2016.

7: ASSET RETIREMENT OBLIGATIONS

SFAS No. 143, Accounting for Asset Retirement Obligations: This standard requires companies to record the fair value of the cost to remove assets at the end of their useful life, if there is a legal obligation to remove them. Fair value, to the extent possible, should include a market risk premium for unforeseeable circumstances. No market risk premium was included in our ARO fair value estimate since a reasonable estimate could not be made. If a five percent market risk premium were assumed, our ARO liability would increase by \$25 million.

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 to be recognized when a reasonable estimate of fair value can be made. Generally, gas transmission and electric and gas distribution assets have indeterminate lives. Retirement cash flows cannot be determined and there is a low probability of a retirement date. Therefore, no liability has been recorded for these assets or associated obligations related to potential future abandonment. Also, no liability has been recorded for assets that have insignificant cumulative disposal costs, such as substation batteries. The measurement of the ARO liabilities for Palisades and Big Rock include use of decommissioning studies that largely utilize third-party cost estimates.

Name of Respondent	This Report is:	Date of Report	Year of Report
Consumers Energy Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(mo, Da, Yr) 4/23/2007	December 31, 2006

FASB Interpretation No. 47, *Accounting for Conditional Asset Retirement Obligations*: This Interpretation clarified the term “conditional asset retirement obligation” as used in SFAS No. 143. The term refers to a legal obligation to perform an asset retirement activity in which the timing and (or) method of settlement are conditional on a future event. We determined that abatement of asbestos included in our plant investments qualifies as a conditional ARO, as defined by FASB Interpretation No. 47.

The following tables describe our assets that have legal obligations to be removed at the end of their useful life:

December 31, 2006			In Millions	
ARO Description	In Service Date	Long-Lived Assets	Trust Fund	
Palisades – decommission plant site	1972	Palisades nuclear plant	\$598	
Big Rock – decommission plant site	1962	Big Rock nuclear plant	4	
JHCampbell intake/discharge water line	1980	Plant intake/discharge water line	-	
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	-	

ARO Description	ARO Liability		Settled (b)	Accretion	Cash flow Revisions	ARO Liability	
	1/1/05 (a)	Incurred				12/31/05	
Palisades – decommission	\$350	\$ -	\$ -	\$25	\$ -	\$375	
Big Rock – decommission	30	-	(42)	15	24	27	
JHCampbell intake line	-	-	-	-	-	-	
Coal ash disposal areas	54	-	(5)	5	-	54	
Wells at gas storage fields	1	-	-	-	-	1	
Indoor gas services relocations	1	-	-	-	-	1	
Asbestos abatement	33	-	-	3	-	36	
Total	\$469	\$ -	\$(47)	\$48	\$24	\$494	

Name of Respondent	This Report is:	Date of Report	Year of Report
Consumers Energy Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(mo, Da, Yr) 4/23/2007	December 31, 2006

ARO Description	In Millions					ARO
	Liability 12/31/05	Incurred	Settled (b)	Accretion	Cash flow Revisions	Liability 12/31/06
Palisades – decommission	\$375	\$ -	\$ -	\$26	\$ -	\$401
Big Rock – decommission	27	-	(28)	3	-	2
JHCampbell intake line	-	-	-	-	-	-
Coal ash disposal areas	54	-	(2)	5	-	57
Wells at gas storage fields	1	-	-	-	-	1
Indoor gas services relocations	1	-	-	-	-	1
Asbestos abatement	36	-	(3)	2	-	35
Total	\$494	\$ -	\$(33)	\$36	\$ -	\$497

(a) The ARO liability at January 1, 2005 in the preceding table reflects the ARO liability as if FASB Interpretation No. 47 had been in effect at that time, as required by the Interpretation. Our consolidated financial statements for that period do not reflect the asbestos abatement ARO. As required by SFAS No. 71, we accounted for the implementation of this Interpretation by recording a regulatory asset instead of a cumulative effect of a change in accounting principle. There was no effect on consolidated net income.

(b) These cash payments are included in the Other current and non-current liabilities line in Net cash provided by operating activities in our Consolidated Statements of Cash Flows.

In October 2004, the MPSC initiated a generic proceeding to review SFAS No. 143, FERC Order No. 631, Accounting, Financial Reporting, and Rate Filing Requirements for Asset Retirement Obligations, and related accounting and ratemaking issues for MPSC-jurisdictional electric and gas utilities. In December 2005, the ALJ issued a Proposal for Decision recommending that the MPSC dismiss the proceeding. In March 2006, the MPSC remanded the case to the ALJ for findings and recommendations. In August 2006, the ALJ issued a second Proposal for Decision that included recommendations that the MPSC:

- adopt SFAS No. 143 and FERC Order No. 631 for accounting purposes but not for ratemaking purposes,
- consider adopting standardized retirement units for certain accounts,
- consider revising the method of determining cost of removal, and
- withhold approving blanket regulatory asset and regulatory liability accounting treatment related to AROs, stating that modifications to the MPSC's Uniform System of Accounts should precede any such accounting approval.

We consider the proceeding a clarification of accounting and reporting issues that relate to all Michigan utilities. We cannot predict the outcome of the proceeding.

Name of Respondent	This Report is:	Date of Report	Year of Report
Consumers Energy Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(mo, Da, Yr) 4/23/2007	December 31, 2006

8: INCOME TAXES

We join in the filing of a consolidated federal income tax return with CMS Energy and its subsidiaries. Income taxes generally are allocated based on each company's separate taxable income in accordance with the CMS Energy tax sharing agreement. We had tax related payables to CMS Energy of \$31 million in 2006 and \$128 million in 2005.

We utilize deferred tax accounting for temporary differences. These occur when there are differences between the book and tax carrying amounts of assets and liabilities. ITC has been deferred and is being amortized over the estimated service life of related properties. We use ITC to reduce current income taxes payable.

AMT paid generally becomes a tax credit that we can carry forward indefinitely to reduce regular tax liabilities in future periods when regular taxes paid exceed the tax calculated for AMT. At December 31, 2006, we had AMT credit carryforwards of \$66 million that do not expire and tax loss carryforwards of \$339 million that expire from 2023 through 2025. We do not believe that a valuation allowance is required, as we expect to utilize the loss carryforwards prior to their expiration. In addition, we had general business credit carryforwards of \$11 million, charitable contribution carryforwards of \$7 million that expire from 2007 through 2009, and a capital loss carryforward of \$31 million that expires in 2011, for which valuation allowances have been provided.

The significant components of income tax expense (benefit) consisted of:

Years Ended December 31	In Millions		
	2006	2005	2004
Current federal income taxes	\$ 212	\$ 176	\$ 26
Current federal income tax benefit of operating loss carryforwards	(8)	(9)	(11)
Deferred federal income taxes	(109)	(201)	142
Deferred ITC, net	(4)	(13)	(5)
Income tax expense (benefit)	\$ 91	\$ (47)	\$ 152

Current tax expense includes the settlement of income tax audits for prior years, as well as the provision for 2006 income taxes prior to the use of loss carryforwards. Deferred tax assets and liabilities are recognized for the estimated future tax effect of temporary differences between the tax basis of assets or liabilities and the reported amounts in our consolidated financial statements. Deferred tax assets and liabilities are classified as current or non-current according to the classification of the related assets or liabilities. Deferred tax assets and liabilities not related to assets or liabilities are classified according to the expected reversal date of the temporary differences.

Name of Respondent	This Report is:	Date of Report	Year of Report
Consumers Energy Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(mo, Da, Yr) 4/23/2007	December 31, 2006

The principal components of deferred tax assets (liabilities) recognized on our Consolidated Balance Sheets are as follows:

December 31	In Millions	
	2006	2005
Property	\$ (814)	\$ (748)
Securitized costs	(177)	(172)
Gas inventories	(168)	(148)
Employee benefits	36	(61)
Consolidated investments	-	(54)
SFAS No. 109 regulatory liability, net	189	159
Nuclear decommissioning	57	59
Tax loss and credit carryforwards	209	60
Valuation allowances	(15)	-
Other, net	(175)	(177)
Net deferred tax liabilities	\$ (858)	\$(1,082)
Deferred tax liabilities	\$(2,272)	\$(2,093)
Deferred tax assets, net of valuation allowance	1,414	1,011
Net deferred tax liabilities	\$ (858)	\$(1,082)

In June 2006, the IRS concluded its most recent audit of CMS Energy and its subsidiaries, and proposed changes to taxable income for the years ended December 31, 1987 through December 31, 2001. The proposed overall cumulative increase to taxable income related primarily to the disallowance of the simplified service cost method with respect to certain self-constructed utility assets. CMS Energy has accepted these proposed adjustments to taxable income, which have been allocated based upon Consumers' separate taxable income in accordance with CMS Energy's tax sharing agreement. We made a payment to CMS Energy for our share of these audit adjustments of \$232 million, and reduced our 2006 income tax provision by \$19 million, primarily for the restoration and utilization of previously written off income tax credits.

Name of Respondent	This Report is:	Date of Report	Year of Report
Consumers Energy Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(mo, Da, Yr) 4/23/2007	December 31, 2006

The actual income tax expense (benefit) differs from the amount computed by applying the statutory federal tax rate of 35 percent to income (loss) before income taxes as follows:

Years Ended December 31	In Millions		
	2006	2005	2004
Income (loss) before cumulative effect of change in accounting principle	\$ 186	\$ (96)	\$ 280
Income tax expense (benefit)	91	(47)	152
Income (loss) before income taxes	277	(143)	432
Statutory federal income tax rate	x 35%	x 35%	x 35%
Expected income tax expense (benefit)	97	(50)	151
Increase (decrease) in taxes from:			
Property differences	19	15	13
IRS Settlement/Credit Restoration	(19)	-	-
Return to accrual adjustments	(7)	3	-
Medicare Part D exempt income	(10)	(6)	(5)
ITC amortization	(4)	(4)	(6)
Expiration of general business credits	-	6	-
Valuation allowance	15	(9)	1
Other, net	-	(2)	(2)
Recorded income tax expense (benefit)	\$ 91	\$ (47)	\$ 152
Effective tax rate	32.9%	32.9%	35.2%

During 2006, the valuation allowance increased by \$15 million. In November 2006, we sold our interests in the MCV Partnership and the FMLP triggering a capital loss. A \$12 million valuation allowance has been provided against the related deferred tax asset. Additionally, valuation allowances have been provided against charitable contributions and tax credits that are expected to expire unused.

The amount of income taxes we pay is subject to ongoing audits by federal, state and foreign tax authorities, which can result in proposed assessments. Our estimate for the potential outcome for any uncertain tax issue is highly judgmental. We believe that our accrued tax liabilities at December 31, 2006 are adequate for all years.

FIN 48, Accounting for Uncertainty in Income Taxes: In June 2006, the FASB issued FIN 48, effective for us January 2007. This interpretation provides a two-step approach for the recognition and measurement of uncertain tax positions taken, or expected to be taken, by a company on its income tax returns. The first step is to evaluate the tax position to determine if, based on management's best judgment, it is greater than 50 percent likely that the taxing authority will sustain the tax position. The second step is to measure the appropriate amount of the benefit to recognize. This is done by estimating the potential outcomes and recognizing the greatest amount that has a cumulative probability of at least

Name of Respondent	This Report is:	Date of Report	Year of Report
Consumers Energy Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(mo, Da, Yr) 4/23/2007	December 31, 2006

50 percent. FIN 48 requires interest and penalties, if applicable, to be accrued on differences between tax positions recognized in our consolidated financial statements and the amount claimed, or expected to be claimed, on the tax return. Our policy is to include interest and penalties accrued, if any, on uncertain tax positions as part of the related tax liability on our consolidated balance sheet and as part of the income tax expense in our consolidated income statement. The impact from adopting FIN 48 should be recorded as a cumulative adjustment to the beginning retained earnings balance and a corresponding adjustment to a current or non-current tax liability. At this time, we are continuing to evaluate the impact of FIN 48 on our consolidated financial statements.

9: EXECUTIVE INCENTIVE COMPENSATION

We provide a Performance Incentive Stock Plan (the Plan) to key employees and non-employee directors based on their contributions to the successful management of the company. The Plan has a five-year term, expiring in May 2009.

All grants under the Plan for 2006 and 2005 were in the form of restricted stock. Restricted stock awards are outstanding shares to which the recipient has full voting and dividend rights and vest 100 percent after three years of continued employment. Restricted stock awards granted to officers in 2006, 2005, and 2004 are also subject to the achievement of specified levels of total shareholder return, including a comparison to a peer group of companies. All restricted stock awards are subject to forfeiture if employment terminates before vesting. However, if certain minimum service requirements are met, restricted shares may continue to vest upon retirement or disability and vest fully if control of CMS Energy changes, as defined by the Plan. In April 2006, we amended the Plan to allow awards not subject to achievement of total shareholder return to vest fully upon retirement, subject to the participant not accepting employment with a direct competitor. This modification did not have a material impact on our consolidated financial statements.

The Plan also allows for stock options, stock appreciation rights, phantom shares, and performance units. None of which were granted in 2006 or 2005.

Select participants may elect to receive all or a portion of their incentive payments under the Officer's Incentive Compensation Plan in the form of cash, shares of restricted common stock, shares of restricted stock units, or any combination of these. These participants may also receive awards of additional restricted common stock or restricted stock units, provided the total value of these additional grants does not exceed \$2.5 million for any fiscal year.

Shares awarded or subject to stock options, phantom shares, and performance units may not exceed 6 million shares from June 2004 through May 2009, nor may such awards to any participant exceed 250,000 shares in any fiscal year. We may issue awards of up to 4,382,800 shares of common stock under the Plan at December 31, 2006. Shares for which payment or exercise is in cash, as well as forfeited shares or stock options may be awarded or granted again under the Plan.

Name of Respondent	This Report is:	Date of Report	Year of Report
Consumers Energy Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(mo, Da, Yr) 4/23/2007	December 31, 2006

The following table summarizes restricted stock activity under the Plan:

Restricted Stock	Number of Shares	Weighted-Average Grant Date Fair Value
Nonvested at December 31, 2005	1,154,316	\$10.87
Granted	460,880	\$13.82
Vested	(174,783)	\$ 7.32
Forfeited	(18,413)	\$11.17
Nonvested at December 31, 2006	1,422,000	\$12.26

SFAS No. 123(R) requires companies to use the fair value of employee stock options and similar awards at the grant date to value the awards. SFAS No. 123(R) was effective for us on January 1, 2006. We elected to adopt the modified prospective method recognition provisions of this Statement instead of retrospective restatement. We adopted the fair value method of accounting for share-based awards effective December 2002. Therefore, SFAS No. 123(R) did not have a significant impact on our results of operations when it became effective.

We expense the fair value over the required service period of the awards. As a result, we recognize all compensation expense for share-based awards with accelerated service provisions upon retirement by the period in which the employee becomes eligible to retire.

The total fair value of shares vested was \$2 million in 2006, \$2 million in 2005, and \$1 million in 2004. We calculate the fair value of restricted shares granted based on the price of our common stock on the grant date and expense the fair value over the required service period. Compensation expense related to restricted stock was \$7 million in 2006, \$3 million in 2005, and \$2 million in 2004. The total related income tax benefit recognized in income was \$2 million in 2006, \$1 million in 2005, and \$1 million of in 2004. At December 31, 2006, there was \$8 million of total unrecognized compensation cost related to restricted stock. We expect to recognize this cost over a weighted-average period of 1.3 years.

The following table summarizes stock option activity under the Plan:

Stock Options	Options Outstanding, Fully Vested, and Exercisable	Weighted-Average Exercise Price	Weighted-Average Remaining Contractual Term	Aggregate Intrinsic Value (In Millions)
Outstanding at December 31, 2005	1,714,787	\$18.13	5.9 years	\$ (6)
Granted	-	-		
Exercised	(61,095)	7.07		
Cancelled or Expired	(51,908)	30.09		
Outstanding at December 31, 2006	1,601,784	\$18.16	5.0 years	\$ (2)

Name of Respondent	This Report is:	Date of Report	Year of Report
Consumers Energy Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(mo, Da, Yr) 4/23/2007	December 31, 2006

Stock options give the holder the right to purchase common stock at a price equal to the fair value of our common stock on the grant date. Stock options are exercisable upon grant, and expire up to 10 years and one month from the grant date. We issue new shares when participants exercise stock options. The total intrinsic value of stock options exercised was \$1 million in 2006, 2005, and 2004. Cash received from exercise of these stock options was less than \$1 million in 2006. Since we have utilized tax loss carryforwards, we were not able to realize the excess tax benefits upon exercise of stock options. Therefore, we did not recognize the related excess tax benefits in equity.

10: LEASES

We lease various assets, including service vehicles, railcars, construction equipment, office furniture, and buildings. We purchase renewable energy under certain power purchase agreements, as required by the MPSC. In accordance with SFAS No. 13, we account for these power purchase agreements 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 our vehicle fleet operations have a maximum term of 120 months and TRAC end-of-life provisions. The capital lease for furniture terminates in 2013, but provides for an early buyout in April 2008. Power purchase agreements range from 7 to 20 years. Most of our power purchase agreements contain options at the end of the initial contract term to renew the agreement annually.

We are authorized by the MPSC to record both capital and operating lease payments as operating expense and recover the total cost from our customers. The following table summarizes our capital and operating lease expenses:

Years Ended December 31	In Millions		
	2006	2005	2004
Capital lease expense	\$15	\$14	\$13
Operating lease expense	19	17	13

Name of Respondent	This Report is:	Date of Report	Year of Report
Consumers Energy Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(mo, Da, Yr) 4/23/2007	December 31, 2006

Minimum annual rental commitments under our non-cancelable leases at December 31, 2006 are:

	Capital Leases	In Millions Operating Leases
2007	\$ 13	\$ 23
2008	12	22
2009	11	19
2010	9	17
2011	7	17
2012 and thereafter	29	61
Total minimum lease payments	81	\$ 159
Less imputed interest	26	
Present value of net minimum lease payments	55	
Less current portion	13	
Non-current portion	\$ 42	

Name of Respondent	This Report is:	Date of Report	Year of Report
Consumers Energy Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(mo, Da, Yr) 4/23/2007	December 31, 2006

11: PROPERTY, PLANT, AND EQUIPMENT

The following table is a summary of our Property, plant and equipment:

		In Millions		
December 31		Estimated Depreciable Life in Years	2006	2005
Electric:				
	Generation	13-85	\$ 3,573	\$ 3,487
	Distribution	12-75	4,425	4,226
	Other	7-40	421	404
	Capital leases (a)		85	87
Gas:				
	Underground storage facilities (b)	30-65	263	262
	Transmission	15-75	465	416
	Distribution	40-75	2,216	2,141
	Other	7-50	300	306
	Capital leases (a)		29	26
Other:				
	MCV Facility (c)	5-35	-	211
	Non-utility property	7-71	15	15
	Construction work-in-progress		639	509
	Other		-	1
Less accumulated depreciation, depletion, and amortization (d)			4,983	4,804
Net property, plant, and equipment (e) (f)			\$ 7,448	\$7,287

(a) Capital leases presented in this table are gross amounts. Accumulated amortization of capital leases was \$59 million at December 31, 2006 and \$54 million at December 31, 2005. Capital lease additions were \$7 million and capital lease retirements and adjustments were \$6 million during 2006. Capital lease additions were \$12 million and capital lease retirements and adjustments were \$7 million during 2005.

(b) Includes unrecoverable base natural gas in underground storage of \$26 million at December 31, 2006 and December 31, 2005, which is not subject to depreciation.

(c) In November 2006, we sold 100 percent of our ownership interest of MCV GP II (the successor to CMS Midland, Inc.) and 100 percent of our ownership of the stock of CMS Midland Holdings Company to an affiliate of GSO Capital Partners and Rockland Capital Energy Investments. For additional details on our sale of the MCV Partnership and the MCV facility, see Note 2, Asset Sales and Impairment Charges.

(d) At December 31, 2006, accumulated depreciation, depletion, and amortization included

Name of Respondent	This Report is:	Date of Report	Year of Report
Consumers Energy Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(mo, Da, Yr) 4/23/2007	December 31, 2006

\$4.982 billion from our public utility plant and \$1 million related to our non-utility plant assets. At December 31, 2005, accumulated depreciation, depletion, and amortization included \$4.803 billion from our public utility plant and \$1 million related to our non-utility plant assets.

(e) At December 31, 2006, public utility plant additions were \$470 million and public utility plant retirements, including other plant adjustments, were \$82 million. At December 31, 2005, public utility plant additions were \$450 million and public utility plant retirements, including other plant adjustments, were \$64 million.

(f) Included in net property, plant and equipment are intangible assets primarily related to software development costs, consents, leasehold improvements, and rights of way. The estimated amortization lives for software development costs range from seven to twelve years. The estimated amortization life for leasehold improvements is the life of the lease. Other intangible amortization lives range from 50 to 75 years.

The following tables summarize our intangible assets:

In Millions			
December 31, 2006	Gross Cost	Accumulated Amortization	Intangible Asset, Net
Software development	\$ 204	\$ 153	\$ 51
Rights of way	114	31	83
Leasehold improvements	19	15	4
Franchises and consents	19	10	9
Other intangibles	18	13	5
Total	\$ 374	\$ 222	\$ 152

In Millions			
December 31, 2005	Gross Cost	Accumulated Amortization	Intangible Asset, Net
Software development	\$ 200	\$ 135	\$ 65
Rights of way	102	29	73
Leasehold improvements	19	14	5
Franchises and consents	19	9	10
Other intangibles	18	13	5
Total	\$ 358	\$200	\$ 158

Pre-tax amortization expense related to these intangible assets was \$22 million for the year ended December 31, 2006, \$19 million for the year ended December 31, 2005, and \$19 million for the year ended December 31, 2004. Intangible assets amortization is forecasted to range from \$13 million to \$23 million per year over the next five years.

Name of Respondent	This Report is:	Date of Report	Year of Report
Consumers Energy Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(mo, Da, Yr) 4/23/2007	December 31, 2006

12: JOINTLY OWNED REGULATED UTILITY FACILITIES

We have investments in jointly owned regulated utility facilities as shown in the following table:

December 31	Ownership Share (percent)	Net Investment (a)		Accumulated Depreciation		Construction Work in Progress	
		2006	2005	2006	2005	2006	2005
Campbell Unit 3	93.3	\$262	\$270	\$370	\$354	\$353	\$258
Ludington	51.0	68	72	95	92	1	1
Distribution	Various	98	100	47	45	4	9

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

The direct expenses of the jointly owned plants are included in operating expenses. Operation, maintenance, and other expenses of these jointly owned utility facilities are shared in proportion to each participant's undivided ownership interest. We are required to provide only our share of financing for the jointly owned utility facilities.

13: REPORTABLE SEGMENTS

Our reportable segments are strategic business units organized and managed by the nature of the products and services each provides. We evaluate performance based upon the net income of each segment. Our two principal segments are electric utility and gas utility.

The electric utility segment consists of regulated activities associated with the generation and distribution of electricity in the state of Michigan. The gas utility segment consists of regulated activities associated with the transportation, storage, and distribution of natural gas in the state of Michigan.

Accounting policies of our segments are the same as we describe in the summary of significant accounting policies. Our consolidated financial statements reflect the assets, liabilities, revenues, and expenses directly related to the electric and gas segment where it is appropriate. We allocate accounts between the electric and gas segments where common accounts are attributable to both segments. 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. Pension provisions are allocated based on labor dollars.

We account for inter-segment sales and transfers at current market prices and eliminate them in consolidated net income (loss) available to common stockholder by segment. The "Other" segment includes our consolidated special purpose entity for the sale of trade receivables, the MCV Partnership and the FMLP.

Name of Respondent	This Report is:	Date of Report	Year of Report
Consumers Energy Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(mo, Da, Yr) 4/23/2007	December 31, 2006

The following table shows our financial information by reportable segment:

Years Ended December 31	In Millions		
	2006	2005	2004
Operating Revenues			
Electric	\$ 3,302	\$ 2,701	\$ 2,586
Gas	2,374	2,483	2,081
Other	45	48	44
	<u>\$ 5,721</u>	<u>\$ 5,232</u>	<u>\$ 4,711</u>
Earnings from Equity Method Investees			
Electric	\$ 1	\$ -	\$ -
Other	-	1	1
	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>
Depreciation, Depletion and Amortization			
Electric	\$ 380	\$ 292	\$ 189
Gas	122	117	112
Other	25	75	90
	<u>\$ 527</u>	<u>\$ 484</u>	<u>\$ 391</u>
Interest Charges			
Electric	\$ 167	\$ 133	\$ 204
Gas	73	68	65
Other	49	71	97
	<u>\$ 289</u>	<u>\$ 272</u>	<u>\$ 366</u>
Income Tax (Benefit) Expense			
Electric	\$ 95	\$ 85	\$ 120
Gas	18	39	40
Other	(22)	(171)	(8)
	<u>\$ 91</u>	<u>\$ (47)</u>	<u>\$ 152</u>
Net Income (Loss) Available to Common Stockholder			
Electric	\$ 199	\$ 153	\$ 222
Gas	37	48	71
Other	(52)	(299)	(16)
	<u>\$ 184</u>	<u>\$ (98)</u>	<u>\$ 277</u>
Investments in Equity Method Investees			
Electric	\$ 5	\$ 3	\$ 3
Other	-	4	16
	<u>\$ 5</u>	<u>\$ 7</u>	<u>\$ 19</u>
Total Assets			
Electric (a)	\$ 8,516	\$ 7,755	\$ 7,289
Gas (a)	3,950	3,609	3,187
Other	379	1,814	2,335
	<u>\$ 12,845</u>	<u>\$ 13,178</u>	<u>\$ 12,811</u>
Capital Expenditures (b)			
Electric	\$ 462	\$ 384	\$ 360
Gas	172	168	137

Name of Respondent	This Report is:	Date of Report	Year of Report
Consumers Energy Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(mo, Da, Yr) 4/23/2007	December 31, 2006

Other	19	32	21
	\$ 653	\$ 584	\$ 518

(a) Amounts include a portion of our other common assets attributable to both the electric and gas utility businesses.

(b) Amounts include electric restructuring implementation plan, purchase of nuclear fuel, and capital lease additions. Amounts also include a portion of capital expenditures for plant and equipment attributable to both the electric and gas utility businesses.

14: CONSOLIDATION OF VARIABLE INTEREST ENTITIES

Until their sale in November 2006, we had a 49 percent partnership interest in the MCV Partnership and a 46.4 percent partnership interest in the FMLP. Prior to their sale, we were the primary beneficiary of both the MCV Partnership and the FMLP because Consumers is the primary purchaser of power from the MCV Partnership through a long-term power purchase agreement and Consumers, through its ownership interest in the FMLP, held a 35 percent lessor interest in the MCV Facility. Therefore, we consolidated these partnerships into our consolidated financial statements as of and for the year ended December 31, 2005. Upon the sale of our interests in the MCV Partnership and the FMLP, we are no longer the primary beneficiary of these entities and the entities were deconsolidated. For additional details on the sale of our interests in the MCV Partnership and the FMLP, see Note 2, Asset Sales and Impairment Charges.

These partnerships had third-party obligations totaling \$482 million at December 31, 2005. Property, plant, and equipment serving as collateral for these obligations had a carrying value of \$224 million at December 31, 2005. The creditors of these partnerships did not have recourse to the general credit of Consumers. At December 31, 2005, the MCV Partnership had total assets of \$1.318 billion and a net loss of \$917 million for the year.

15: QUARTERLY FINANCIAL AND COMMON STOCK INFORMATION (UNAUDITED)

Quarters Ended	In Millions			
	2006			
	March 31	June 30	Sept. 30	Dec. 31 (a)
Operating revenue	\$1,782	\$1,138	\$1,191	\$1,610
Operating income (loss)	7	78	239	(43)
Net income	10	36	99	41
Preferred stock dividends	-	1	-	1
Net income available to common stockholder	10	35	99	40

Name of Respondent	This Report is:	Date of Report	Year of Report
Consumers Energy Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(mo, Da, Yr) 4/23/2007	December 31, 2006

Quarters Ended	In Millions			
	2005			
	March 31	June 30	Sept. 30	Dec. 31
Operating revenue	\$1,632	\$1,016	\$1,025	\$1,559
Operating income (loss)	416	86	(865)	(9)
Net income (loss)	157	33	(276)	(10)
Preferred stock dividends	-	1	-	1
Net income (loss) available to common stockholder	157	32	(276)	(11)

(a) The quarter ended December 31, 2006 includes a \$41 million net loss on the sale of our investment in the MCV Partnership including the negative impact of the associated impairment charge. For further information see Note 2, Asset Sales and Impairment Charges.

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Name of Respondent		This Report Is:	Date of Report	Year of Report
Consumers Energy Company		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) 04/23/07	December 31, 2006
SUMMARY OF UTILITY PLANT AND ACCUMULATED PROVISION FOR DEPRECIATION, AMORTIZATION AND DEPLETION				
Line No.	Item	Total	Electric	
	(a)	(b)	(c)	
1	UTILITY PLANT			
2	In Service			
3	Plant in Service (Classified)	11,270,279,623	7,744,863,337	
4	Property Under Capital Leases	54,869,586	37,641,059	
5	Plant Purchased or Sold			
6	Completed Construction not Classified			
7	Experimental Plant Unclassified			
8	TOTAL (Enter Total of lines 3 thru 7)	11,325,149,209	7,782,504,396	
9	Leased to Others			
10	Held for Future Use	23,265,471	22,644,240	
11	Construction Work in Progress	630,153,821	549,296,474	
12	Acquisition Adjustments	283,275		
13	TOTAL Utility Plant (Enter Total of lines 8 thru 12)	11,978,851,776	8,354,445,110	
14	Accum. Prov. For Depr., Amort., & Depl.	5,759,953,183	3,632,578,469	
15	Net Utility Plant (Enter Total of line 13 less 14)	6,218,898,593	4,721,866,641	
16	DETAIL OF ACCUMULATED PROVISIONS FOR DEPRECIATION, AMORTIZATION AND DEPLETION			
17	In Service:			
18	Depreciation	5,568,234,290	3,614,084,259	
19	Amort. & Depl. Of Producing Natural Gas Land & Land Rights	8,352,434		
20	Amort. Of Underground Storage Land & Land Rights	4,108,799		
21	Amort. Of Other Utility Plant	179,163,197	18,488,915	
22	TOTAL In Service (Enter Total of lines 18 thru 21)	5,759,858,720	3,632,573,174	
23	Leased to Others			
24	Depreciation			
25	Amortization & Depletion			
26	TOTAL Leased to Others (Enter Total of lines 24 and 25)	0	0	
27	Held for Future Use			
28	Depreciation	33,615	5,295	
29	Amortization			
30	TOTAL held for Future Use (Enter Total of Lines 28 and 29)	33,615	5,295	
31	Abandonment of leases (Natural Gas)			
32	Amortization of Plant Acquisition Adjustment	60,848		
33	TOTAL Accumulated Provisions (Should agree with line 14 above) (Enter Total of lines 22, 26, 30, 31 & 32)	5,759,953,183	3,632,578,469	

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report December 31, 2006
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**SUMMARY OF UTILITY PLANT AND ACCUMULATED PROVISION FOR DEPRECIATION,
AMORTIZATION AND DEPLETION (Continued)**

Gas (d)	Other (Specify) (e)	Other (Specify) (e)	Other (Specify) (e)	Common (h)	Line No.
					1
					2
3,033,660,882				491,755,404	3
12,768,055				4,460,472	4
					5
					6
					7
3,046,428,937	0	0	0	496,215,876	8
					9
621,231					10
13,762,685				67,094,662	11
283,275					12
3,061,096,128	0	0	0	563,310,538	13
1,820,809,854				306,564,860	14
1,240,286,274	0	0	0	256,745,678	15
					16
					17
1,788,283,309				165,866,722	18
8,352,434					19
4,108,799					20
19,976,144				140,698,138	21
1,820,720,686	0	0	0	306,564,860	22
					23
					24
					25
0	0	0	0	0	26
					27
28,320					28
					29
28,320	0	0	0	0	30
					31
60,848					32
1,820,809,854	0	0	0	306,564,860	33

Name of Respondent Consumers Energy Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 4/23/07	Year of Report December 31, 2006
NUCLEAR FUEL MATERIALS (Accounts 120.1 through 120.6 & 157)				
1. Report below the costs incurred for nuclear fuel materials in process of fabrication, on hand, in reactor, and in cooling; owned by the respondent.		arrangements, attach a statement showing the amount of nuclear fuel leased, the quantity used and quantity on hand, and the costs incurred under such leasing arrangements.		
2. If the nuclear fuel stock is obtained under leasing				
Line No.	Description of Item (a)	Balance Beginning of Year (b)	Changes During Year Additions (c)	
1	Nuclear Fuel in process of Refinement, Conversion, Enrichment & Fabrication (120.1)			
2	Fabrication	18,381,562		
3	Nuclear Materials			
4	Allowance for Funds Used during Construction			
5	(Other Overhead Construction Costs)			
6	SUBTOTAL (Enter Total of lines 2 thru 5)	18,381,562		
7	Nuclear Fuel Materials & Assemblies			
8	In Stock (120.2)	45,574		
9	In Reactor (120.3)	101,034,495		12,237,394
10	SUBTOTAL (Enter Total of lines 8 & 9)	101,080,069		
11	Spent Nuclear Fuel (120.4)	244,850,379		22,127,470
12	Nuclear Fuel Under Capital Leases (120.6)			
13	(Less) Accum. Prov. For Amortization of Nuclear Fuel Assemblies (120.5)	359,674,458		18,432,559
14	TOTAL Nuclear Fuel Stock (Enter Total line 6, 10, 11 & 12 less line 13)	4,637,552		
15	Estimated net Salvage Value of Nuclear Materials in line 9			
16	Estimated net salvage Value of Nuclear Materials in line 11			
17	Estimated Net Salvage Value of Nuclear Materials in Chemical Processing			
18	Nuclear Materials held for Sale (157)	11,387,952		
19	Uranium			
20	Plutonium			
21	Other			
22	TOTAL Nuclear Materials held for Sale (Enter Total of lines 19, 20 & 21)			0

Name of Respondent Consumers Energy Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report December 31, 2006
NUCLEAR FUEL MATERIALS (Accounts 120.1 through 120.6 & 157)(Continued)				
Changes During the Year				
Amortization (d)	Other Reductions (Explain in a Footnote) (e)	Balance End of Year (f)		Line No.
				1
	10,048,539	8,333,023		2
				3
				4
				5
		8,333,023		6
				7
	45,574			8
		113,271,889		9
		113,271,889		10
		266,977,849		11
				12
		378,107,017		13
		10,475,744		14
				15
				16
				17
	11,387,952			18
				19
				20
				21
		0		22

Schedule Page: 202 Line: 2 Column: e

\$9,905,492 of nuclear fuel in process moved to nuclear fuel in reactor account 120.3.

\$143,047 represents account 157.1, nuclear fuel held for sale, not shown on row 18.

Schedule Page: 202 Line: 8 Column: e

\$45,574 of nuclear fuel in stock moved to nuclear fuel in reactor account 120.3.

Schedule Page: 202 Line: 18 Column: e

\$11,387,952 represents account 157.1, nuclear fuel held for sale, sold during year.

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report December 31, 2006
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ELECTRIC PLANT IN SERVICE (Accounts 101, 102, 103, 106)

1. Report below the original cost of plant in service in the same detail as in the current depreciation order.

2. In addition to Account 101, Electric Plant in service (Classified), this page and the next include Account 102, Electric Plant Purchased or Sold; Account 103, Experimental Electric Plant Unclassified; and Account 106, Completed Construction Not Classified - Electric.

3. Include in column (c) or (d), as appropriate, corrections of additions and retirements for the current or preceding year.

4. Enclose in parentheses credit adjustments of plant accounts to indicate the negative effect of such amounts.

5. Classify Account 106 according to prescribed accounts, on an estimated basis if necessary, and include the entries in column (c). Also to be included in column (c) are entries for reversals of tentative distributions of prior year reported in column (b). Likewise, if the respondent has a significant amount of plant retirements which have not been classified to primary accounts at the end of the year, include in column (d) a tentative distribution of such retirements on an estimated basis, with appropriate contra entry to the account for accumulated depreciation provision. Include also in column (d) reversals of tentative distributions of prior year of unclassified retirements. Attach supplemental statement showing the account distributions of these tentative classifications in columns (c) and (d), including the

Line No.	Account (a)	Balance at Beginning of Year (b)	Additions (c)
1	1. INTANGIBLE PLANT		
2	301 Organization	95,859	0
3	302 Franchises and Consents	18,724,856	4,837
4	303 Miscellaneous Intangible Plant	10,359,088	402,107
5	TOTAL Intangible Plant	29,179,803	406,944
6	2. PRODUCTION PLANT		
7	Steam Production Plant		
8	310.1 Land	3,806,082	0
9	310.2 Land Rights	854,367	0
10	311 Structures and Improvements	394,661,192	5,965,536
11	312 Boiler Plant Equipment	1,191,896,120	4,698,131
12	313 Engines and Engine-Driven Generators	0	0
13	314 Turbogenerator Units	300,013,531	650,359
14	315 Accessory Electric Equipment	118,149,368	9,281,767
15	316 Miscellaneous Power Plant Equipment	22,196,595	1,634,737
16	317 Asset Retirement Costs for Steam Production	6,893,661	(166,635)
17	TOTAL Steam Production Plant	2,038,470,916	22,063,895
18	Nuclear Production Plant		
19	320.1 Land	2,627,172	0
20	320.2 Land Rights	46,518	0
21	321 Structures and Improvements	186,783,994	23,408,025
22	322 Reactor Plant Equipment	438,663,153	13,700,862
23	323 Turbogenerator Units	128,576,502	1,114,142
24	324 Accessory Electric Equipment	51,409,902	2,035,453

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report December 31, 2006
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ELECTRIC PLANT IN SERVICE (Accounts 101, 102, 103, 106) (Continued)

reversals of the prior year's tentative account distributions of these amounts. Careful observance of the above instructions and the texts of Accounts 101 and 106 will avoid serious omissions of the reported amount of respondent's plant actually in service at end of year.

6. Show in column (f) reclassification or transfers within utility plant accounts. Include also in column (f) the additions or reductions of primary account classifications arising from distribution of amounts initially recorded in Account 102. In showing the clearance of Account 102, include in column (e) the amounts with respect to accumulated provision for depreciation, acquisition adjustments, etc., and show in column (f) only the offset to the debits or credits distributed in column (f)

to primary account classifications.

7. For Account 399, state the nature and use of plant included in this account and, if substantial in amount, submit a supplementary statement showing subaccount classification of such plant conforming to the requirements of these pages.

8. For each amount comprising the reported balance and changes in Account 102, state the property purchased or sold, name of vendor or purchaser, and date of transaction. If proposed journal entries have been filed with the Commission as required by the Uniform System of Accounts, give also date of such filing.

Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)		Line No.
					1
0	0	0	95,859	301	2
6,162	0	0	18,723,531	302	3
0	0	905,172	11,666,367	303	4
6,162	0	905,172	30,485,757		5
					6
					7
0	0	0	3,806,082	310.1	8
0	0	0	854,367	310.2	9
374,876	0	(116,587)	400,135,265	311	10
2,892,993	(6,358)	7,408,034	1,201,102,934	312	11
0	0	0	0	313	12
63,539	0	194,120	300,794,471	314	13
594,547	0	(7,682,957)	119,153,631	315	14
144,024	0	35,835	23,723,143	315	15
0	0	0	6,727,026	316	16
4,069,979	(6,358)	(161,555)	2,056,296,919		17
					18
0	0	(1)	2,627,171	320.1	19
0	0	1	46,519	320.2	20
1,324,611	0	(11,586,006)	197,281,402	321	21
4,413,867	0	7,495,111	455,445,259	322	22
2,007,288	0	1,334,060	129,017,416	323	23
0	0	0	53,445,355	324	24

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report December 31, 2006
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ELECTRIC PLANT IN SERVICE (Accounts 101, 102, 103, 106) (Continued)

Line No.	Account (a)	Balance at Beginning of Year (b)	Addition (c)
24	325 Miscellaneous Power Plant Equipment	31,813,092	4,023,644
25	326 Asset Retirement Costs for Nuclear Production	86,443,471	0
26	TOTAL Nuclear Production Plant	926,363,804	44,282,126
27	Hydraulic Production Plant		
28	330.1 Land	4,680,171	0
29	330.2 Recreational Land	86,867	0
30	330.3 Land Rights	40,523	373
30	331 Structures and Improvements	21,728,057	202,409
31	332 Reservoirs, Dams and Waterways	143,463,882	206,933
32	333 Water Wheels, Turbines and Generators	47,003,153	(2,619)
33	334 Accessory Electric Equipment	8,327,956	129,842
34	335 Miscellaneous Power Plant Equipment	3,671,464	30,804
35	336 Roads, Railroads and Bridges	1,599,554	0
36	TOTAL Hydraulic Production Plant	230,601,627	567,742
37	Other Production Plant		
38	340.1 Land	132,259	0
39	340.2 Land Rights	0	0
40	341 Structures and Improvements	850,557	24,493
41	342 Fuel Holders, Products and Accessories	400,587	0
42	343 Prime Movers	0	0
43	344 Generators	39,877,658	22,517
44	345 Accessory Electric Equipment	2,743,626	0
45	346 Miscellaneous Power Plant Equipment	368,945	42,531
46	TOTAL Other Production Plant	44,373,632	89,541
47	TOTAL Production Plant	3,239,809,979	67,003,304
48	3. TRANSMISSION PLANT		
49	350.1 Land	0	0
50	350.2 Land Rights	0	0
51	352 Structures and Improvements	0	0
52	353 Station Equipment	0	0
53	354 Towers and Fixtures	0	0
54	355 Poles and Fixtures	0	0
55	356 Overhead Conductors and Devices	0	0
56	357 Underground Conduit	0	0
57	358 Underground Conductors and Devices	0	0

1 Line 53, 54 & 55, column (c) Purchased back de-energized assets from METC, LLC.

2 Line 53, 54 & 55, column (d) Reinstated assets from column (c) transferred to High Voltage Distribution .

Name of Respondent	This Report Is:		Date of Report	Year of Report	
Consumers Energy Company	(1) <input checked="" type="checkbox"/> An Original	(2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) 04/23/07	December 31, 2006	
ELECTRIC PLANT IN SERVICE (Accounts 101, 102, 103, 106) (Continued)					
Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)		Line No.
521,815	0	1,830,907	37,145,828	325	24
			86,443,471	326	25
8,267,581	0	(925,928)	961,452,421		26
					27
1,341,202	0	5,037	3,344,006	330.1	28
0	0	0	86,867	330.2	29
(4,676)	0	(5,037)	40,535	330.3	30
6,887	0	(12,690)	21,910,889	331	30
0	0	0	143,670,815	332	31
12,002	0	136,858	47,125,390	333	32
0	0	(207,605)	8,250,193	334	33
0	0	11,800	3,714,068	335	34
0	0	0	1,599,554	336	35
1,355,415	0	(71,637)	229,742,317		36
					37
0	0	0	132,259	340.1	38
0	0	0	0	340.2	39
0	0	33,632	908,682	341	40
0	0	0	400,587	342	41
0	0	0	0	343	42
43,574	0	14,737	39,871,338	344	43
179,900	0	(14,943)	2,548,783	345	44
0	0	(33,426)	378,050	346	45
223,474	0	0	44,239,699		46
13,916,449	(6,358)	(1,159,120)	3,291,731,356		47
					48
0	0	0	0	350.1	49
0	0	0	0	350.2	50
0	0	0	0	352	51
0	0	0	0	353	52
(7,819)	0	(7,819)	0	354	53
(30,924)	0	(30,924)	0	355	54
(28,523)	0	(28,523)	0	356	55
0	0	0	0	357	56
0	0	0	0	358	57

Name of Respondent		This Report Is:	Date of Report	Year of Report
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ELECTRIC PLANT IN SERVICE (Accounts 101, 102, 103, 106) (Continued)				
Line No.	Account (a)	Balance at Beginning of Year (b)	Additions (c)	
57	359 Roads and Trails			
58	TOTAL Transmission Plant	0	0	
59	4. DISTRIBUTION PLANT			
60	360.1 Land	11,059,468	1,506,720	
61	360.2 Land Rights	16,283,881	895,009	
62	360.3 Land	53,331,985	215,159	
63	360.4 Land Rights	39,766,346	2,549,248	
64	361 Structures and Improvements	42,477,757	5,223,621	
65	362 Station Equipment	618,606,732	40,354,739	
66	363 Storage Battery Equipment	0	0	
67	364 Poles, Towers and Fixtures	777,318,116	45,291,087	
68	365 Overhead Conductors and Devices	740,916,500	51,071,342	
69	366 Underground Conduit	63,271,104	3,855,046	
70	367 Underground Conductors and Devices	384,112,092	16,833,276	
71	368 Line Transformers	599,036,151	25,188,894	
72	368.1 Capacitors	0	0	
73	369 Services	509,477,388	16,919,236	
74	370 Meters	157,501,338	12,442,269	
75	371 Installations on Customers' Premises	6,815,389	135,941	
76	372 Leased Property on Customers' Premises	0	0	
77	373 Street Lighting and Signal Systems	84,625,142	3,722,593	
78	374 Asset Retirement Costs for Distribution Plant	0	71	
79	TOTAL Distribution Plant	4,104,599,389	226,204,251	
80	5. GENERAL PLANT			
81	389.1 Land	2,618,361	0	
82	389.2 Lands Rights	190,217	0	
83	390 Structures and Improvements	42,316,730	1,485,961	
84	391 Office Furniture and Equipment	1,624,393	63,833	
85	391.1 Computers / Computer Related Equipment	13,803,643	2,272,112	
86	392 Transportation Equipment	6,164,376	371,475	
87	393 Stores Equipment	84,942	0	
88	394 Tools, Shop and Garage Equipment	5,306,208	324,798	
89	395 Laboratory Equipment	4,726,683	233,057	
90	396 Power Operated Equipment	1,735,405	61,342	
91	397 Communication Equipment	36,973,674	792,268	
92	398 Miscellaneous Equipment	1,365,679	84,224	
93	SUBTOTAL	116,910,311	5,689,070	

Name of Respondent		This Report Is:		Date of Report	Year of Report	
Consumers Energy Company		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		(Mo, Da, Yr) 04/23/07	December 31, 2006	
ELECTRIC PLANT IN SERVICE (Accounts 101, 102, 103, 106) (Continued)						
Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)		Line No.	
0	0	0		359	57	
(67,266)	0	(67,266)	0		58	
					59	
0	0	(690,436)	11,875,752	360.1	60	
0	0	(252,654)	16,926,236	360.2	61	
79,101	0	(460,116)	53,007,927	360.3	62	
(1,595)	0	565,301	42,882,490	360.4	63	
130,745	(1,391)	(2,570,593)	44,998,649	361	64	
4,583,026	114,600	2,638,862	657,131,907	362	65	
0	0	0	0	363	66	
5,326,496	(79,005)	(202,469)	817,001,233	364	67	
4,375,003	(28,489)	296,686	787,881,036	365	68	
272,459	0	391,526	67,245,217	366	69	
1,315,251	23,027	(598,060)	399,055,084	367	70	
4,208,282	0	26,831	620,043,594	368	71	
0	0	0	0	368.1	72	
1,682,657	0	166,133	524,880,100	369	73	
3,720,082	0	178,793	166,402,318	370	74	
176,854	0	0	6,774,476	371	75	
0	0	0	0	372	76	
1,369,966	0	(128,962)	86,848,807	373	77	
0	0	128,962	129,033	374	78	
27,238,327	28,742	(510,196)	4,303,083,859		79	
					80	
0	0	24,334	2,642,695	389.1	81	
0	0	0	190,217	389.2	82	
1,438,115	(6,650)	99,260	42,457,186	390	83	
0	0	(6,752)	1,681,474	391	84	
1,227,494	0	(360,746)	14,487,515	391.1	85	
313,336	0	57,463	6,279,978	392	86	
0	0	0	84,942	393	87	
0	0	(37,405)	5,593,601	394	88	
0	0	32,193	4,991,933	395	89	
(61,449)	0	(21,884)	1,836,312	396	90	
265,151	(169)	361,261	37,861,883	397	91	
0	0	4,726	1,454,629	398	92	
3,182,647	(6,819)	152,450	119,562,365		93	

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report December 31, 2006
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ELECTRIC PLANT IN SERVICE (Accounts 101, 102, 103, 106) (Continued)

Line No.	Account (a)	Balance at Beginning of Year (b)	Additions (c)
91	399 Other Tangible Property		
92	TOTAL General Plant	116,910,311	5,689,070
93	TOTAL (Accounts 101 and 106)	7,490,499,482	299,303,569
94			
95	102 Electric Plant Purchased		
96	(Less) 102 Electric Plant Sold		
97	103 Experimental Plant Unclassified		
98	TOTAL Electric Plant in Service <i>(Total of lines 93 thru 97)</i>	7,490,499,482	299,303,569

Name of Respondent Consumers Energy Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 04/23/07	Year of Report December 31, 2006
ELECTRIC PLANT IN SERVICE (Accounts 101, 102, 103, 106) (Continued)					
Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)		Line No.
				399	91
3,182,647	(6,819)	152,450	119,562,365		92
44,276,319	15,565	(678,960)	7,744,863,337		93
					94
		0		102	95
					96
				103	97
44,276,319	15,565	(678,960)	7,744,863,337		98

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report December 31, 2006
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ELECTRIC PLANT HELD FOR FUTURE USE (Account 105)

1. Report separately each property held for future use at end of the year having an original cost of \$1,000,000 or more. Group other items of property held for future use.
 2. For property having an original cost of \$1,000,000 or more previously used in utility operations, now held for future use, give in column (a), in addition to other required information, the date that utility use of such property was discontinued, and the date the original cost was transferred to Account 105.

Line No.	Description and Location of Property (a)	Date Originally included in this Acct. (b)	Date Expected to be used in Utility Service (c)	Balance at End of Year (d)
1	Land and Rights:			
2				
3	Distribution Plant:			
4	Barry-Delhi-Looking Glass	12/31/1967	12/31/2008	365,494
5	G Rapids-Kal-Batt Cr & Buck Cr	2/26/2001	12/31/2008	639,281
6	Quanicassee-Gary Road	11/30/1975	12/31/2010	1,804,848
7	Millington-Blackfoot	11/30/1975	12/31/2008	1,716,077
8	Tittabawassee-Thetford-Kenowa/Claremot-Lawndale	11/30/1975	12/31/2010	324,809
9	Gary Road-Sprague Creek	12/31/1978	12/31/2008	1,231,701
10	Pompeii	6/30/1979	12/31/2008	562,409
11	Sprague Creek-Zeeland	12/31/1980	12/31/2012	2,086,668
12	Vrooman-Moore Rd	12/31/1982	12/31/2007	390,614
13	Spraure Creek-Goss	12/31/1982	12/31/2008	1,064,367
14	Harvey-Spaulling	12/31/1985	12/31/2008	484,617
15	Battle Creek-Batavia	11/30/1993	12/31/2008	5,794,661
16	Lenawee	12/31/2004	12/31/2008	954,697
17	Highland Park	12/31/2006	12/31/2016	485,821
18	Crahen	12/31/2006	12/31/2016	267,700
19				
20				
21				
22				
23				
24				
25				
26				
27				
28	Distribution Plant:			
29	77 Properties	various	various	4,376,871
30				
31				
32	Other Property:			
33	Distribution Plant - 3 Properties	various	various	93,605
34				
35				
36				
37				
38				
39				
40				
41				
42				
43				
44	TOTAL			22,644,240

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report December 31, 2006
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**CONSTRUCTION WORK IN PROGRESS AND COMPLETED CONSTRUCTION
NOT CLASSIFIED - ELECTRIC (Accounts 107 and 106)**

1. Report below descriptions and balances at end of year of projects in process of construction and completed construction not classified for projects actually in service. For any substantial amounts of completed construction not classified for plant actually in service explain the circumstances which have prevented final classification of such amounts to prescribed primary accounts for plant in service.

2. The information specified by this schedule for Account 106, Completed Construction

Not Classified-Electric, shall be furnished even though this account is included in the schedule, Electric Plant in Service, pages 204-211, according to a tentative classification by primary accounts.

3. Show items relating to "research and development" projects last under a caption Research and Development (See Account 107, Uniform System of Accounts).

4. Minor projects may be grouped.

Line No.	Description of Project (a)	Construction Work in Progress-Electric (Account 107) (b)	Completed Construction Not Classified-Electric (Account 106) (c)	Estimated Additional Cost of Project (d)
1	Energy Production Plant - Nuclear Additions/Improvements	71,924,726		13,327,539
2	Energy Production Plant - Fossil/Hydro Additions/Improvements	67,291,810		141,516,953
3	Energy Production Plant - Ludington Shared Costs	682,476		1,422,590
4	Energy Production Plant - Clear Air Act Amendment	364,788,223		92,296,998
5	Distribution Substation - Dedicated Customers	233,729		388,400
6	Distribution Substations System and Improvements	6,376,274		15,781,378
7	Distribution Substations/Lines - Obsolescence and Failure	7,150,772		10,714,231
8	Distribution Substations and Connecting Power Lines	1,892,498		4,395,800
9	Distribution Substations	10,240,176		28,691,000
10	Distribution Systems - Additions and Improvements	7,866,744		160,790,101
11	Land and Landrights - Facilities	3,859,223		2,985,600
12	Office and Service Buildings	2,474,961		3,318,477
13	Computer Equipment	512,785		747,631
14	Capitalized Software Projects	508,914		987,559
15	Capitalized Projects	2,776,987		277,984
16	Electric Substations and Connecting Power Lines	401,037		1,101,493
17	Telecommunications Equipment	357,583		483,640
18	Transportation Equipment	204,516		1,388,070
19	Minor Projects	(246,960)		6,944,553
20				
21				
22				
23				
24				
25				
26				
27				
28				
29				
30				
31				
32				
33				
34				
35	TOTAL	549,296,474	0	487,559,997

Name of Respondent Consumers Energy Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report December 31, 2006
CONSTRUCTION OVERHEADS - ELECTRIC				
<p>1. List in columns (a) the kinds of overheads according to the titles used by the respondent. Charges for outside professional services for engineering fees and management or supervision fees capitalized should be shown as separate items.</p> <p>2. On page 218 furnish information concerning construction overheads.</p> <p>3. A respondent should not report "none" to this page if no overhead apportionments are made, but rather</p> <p>should explain on page 218 the accounting procedures employed and the amounts of engineering, supervision and administrative costs, etc., which are directly charged to construction.</p> <p>4. Enter on this page engineering, supervision, administrative, and allowance for funds used during construction, etc., which are first assigned to a blanket work order and then prorated to construction jobs.</p>				
Line No.	Description of Overhead (a)		Total Amount Charged for the Year (b)	
1	Engineering and Supervision		61,299,298	
2	Administrative and General		31,404,294	
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
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36				
37				
38				
39	TOTAL		92,703,592	

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report December 31, 2006
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GENERAL DESCRIPTION OF CONSTRUCTION OVERHEAD PROCEDURE

1. For each construction overhead explain: (a) the nature and extent of work, etc., the overhead charges are intended to cover, (b) the general procedure for determining the amount capitalized, (c) the method of distribution to construction jobs, (d) whether different rates are applied to different types of construction, (e) basis of differentiation in rates for different types of construction, and (f) whether the overhead is directly or indirectly assigned.

2. Show below the computation of allowance for funds used during construction rates, if those differ from the overall rate of return authorized by the Michigan Public Service Commission.

ENGINEERING AND SUPERVISION

Includes (1) charges by outside engineering companies and (2) the actual time and expenses of Company employees devoted to the design, planning and supervision of construction jobs. Costs were derived by direct charges from payrolls, invoices, vouchers, etc. On major construction jobs these costs were charged directly to the construction job involved. On minor construction jobs these costs were accumulated in a construction clearing account which was distributed pro rata over all minor construction jobs, except land and landrights, general equipment and nuclear fuel, on the basis of direct labor and material charges.

ADMINISTRATIVE AND GENERAL

An examination was made of the various expenses classified as administration and general to determine those containing substantial amounts applicable to construction expenditures. Costs were allocated to construction on the basis of (1) time spent on construction-related activities. (2) by direct charges from payrolls, invoices, vouchers, etc. The total so allocated was distributed pro rata over all construction jobs except nuclear fuel and general equipment on the basis of direct company labor and engineering and supervision costs.

Pension expenses and payroll taxes were allocated directly, based on payroll charges, to the various work orders.

ALLOWANCE FOR FUNDS USED DURING CONSTRUCTION

An allowance is applied on all construction where the period of construction is greater than six months and the cost is expected to exceed \$50,000 (exclusive of the allowance). It is computed monthly and based on the accumulated balance of total construction costs. The allowance is charged during the actual period of construction, starting from the date that field construction begins and terminating when the facility is tested and placed in or is ready for service.

INSURANCE

Insurance costs have been charged directly to the major construction jobs to which they apply.

PROPERTY TAXES

Property taxes are capitalized on projects where the period of construction is greater than six months and the project is estimated to cost \$500,000 or more. The capitalized taxes on major generating plants are actual taxes paid. Taxes capitalized on other than the major generating jobs are computed by estimating the equalized taxable value and multiplying this by the Company average millage rate to determine the tax to be capitalized for the year.

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/18/07	Year of Report December 31, 2006
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ACCUMULATED PROVISION FOR DEPRECIATION OF ELECTRIC UTILITY PLANT (Account 108 & 110)

- | | |
|---|--|
| <p>1. Explain in a footnote any important adjustments during year.</p> <p>2. Explain in a footnote any difference between the amount for book cost of plant retired, line 11, column (c), and that reported for electric plant in service, pages 202-204A, column (d), excluding retirements of non-depreciable property.</p> <p>3. Accounts 108 and 110 in the Uniform System of Accounts require that retirements of depreciable plant be recorded when such plant is removed from service.</p> | <p>If the respondent has a significant amount of plant retired at year end which has not been recorded and/or classified to the various reserve functional classifications, make preliminary closing entries to tentatively functionalize the book cost of the plant retired. In addition, include all cost included in retirement work in progress at year end in the appropriate functional classifications.</p> <p>4. Show separately interest credits under a sinking fund or similar method of depreciation accounting.</p> |
|---|--|

Section A. Balances and Changes During Year

Line No.	Item (a)	Total (c+d+e) (b)	Electric Plant in Service (c)	Electric Plant Held for Future Use (d)	Electric Plant Leased to Others (e)
1	Balance Beginning of Year	3,512,707,342	3,512,702,047	5,295	
2	Depreciation Prov. for Year, Charged to	0			
3	(403) Depreciation Expense	207,776,300	207,776,300		
4	(403.1) Decommissioning Expense	5,984,319	5,984,319		
5	(413) Exp. Of Elec. Plt. Leas. to Others	0			
6	Transportation Expenses-Clearing	270,838	270,838		
7	Other Clearing Accounts	0	0		
8	Other Accounts (Specify):	0			
9					
	TOTAL Deprec. Prov. For Year (Enter Total of Lines 3 thru 9)	214,031,457	214,031,457	0	0
11	Net Charges for Plant Retired:	0			
12	Book Cost of Plant Retired	43,347,922	43,347,922		
13	Cost of Removal	78,168,911	78,168,911		
14	Salvage (Credit)	(1,813,653)	(1,813,653)		
	TOTAL Net Chrgs. For Plant Ret. (Enter Total of lines 12 thru 14)	119,703,180	119,703,180	0	0
16	Net Earnings of Decommissioning Funds	21,342,603	21,342,603		
17	Other Debit or Credit Items (Described)	(14,288,667)	(14,288,667)		
18	Retirement WIP	0			
19	Balance End of Year (Enter total of lines 1, 10, 15, 16 & 17)	3,614,089,555	3,614,084,260	5,295	0

Section B. Balances at End of Year According to Functional Classifications

20	Steam Production	863,994,251	863,994,009	242	
21	Nuclear Production-Depreciation	733,990,971	733,990,971		
22	Nuclear Production-Decommissioning	98,256,932	98,256,932		
23	Hydraulic Production-Conventional	17,591,653	17,591,653		
24	Hydraulic Production-Pumped Storage	110,643,882	110,643,882		
25	Other Production	39,352,930	39,352,930		
26	Transmission	0	0		
27	Distribution	1,675,720,332	1,675,715,279	5,053	
28	General	74,538,604	74,538,604		
29	TOTAL (Enter total of lines 20 thru 28)	3,614,089,555	3,614,084,260	5,295	0

1 Line 17, column (c.) amount consists primarily of activity related to the updating of SFAS 143, Accounting for Asset Retirement Obligations.

2	Electric Plant in Service Retirements-	
	Page 211, line 98, Col (d)	44,276,319
	Nondepreciable Property	(1,420,193)
	Other Adjustments	491,796
	Book Cost of Plant Retired -Line12, Col (c)	<u>43,347,922</u>

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report December 31, 2006
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NONUTILITY PROPERTY (Account 121)

- | | |
|---|---|
| <p>1. Give a brief description and state the location of nonutility property included in Account 121.</p> <p>2. Designate with a double asterisk any property which is leased to another company. State name of lessee and whether lessee is an associated company.</p> <p>3. Furnish particulars (details) concerning sales, purchases, or transfers of Nonutility Property during the year.</p> | <p>4. List separately all property previously devoted to public service and give date of transfer to Account 121, Nonutility Property.</p> <p>5. Minor items (5% of the Balance at the End of the Year for Account 121 or \$100,000, whichever is less) may be grouped by (1) previously devoted to public service, or (2) other nonutility property.</p> |
|---|---|

Line No.	Description and Location (a)	Balance at Beginning of Year (b)	Purchases, Sales Transfers, etc. (c)	Balance at End of Year (d)
1	Land Previously Devoted to Public Service			
2	Alpena County - Alpena Township			
3	1 parcel of land in Section 18	182,083		182,083
4	Bay County - Hampton Township			
5	1 parcel of land in Section 15	111,794		111,794
6	Oakland County - Springfield Township			
7	1 parcel of land in Section 7	123,678		123,678
8	St Clair County - Cosco Township			
9	1 parcel of land in Section 27	152,704		152,704
10	1 parcel of land in Section 29	121,301		121,301
11	Land Leased to Others			
12	Midland County			
13	80 parcels of Land**	6,130,593		6,130,593
14	Leases: Midland Cogeneration Venture			
15	Limited Partnership (Non-Associated Company)			
16	Other Nonutility Property			
17	MCV Electric High Voltage Distribution Facilities	318,362	(318,362)	0
18	MCV Related Line & Sub	1,735,146		1,735,146
19	Various Residential Electric Homeowners &			
20	Region Storerooms/Wholehouse Surge Suppressors	285,458		285,458
21				
22	Minor Items Previously Devoted to Public Service	5,367,321	583,754	5,951,075
23	Minor Items - Other Nonutility Property			
24	TOTAL	14,528,440	265,392	14,793,832

ACCUMULATED PROVISION FOR DEPRECIATION AND AMORTIZATION OF NONUTILITY PROPERTY (Account 122)

Report below the information called for concerning depreciation and amortization of nonutility property.

Line No.	Item (a)	Amount (b)
1	Balance, Beginning of Year	980,080
2	Accruals for Year, Charged to	
3	(417) Income from Nonutility Operations	
4	(418) Nonoperating Rental Income	
5	Other Accounts (Specify):(108) Transfer of Reserves & Work in Progress Changes and Closings	316,893
6		
7	TOTAL Accruals for Year (Enter Total of lines 3 thru 6)	316,893
8	Net Charges for Plant Retired:	
9	Book Cost of Plant Retired	
10	Cost of Removal	
11	Salvage (Credit)	
12	TOTAL Net Charges (Enter Total of lines 9 thru 11)	0
13	Other Debit or Credit Items (Describe):	
14		
15	Balance, End of Year (Enter Total of lines 1, 7, 12, and 14)	1,296,973

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report December 31, 2006
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INVESTMENTS (Accounts 123, 124, 136)

1. Report below the investments in Accounts 123, *Investments in Associated Companies*, 124, *Other Investment*, and 136, *Temporary Cash Investments*. in Account 124, *Other Investments*), state number of shares, class, and series of stock. Minor investments may be grouped by classes. Investments included in Account 136, *Temporary Cash Investments*, also may be grouped by classes.

2. Provide a subheading for each account and list thereunder the information called for:

(a) Investment in securities - List and describe each security owned, giving name of user, date acquired and date of maturity. For bonds, also give principal amount, date of issue, maturity, and interest rate. For capital stock (including capital stock of respondent reacquired under a definite plan for resale pursuant to authorization by the Board of Directors, and included

(b) Investment Advances-Report separately for each person or company the amounts of loans or investment advances which are properly includable in Account 123. Advances subject to current repayment should be included in Accounts 145 and 146. With respect to each advance, show whether the advance is a note or an open account. Each note should be

Line No.	Description of Investment (a)	Book Cost at Beginning of Year (If book cost is different from cost to respondent, give cost to respondent in a footnote and explain difference) (b)		Purchases or Additions During Year (c)
		Original Cost	Book Value	
1	Account 123 (Excluding 123.1)			
2				
3	CMS Energy Common Stock		9,991,838	0
4	FAS 115 CMS Stock Adjustment (1)		22,883,803	4,813,962
5				
6	Total Account 123 (Excluding 123.1)		32,875,641	4,813,962
7				
8	Account 124			
9	Contracts Receivable		512,815	0
10	Detroit Investment Fund		1,187,224	24,001
11	Commercial Loans		22,194	0
12	Customer Loans		8,471	0
13	Aegis Insurance Recovery - MGP		3,832,372	167,628
14	Deferred Bonus		0	2,979,019
15	DC SERP		0	12,220
16	DSSP		901,097	1,480,961
17	Miscellaneous		28,750	0
18				
19	Total Account 124		6,492,923	4,663,829
20				
21	Account 136			
22	Other Temporary Cash Investments		32,800,000	6,409,913,000
23				
24	Total 136		32,800,000	6,409,913,000
25				
26	(1) Includes the unrealized investment gain from book value			
27	as required under SFAS 115.			
28				
29				
30				
31				
32				

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report December 31, 2006
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INVESTMENTS (Accounts 123, 124, 136) (Cont'd)

listed giving date of issuance, maturity date, and specifying whether note is a renewal. Designate any advances due from officers, directors, stockholders, or employees. Exclude amounts reported on page 229.

3. For any securities, notes or accounts that were pledged designate with an asterisk such securities, notes, or accounts and in a footnote state the name of pledgee and purpose of the pledge.

4. If Commission approval was required for any advance made or security acquired, designate such fact in a footnote and give name of Commission, date of authorization, and case or docket number.

5. Report in column (g) interest and dividend revenues from investments including such revenues from securities disposed of during the year.

6. In column (h) report for each investment disposed of during the year the gain or loss represented by the difference between cost of the investment (or the other amount at which carried in the books of account if different from cost) and the selling price thereof, not including any dividend or interest adjustment includible in column (g).

Sales or Other Dispositions During Year (d)	Principal Amount or No. of Shares at End of Year (e)	Book Cost at End of Year (If book cost is different from cost to respondent, give cost to respondent in a footnote and explain difference) (f)		Revenues for Year (g)	Gain or Loss from Investment Disposed of (h)	Line No.
		Original Cost	Book Value			
						1
297,970	2,198,156		9,693,868	0	702,021	2
682,428	0		27,015,337	0	0	3
						4
980,398	2,198,156		36,709,205	0	702,021	5
						6
						7
7,137	0		505,678	29,013	0	8
0	0		1,211,225	0	0	9
7,008	0		15,186	1,926	0	10
4,331	0		4,140	646	0	11
4,000,000	0		0	0	0	12
0	0		2,979,019	0	0	13
			12,220			14
325,241	0		2,056,817			15
0	0		28,750	0	0	16
						17
4,343,717	0		6,813,035	31,585	0	18
						19
						20
6,409,616,172	0		33,096,828	7,541,250	0	21
						22
6,409,616,172	0		33,096,828	7,541,250	0	23
						24
						25
						26
						27
						28
						29
						30
						31
						32

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report December 31, 2006
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INVESTMENT IN SUBSIDIARY COMPANIES (Account 123.1)

Report below the investments in Accounts 123.1, *Investments in Subsidiary Companies*.
 2. Provide a subheading for each company and list thereunder the information called for below. Sub-total by company and give a total in columns (e), (f), (g) and (h).
 (a) Investment in Securities - List and describe each security owned. For bonds give also principal amount, date of issue, maturity, and interest rate.
 (b) Investment Advances - Report separately the amounts of loans or investment advances which are subject to repayment, but which are not subject to current settlement. With respect to each advance show whether the advance is a note or open account. List each note giving date of issuance, maturity date, and specifying whether note is a renewal.
 3. Report separately the equity in undistributed subsidiary earnings since acquisition. The total in column (e) should equal the amount entered for Account 418.1.

Line No.	Description of Investment (a)	Date Acquired (b)	Date of Maturity (c)	Amount of Investment at Beginning of Year (d)
1	ES SERVICES COMPANY			
2	Investment in Common Stock	05/31/89		641,000
3	Equity in Undistributed Earnings			(126,725)
4				
5	Subtotal			514,275
6				
7	CMS ENGINEERING COMPANY			
8	Investment in Common Stock	04/30/94		81,001
9	Equity in Undistributed Earnings			98,108
10				
11	Subtotal			179,109
12				
13	CMS MIDLAND, INC.			
14	Investment in Common Stock	12/31/94		223,597,745
15	Equity in Undistributed Earnings			(147,233,180)
16	Notes Payable	12/31/97		10,000,000
17				
18	Subtotal			86,364,565
19				
20	CMS MIDLAND HOLDINGS COMPANY			
21	Investment in Common Stock	12/31/94		54,391,746
22	Equity in Undistributed Earnings			67,072,735
23				
24	Subtotal			121,464,481
25				
26	MEC DEVELOPMENT CORP.			
27	Investment in Common Stock	12/31/94		6,391
28	Equity in Undistributed Earnings			(5,411)
29				
30	Subtotal			980
31				
32	NEW MIDLAND			
33	Investment in Common Stock	08/11/06		
34	Equity in Undistributed Earnings			
35				
36	Subtotal			
37	TOTAL Cost of Account 123.1 \$0		TOTAL	665,202,802

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INVESTMENT IN SUBSIDIARY COMPANIES (Account 123.1) (Continued)

4. For any securities, notes, or accounts that were pledged, designate such securities, notes or accounts in a footnote, and state the name of pledgee and purpose of the pledge.
5. If Commission approval was required for any advance made or security acquired, designate such fact in a footnote and give name of Commission, date of authorization, and case or docket number.
6. Report in column (f) interest and dividend revenues from investments, including such revenues from securities disposed of during the year.
7. In column (h) report for each investment disposed of during the year, the gain or loss represented by the difference between cost of the investment (or the other amount at which carried in the books of account if different from cost) and the selling price thereof, not including interest adjustment includible in column (f).
8. Report on Line 36, column (a) the total cost of Account 123.1.

Equity in Subsidiary Earnings for Year (e)	Revenues for Year (f)	Amount of Investment at End of Year (g)	Gain or Loss from Investment Disposed of (h)	Line No.
		641,000		1
(50,315)		(177,040)		2
				3
(50,315)		463,960		4
				5
				6
		81,001		7
(26,848)		71,260		8
				9
(26,848)		152,261		10
				11
				12
		0		13
(37,160,640)		0		14
		0		15
		0		16
(37,160,640)		0		17
				18
				19
		0	38,411,594	20
(25,182,776)		0		21
				22
(25,182,776)		0	38,411,594	23
				24
				25
		6,391		26
(4)		(5,415)		27
				28
(4)		976		29
				30
				31
(6,530,149)		0		32
		0		33
		0		34
(6,530,149)		0		35
				36
(68,369,581)	(34,794)	326,209,554	38,411,594	37

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report December 31, 2006
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INVESTMENT IN SUBSIDIARY COMPANIES (Account 123.1)(Continued)

Report below the investments in Accounts 123.1, *Investments in Subsidiary Companies*.
 2. Provide a subheading for each company and list thereunder the information called for below. Sub-total by company and give a total in columns (e), (f), (g) and (h).
 (a) Investment in Securities - List and describe each security owned. For bonds give also principal amount, date of issue, maturity, and interest rate.
 (b) Investment Advances - Report separately the

amounts of loans or investment advances which are subject to repayment, but which are not subject to current settlement. With respect to each advance show whether the advance is a note or open account. List each note giving date of issuance, maturity date, and specifying whether note is a renewal.
 3. Report separately the equity in undistributed subsidiary earnings since acquisition. The total in column (e) should equal the amount entered for Account 418.1.

Line No.	Description of Investment (a)	Date Acquired (b)	Date of Maturity (c)	Amount of Investment at Beginning of Year (d)
38	CONSUMERS FUNDING LLC.			
39	Investment in Common Stock	10/11/00		2,342,960
40				
41	Subtotal			2,342,960
42				
43	CONSUMERS ENERGY COMPANY FINANCING IV			
44	Investment in Common Stock	10/12/99		3,866,000
45	Equity in Undistributed Earnings			
46				
47	Subtotal			3,866,000
48				
49	CONSUMERS NUCLEAR SERVICES, LLC			
50	Investment in Common Stock	05/23/01		4,382,415
51	Equity in Undistributed Earnings			(232,790)
52				
53	Subtotal			4,149,625
54				
55	CONSUMERS RECEIVABLE FUNDING II			
56	Investment in Common Stock	04/24/03		445,552,353
57				
58	Subtotal			445,552,353
59				
60	CONSUMERS CAMPUS HOLDINGS LLC			
61	Investment in Common Stock	04/23/01		147,670
62	Equity in Undistributed Earnings			(24,846)
63				
64	Subtotal			122,824
65				
66	CONSUMERS SAGINAW INVESTMENTS, LLC.			
67	Investment in Common Stock	09/23/04		645,630
68				
69	Subtotal			645,630
70				
71				
72				
73				

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INVESTMENT IN SUBSIDIARY COMPANIES (Account 123.1) (Continued)

4. For any securities, notes, or accounts that were pledged, designate such securities, notes or accounts in a footnote, and state the name of pledgee and purpose of the pledge.

5. If Commission approval was required for any advance made or security acquired, designate such fact in a footnote and give name of Commission, date of authorization, and case or docket number.

6. Report in column (f) interest and dividend revenues from investments, including such revenues from securities disposed of during the year.

7. In column (h) report for each investment disposed of during the year, the gain or loss represented by the difference between cost of the investment (or the other amount at which carried in the books of account if different from cost) and the selling price thereof, not including interest adjustment includible in column (f).

8. Report on Line 36, column (a) the total cost of Account 123.1.

Equity in Subsidiary Earnings for Year (e)	Revenues for Year (f)	Amount of Investment at End of Year (g)	Gain or Loss from Investment Disposed of (h)	Line No.
				38
		2,342,960		39
				40
		2,342,960		41
				42
				43
		0		44
34,794	(34,794)			45
				46
34,794	(34,794)	0		47
				48
				49
		4,993,187		50
553,656		320,866		51
				52
553,656		5,314,053		53
				54
				55
		317,819,819		56
				57
		317,819,819		58
				59
				60
		147,670		61
(7,299)		(32,145)		62
				63
(7,299)		115,525		64
				65
				66
		0		67
				68
		0		69
				70
				71
				72
				73

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report 12/31/06
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FOOTNOTE DATA

Page Number (a)	Item Number (b)	Column Number (c)	Comments (d)
225	16	g	The \$10 million Demand Note was dividened to Consumers Energy on August 24, 2006.
225	18	g	CMS Midland, Inc. was dissolved and all account balances transferred to New Midland in August 2006.
225	24	g	In November 2006, Consumers Energy sold 100% of its ownership interest in the stock of CMS Midland Holdings Company to an affiliate of GSO Capital Partners and Rockland Capital.
225	36	g	New Midland (formally CMS Midland, Inc.) was dissolved in Octber 2006 and its account balances were tansferred to MCV GP II formed October 2, 2006. Consumers Energy, at the same time transferred 100% of its ownership interest in the MCV GP II to CMS Midland Holdings Company. In November 2006, Consumers Energy sold 100% of its ownership interest in MCV GP II to an affiliate of GSO Capital Partners and Rockland Capital Investment as part of the sale of Consumers Energy's interest in the MC Partnership and the FMLP.
225.1	47	g	Consumers Energy Company Financing IV was dissolved in February 2006.
225.1	69	g	Consumers Saginaw Investments, LLC was dissolved in December 2006.

Name of Respondent Consumers Energy Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report December 31, 2006
NOTES AND ACCOUNTS RECEIVABLE SUMMARY FOR BALANCE SHEET				
Show separately by footnote the total amount of notes and accounts receivable from directors, officers, and employees included in Notes Receivable (Account 141) and Other Accounts Receivable (Account 143).				
Line No.	Accounts (a)	Balance Beginning of Year (b)	Balance End of Year (c)	
1	Notes Receivable (Account 141)	12,491,400	65,820,784	
2	Customer Accounts Receivable (Account 142)	3,414,152	55,902,302	
3	Other Accounts Receivable (Account 143) (Disclose any capital stock subscriptions received)	27,878,110	26,425,046	
4	TOTAL	43,783,662	148,148,132	
5	Less: Accumulated Provision for Uncollectible Accounts-Cr. (Account 144)	13,494,656	14,480,394	
6	TOTAL, Less Accumulated Provision for Uncollectible Accounts	30,289,006	133,667,738	
7				
8				
9				
10				
11				
12				
13				
14				

ACCUMULATED PROVISION FOR UNCOLLECTIBLE ACCOUNT-CR. (Account 144)						
1. Report below the information called for concerning this accumulated provision. 2. Explain any important adjustments of subaccounts. 3. Entries with respect to officers and employees shall not include items for utility services.						
Line No.	Item (a)	Utility Customers (b)	Merchandise Jobbing and Contract Work (c)	Officers and Employees (d)	Other (e)	Total (f)
1	Balance beginning of year	13,430,098			64,558	13,494,656
2	Prov. For uncollectibles for current year	3,653,523			24,319	3,677,842
3	Account written off (less)	1,138,667			364,367	1,503,034
4	Coll. Of accounts written off	974,257			317,424	1,291,681
5	Adjustments (explain): People Care	(2,480,751)				(2,480,751)
6	Balance end of year	14,438,460	0	0	41,934	14,480,394
7						
8						
9	Note: \$26,723,521 of Residential, Commercial and Industrial uncollectible accounts were charged to expense (Account 904) and credited to accounts receivable during the year.					
10						
11						

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report December 31, 2006
RECEIVABLES FROM ASSOCIATED COMPANIES (Accounts 145, 146)			
1. Report particulars of notes and accounts receivable from associated companies* at end of year. 2. Provide separate headings and totals for Accounts 145, Notes Receivable from Associated Companies, and 146, Accounts Receivable from Associated Companies, in addition to a total for the combined accounts. 3. For notes receivable, list each note separately and state purpose for which received. Show also in column (a) date of note, date of maturity and interest rate.		4. If any note was received in satisfaction of an open account, state the period covered by such open account. 5. Include in column (f) interest recorded as income during the year including interest on accounts and notes held any time during the year. 6. Give particulars of any notes pledged or discounted, also of any collateral held as guarantee of payment of any note or account.	

* NOTE: "Associated companies" means companies or persons that, directly or indirectly, through one or more intermediaries, control, or are controlled by, or are under common control with, the account company. This includes related parties.

"Control" (including the terms "controlling," "controlled by," and "under common control with") means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a company, whether such power is exercised through one or more intermediary companies, or alone, or in conjunction with, or pursuant to an agreement, and whether such power is established through a majority or minority ownership or voting of securities, common directors, officers or stockholders, voting trusts, holding trusts, associated companies, contract or any other direct or indirect means.

Line No.	Particulars (a)	Balance Beginning of Year (b)	Totals for Year		Balance End of Year (e)	Interest for Year (f)
			Debits (c)	Credits (d)		
1	ACCOUNT 145					
2	Notes Receivable From Associated Companies					
3						
4	TOTAL ACCOUNT 145	0	0	0	0	0
5						
6	ACCOUNT 146					
7	Accounts Receivable From Associated Companies					
8	CMS Antrim Gas LLC	37,843	353,231	338,708	52,366	2,325
9	CMS Bay Area Pipeline LLC	2,506	158,939	159,680	1,765	289
10	CMS Capital LLC	27,794	472,799	485,628	14,965	10,010
11	CMS Electric & Gas LLC	29,942	45,424	68,909	6,457	531
12	CMS Energy Corporation	1,750,172	271,896,646	272,103,373	1,543,445	66,232
13	CMS Energy Resource Management Company	404,708	2,030,783	2,220,183	215,308	17,580
14	CMS Engineering Company	4,883	42,905	42,948	4,840	460
15	CMS Enterprises Company	1,154,051	13,181,620	12,127,844	2,207,827	80,023
16	CMS Gas Transmission Company	111,916	669,084	724,624	56,376	4,505
17	CMS Generation Company	486,960	2,888,971	2,908,492	467,439	31,552
18	CMS Generation Filer City Operating Company	58,959	409,659	397,764	70,854	3,196
19	CMS Generation Genesee Company	31,682	99,674	76,256	55,100	0
20	CMS Generation Michigan Power LLC	6,894	19,452	26,346	0	0
21	CMS Generation Operating Company	138,375	1,035,268	984,101	189,542	7,888
22	CMS Generation Operating Company II, Inc.	59,076	516,487	504,056	71,507	3,953
23	CMS Grands Lacs LLC	3,031	627,032	614,893	15,170	412
24	CMS International Operating Company	8,513	60,805	56,974	12,344	661
25	CMS International Ventures LLC	174,054	892,550	983,865	82,739	10,068
26	CMS Land Company	198,512	748,118	860,830	85,800	5,354
27	CMS Midland Holdings Company	5,080	19,673	24,753	0	1,126
28	CMS Midland, Inc.	114,596	116,817	231,413	0	2,445
29	CMS Resource Development Company	59,706	355,109	367,595	47,220	3,799
30	CMS Texas LLC	5,797	32,384	35,557	2,624	354
31	Consumers Campus Holdings LLC	2,670	11,221	11,950	1,941	127

Name of Respondent		This Report Is:		Date of Report	Year of Report	
Consumers Energy Company		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		(Mo, Da, Yr) 04/23/07	December 31, 2006	
RECEIVABLES FROM ASSOCIATED COMPANIES (Accounts 145, 146) (Continued)						
Line No.	Particulars (a)	Balance Beginning of Year (b)	Totals for Year		Balance End of Year (e)	Interest for Year (f)
			Debits (c)	Credits (d)		
32	Consumers Funding LLC	297,849	1,137,441	1,163,624	271,666	0
33	Consumers Nuclear Services LLC	25,485	189,971	187,934	27,522	2,046
34	Consumers Saginaw Investments LLC	929,790	334,180	1,263,970	0	0
35	Dearborn Generation Operating LLC	120,058	708,993	727,357	101,694	7,915
36	Dearborn Industrial Generation LLC	0	29,111	29,111	0	0
37	EnerBank USA	132,915	742,724	792,244	83,395	0
38	ES Services Company	397,471	1,627,306	1,702,218	322,559	17,300
39	Grayling Generating Station LP	586	8,474	7,998	1,062	0
40	Jackson Pipeline Company	2,497	88,790	85,180	6,107	237
41	MCV GP II LLC	0	123,729	123,729	0	206
42	MEC Development Corporation	395	2,616	3,011	0	34
43	Midland Cogeneration Venture LP	828,028	11,192,634	12,020,662	0	1,406
44	New Bern Energy Recovery, Inc.	2,909	18,507	18,328	3,088	204
45	New Midland, Inc.	0	125,041	125,041	0	1,211
46	T.E.S Filer City Station LP	0	5,742	5,742	0	0
47						
48	TOTAL ACCOUNT 146	7,615,703	313,019,910	314,612,891	6,022,722	283,449
49						
50						
51	It should be noted that column C may					
52	reflect activity in the accounts which					
53	includes estimates.					
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	TOTAL	7,615,703	313,019,910	314,612,891	6,022,722	283,449

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report December 31, 2006
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MATERIALS AND SUPPLIES

1. For Account 154, report the amount of plant materials and operating supplies under the primary functional classifications as indicated in column (a); estimates of amounts by function are acceptable. In column (d), designate the department or departments which use the class of material.

2. Give an explanation of important inventory adjustments during the year (in a footnote) showing general classes of material and supplies and the various accounts (operating expenses, clearing accounts, plant, etc.) affected-debited or credited. Show separately debits or credits to stores expense-clearing, if applicable.

Line No.	Account (a)	Balance Beginning of Year (b)	Balance End of Year (c)	Dept. or Departments Which Use Material (d)
1	Fuel Stock (Account 151)	63,882,399	105,294,968	
2	Fuel Stock Expenses Undistributed (Account 152)			
3	Residuals and Extracted Products (Account 153)			
4	Plant Materials & Operating Supplies (Account 154)			
5	Assigned to - Construction (Estimated)	20,224,670	19,856,045	
6	Assigned to - Operations & Maintenance			
7	Production Plant (Estimated)	42,844,303	48,035,428	
8	Transmission Plant (Estimated)	1,482,633	2,264,499	
9	Distribution Plant (Estimated)	10,279,263	10,456,906	
10	Assigned to - Other			
11	TOTAL Account 154 (Enter total of line 5 thru 10)	74,830,869	80,612,878	
12	Merchandise (Account 155)			
13	Other Material & Supplies (Account 156)			
14	Nuclear Materials Held for Sale (Account 157) (not applicable to Gas utilities)	11,387,952	0	
15	Stores Expense Undistributed (Account 163)			
16				
17				
18				
19				
20	TOTAL Materials & Supplies (Per Balance Sheet)	150,101,220	185,907,846	

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Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report December 31, 2006
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PRODUCTION FUEL AND OIL STOCKS (Included in Account 151)

- | | |
|---|---|
| <p>1. Report below the information called for concerning production fuel and oil stock.</p> <p>2. Show quantities in tons of 2000 lb. Barrels (42 gals.) or Mcf., whichever unit of quantity is applicable.</p> <p>3. Each kind of coal or oil should be shown separately.</p> <p>4. If the respondent obtained any of its fuel from its own coal mines or oil or gas lands or leases or from</p> | <p>affiliated companies, a statement should be submitted showing the quantity of such fuel so obtained, the quantity used and quantity on hand, and cost of the fuel classified as to the nature of the costs and expenses incurred with appropriate adjustment for the inventories at beginning and end of year.</p> |
|---|---|

Line No.	Item (a)	Total Cost (b)	Coal KINDS OF FUEL AND OIL	
			Quantity (c)	Cost (d)
1	On hand beginning of year	63,882,398	1,210,214	48,812,272
2	Received during year	455,229,008	9,961,674	416,013,762
3	TOTAL	519,111,406	11,171,888	464,826,034
4	Used during year (specify department)			
5	Electric Dept Gen Plants	406,157,039	88,845,864	374,634,513
6	Inventory Adjustments	124,995	11,502	
7				
8				
9				
10				
11				
12				
13				
14				
15	Sold or transferred	7,534,404	158,005	7,637,023
16	TOTAL DISPOSED OF	413,816,438	89,015,371	382,271,536
17	BALANCE END OF YEAR	105,294,968	(77,843,483)	82,554,498

Name of Respondent Consumers Energy Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 04/23/07		Year of Report December 31, 2006
PRODUCTION FUEL AND OIL STOCKS (Included in Account 151) (Continued)						
KINDS OF FUEL AND OIL (Continued)						
Quantity (e)	Cost (f)	Quantity (g)	Cost (h)	Quantity (i)	Cost (j)	Line No.
136,152	1,464,294	369,548	13,418,768	6,040	187,064	1
2,995,507	21,416,643	337,272	17,643,450	1,738	155,153	2
3,131,659	22,880,937	706,820	31,062,218	7,778	342,217	3
						4
2,906,913	21,227,652	195,151	10,229,746	1,751	65,128	5
		(198)	22,376	2,174	102,619	6
						7
						8
						9
						10
						11
						12
						13
						14
		(2,237)	(102,619)			15
2,906,913	21,227,652	192,716	10,149,503	3,925	167,747	16
224,746	1,653,285	514,104	20,912,715	3,853	174,470	17

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report December 31, 2006
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ALLOWANCES

- | | |
|--|---|
| <p>1. Report below the details called for concerning allowances.</p> <p>2. Report all acquisitions of allowances at cost.</p> <p>3. Report allowances in accordance with a weighted average cost allocation method and other accounting as prescribed by General Instruction No. 21 in the Uniform System of Accounts.</p> <p>4. Report the allowances transactions by the period they are first</p> | <p>eligible for use; the current year's allowances in columns (b)-(c), allowances for the three succeeding years in column(d)-(i), starting with the following year, and allowances for the remaining succeeding years in columns (j)-(k).</p> <p>5. Report on line 4 the Environmental Protection Agency (EPA) issued allowances. Report withheld portions on lines 36-40.</p> |
|--|---|

Line No.	Allowance Inventory (a)	Current Year		2007	
		No. (b)	Amt. (c)	No. (d)	Amt. (e)
1	Balance - Beginning of Year	143,038	4,380,480	103,505	464,722
2-4	Acquired During Year: Issued (Less Withheld Allow.)				
5	Returned by EPA				
6-8	Purchases/Transfers:				
9					
10		3,997	2,912,879	2,928	299,135
11			24,395		
12					
13					
14					
15	Total	3,997	2,937,274	2,928	299,135
16-18	Relinquished During Year: Charges to Acct. 509	85,438			
19	Other:				
20					
21-22	Cost of Sales/Transfers:				
23		100	51,106	2,992	172,459
24					
25					
26		12,873	5,985,686		
27			30,213		
28	Total	12,973	6,067,005	2,992	172,459
29	Balance - End of Year	48,624	1,250,749	103,441	591,398
30-32	Sales:				
	Net Sales Proceeds (Assoc Co.)				
33	Net Sales Proceeds (Other)				
34	Gains				
35	Losses				
	Allowances Withheld				
36	Balance - Beginning of Year	1,353		1,358	
37	Add: Withheld by EPA				
38	Deduct: Returned by EPA				
39	Cost of Sales	1,353			
40	Balance - End of Year			1,358	
41-43	Sales:				
	Net Sales Proceeds (Assoc. Co.)				
44	Net Sales Proceeds (Other)		1,194,793		
45	Gains		1,194,793		
46	Losses				

Name of Respondent Consumers Energy Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 04/23/07		Year of Report December 31, 2006		
ALLOWANCES (Continued)								
6. Report on line 5 allowances returned by the EPA. Report on line 39 the EPA's sales of the withheld allowances. Report on lines 43-46 the net sales or auction of the withheld allowances.				8. Report on lines 22-27 the names of purchasers/transferrers of allowances disposed of and identify associated companies.				
7. Report on lines 8-14 the names of vendors/transferrers of allowances acquired and identify associated companies (See "associated co." under "Definitions" in Uniform System of Accounts).				9. Report the net costs and benefits of hedging transactions on a separate line under purchases/transfers and sales/transfers.				
				10. Report on lines 32-35 & 43-46 the net sales proceeds and gains or losses from allowance sales.				
2008		2009		Future Years		Totals		Line No.
No. (f)	Amt. (g)	No. (h)	Amt. (i)	No. (j)	Amt. (k)	No. (l)	Amt. (m)	
103,505	476,250	7,612	0	2,552,214		2,909,874	5,321,452	1
								2-4
								5
								6-8
								9
						6,925	3,212,014	10
	12,286						36,681	11
								12
								13
								14
0	12,286	0	0	0	0	6,925	3,248,695	15
						85,438		16-18
								19
								20
								21-22
2,669	157,658					5,761	381,223	23
								24
								25
						12,873	5,985,686	26
							30,213	27
2,669	157,658	0	0	0	0	18,634	6,397,122	28
100,836	330,878	7,612	0	2,552,214	0	2,812,727	2,173,025	29
								30-32
								33
								34
								35
1,358		1,358		66,128		71,555		36
				2,699		2,699		37
								38
				1,350		2,703		39
1,358		1,358		67,477		71,551		40
								41-43
					371,285		1,566,078	44
					371,285		1,566,078	45
								46

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report 12/31/06
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FOOTNOTE DATA

Page Number (a)	Item Number (b)	Column Number (c)	Comments (d)
228	1	b	Includes: SO2 balance of 95,443 and NOx balance of 8,799
228	1	c	\$916,066 represents cost of 8,799 NOx Allowance for vintage year 2006.
228	1	d	Includes: SO2 balance of 95,443 and NOx balance of 8,062
228	1	e	\$464,722 represents cost of 8,062 NOx allowances for vintage year 2007.
229	1	f	Includes: SO2 balance of 95,443 and NOx balance of 8,062
229	1	g	\$476,250 represents cost of 8,062 NOx allowances for vintage year 2008.
229	1	h	Includes: NOx balance of 7,612
229	1	j	Includes: SO2 balance of 2,552,214
228	27	c	\$30,213 represents the co-owner's portion of Campbell Three

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report December 31, 2006
MISCELLANEOUS CURRENT AND ACCRUED ASSETS (Account 174)			
1. Give description and amount of other current and accrued assets as of the end of year.			
2. Minor items may be grouped by classes, showing number of items in each class.			
Line No.	Item (a)	Balance End of Year (b)	
1	Prepaid Real and Personal Property Taxes	152,700,000	
2	Fiscal Year Real and Personal Property Taxes - Electric	62,164,486	
3	PSCR Underrecovery Principal	155,844,061	
4	Fiscal Year Real and Personal Property Taxes - Gas	22,154,440	
5	Accrued Value Services	558,621	
6	Interstate Gas - Pipeline Imbalance	375,817	
7	Fiscal Year Real & Personal Property Taxes - Nonutility	165,210	
8			
9			
10			
11			
12			
13			
14			
15			
16			
17			
18			
19			
20			
21			
22			
23			
24			
25	TOTAL	393,962,635	

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report December 31, 2006
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EXTRAORDINARY PROPERTY LOSS (Account 182.1)

Line No.	Description of Extraordinary Loss (Include in description the date of loss, the date of Commission authorization to use Account 182.1 and period of amort. (mo, yr, to mo, yr). (a))	Total Amount of Loss (b)	Losses Recognized During Year (c)	WRITTEN OFF DURING YEAR		Balance at End of Year (f)
				Account Charged (d)	Amount (e)	
1						
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16						
17						
18						
19						
20	TOTAL	0	0		0	0

UNRECOVERED PLANT AND REGULATORY STUDY COSTS (182.2)

Line No.	Description of Unrecovered Plant and Regulatory Study Costs (Include in the description of costs, the date of Commission authorization to use Account 182.2, and period of amortization (mo, yr, to mo, yr). (a))	Total Amount of Loss (b)	Losses Recognized During Year (c)	WRITTEN OFF DURING YEAR		Balance at End of Year (f)
				Account Charged (d)	Amount (e)	
21	Unrecovered Plant-Abandoned Midland Project Authorized 12/26/89 (effective 1/1/89) By Federal Energy Commission (FERC) Case Number ER90-69-000. This amount represents the wholesale portion of the unrecovered cost of the abandoned Midland project, consistent with FERC Order Number 295.			407.00	517,677	8,800,507
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47						
48						
49	TOTAL	0	0		517,677	8,800,507

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A resubmission	Date of Report (Mo, Da, Yr) 04/18/07	Year of Report December 31, 2006
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OTHER REGULATORY ASSETS

1. Report below the particulars (details) called for concerning other regulatory assets which are created through the ratemaking actions of regulatory agencies (and not includable in other amounts.)
2. For regulatory assets being amortized, show period of amortization in column (a).
3. Minor items (amounts less than \$50,000) may be grouped by classes.
4. Give the number and name of the account(s) where each amount if recorded.

Line No.	Description and Purpose of Other Regulatory Assets (a)	Debits (b)	CREDITS		Balance at End of Year (e)
			Account Charged (c)	Amount (d)	
1	Manufactured Gas Plant Environmental Clean-up	7,327,257	242/253/925	12,608,998	56,213,977
2	AFUDC in Excess of FERC Rate (Life of Related Property)	3,081	407/421	95,791	173,993
3	Postretirement Benefits (20 yrs. - ending 2011)	0	926	23,178,603	111,644,053
4	SFAS 109 Regulatory Asset	0	410	1,628,844	24,975,608
5	Securitized Regulatory Asset (1)	0	407	45,847,000	513,933,271
6	Incremental Gas Choice	4,920	131/409	26,239	569,071
7	Green Power - Implementation Costs (U-13029)	0		0	311,028
8	Other PA 141 Deferrals (8)	71,412,622	182	272,614,123	0
9	PA 141/Enhanced Security Costs (3)	1,758,340	407	9,021,013	17,463,410
10	FAS 143-ARO Asset	49,897,376	108/411	41,463,493	177,580,323
11	Electric Restructuring (4-7)	4,936,836	407	39,185,726	40,024,566
12	Gas Storage Field Inventory Loss	41,107	164	219,237	8,043,211
13	Stranded Cost (8)	4,320,003	407	1,952,217	65,141,454
14	Additional Minimum Pension Liability	358,007,870	926	757,308,514	0
15	Regulatory Asset - Palisades DOE Decommissioning	103,351		0	1,319,765
16	SFAS 158 Retirement Benefits	1,037,935,762		0	1,037,935,762
17	OPEB Equalization (9)	1,944,872	926	102,072	1,842,800
18	Pension Equalization (10)	13,036,407	926	1,815,515	11,220,892
19	10d(4) Regulatory Asset (11)	305,015,613	407	127,575,440	177,440,172
20					
21					
22	(1) U12505 (14 Years, Ending 2015)				
23	(2) U-13715 (Costs written off)				
24	(3) U-14126 (5 Years, Ending 2009)				
25	(4) U-11955 (4 Years, Ending 2008)				
26	(5) U-12358 (4 Years, Ending 2008)				
27	(6) U-12891 (4 Years, Ending 2008)				
28	(7) U-13340 (4 Years, Ending 2008)				
29	(8) U-13720 & U-14098 (Amortized until fully recovered)				
30	(9) U-14347				
31	(10) U-14347				
32	(11) U-14148				
33					
34					
35					
36					
37					
38					
39	TOTAL	1,855,745,417		1,334,642,825	2,245,833,356

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report December 31, 2006
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MISCELLANEOUS DEFERRED DEBITS (Account 186)

1. Report below the particulars (details) called for concerning miscellaneous deferred debits.
2. For any deferred debit being amortized, show period of amortization in column (a).
3. Minor items (1% of the Balance at End of Year for Account 186 or amounts less than \$50,000, whichever is less) may be grouped by classes.

Line No.	Description of Miscellaneous Deferred Debits (a)	Balance at Beginning of Year (b)	Debits (c)	CREDITS		Balance at End of Year (f)
				Account Charged (d)	Amount (e)	
1	Purch Power Options-Electric	5,859,327	82,443,073	555	26,054,972	62,247,428
2	Campbell 3 Co-Owner Fuel	101,678	5,863,275	143	5,964,953	0
3	Sales of Land & Right of Way	39,741	8,836,566	various	9,472,681	(596,374)
4	Additional Pension Liability	52,172,004	45,704,435	various	97,876,439	0
5	FAS 133-Gas Options Prem Paid	600,000	2,070,000	803	2,670,000	0
6	Palisades Sale Costs	164,736	9,328,435	various	303,882	9,189,289
7	CRF II Management Fees	979,530	4,848,179	237	4,664,371	1,163,338
8	Weadock 7 Turbine Loss	0	6,656,705	131	5,599,114	1,057,591
9	Minor items (items <\$50,000)	81,251	4,910,080	various	4,965,449	25,882
10						
11						
12						
13						
14						
15						
16						
17						
18						
19						
20						
21						
22						
23						
24						
25						
26						
27						
28						
29						
30						
31						
32						
33						
34						
35						
36						
37	Misc. Work in Progress					
38	TOTAL	59,998,267	170,660,748		157,571,861	73,087,154

INSTRUCTIONS FOR THE FILING OF THE ANNUAL REPORT OF
MAJOR AND NONMAJOR ELECTRIC UTILITIES

TAX SCHEDULES

I Purpose:

The Commission will permit the option to adopt FERC reporting requirements if the company agrees to file the MPSC information on a historical test-year basis in a rate case or upon request of the Commission Staff. For the following pages:

A.	Accumulated Deferred Income Taxes	234A-B
B.	Reconciliation of Report Net Income With Taxable Income for Federal Income Taxes	261A-B
C.	Calculation of Federal Income Tax	261C-D
D.	Taxes Accrued, Prepaid and Charged During Year	262-263
E.	Accumulated Deferred Income Taxes	272-277

Name of Respondent Consumers Energy Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 04/18/07	Year of Report December 31, 2006
ACCUMULATED DEFERRED INCOME TAXES (Account 190)					
1. Report the information called for below concerning the respondent's accounting for deferred income taxes.			2. At Other (Specify), include deferrals relating to other income and deductions.		
Line No.	Account Subdivision (a)	Balance at Beginning of Year (b)	Changes During Year		
			Amounts Debited to Account 410.1 (c)	Amounts Credited to Account 411.1 (d)	
1	Electric				
2	ARO Profit Margin Accretion - BR	1,258,126	0	(1,255,122)	
3	ARO Profit Margin Accretion - Palisades	(422,134)	0	54,718	
4	Aetna Reserve	803,150	1,936	84,644	
5	Bad Debt Expense	1,600,459	9,675	262,938	
6	Big Rock Decommissioning Costs - FERC	318,373	318,372	0	
7	Other	455,977,728	(69,578,232)	51,870,267	
8	TOTAL (Account 190) (Enter total of lines 2 thru 7)	459,535,702	(69,248,249)	51,017,445	
9	Gas				
10	Aetna Reserve	480,039	1,042	45,578	
11	ANR/CE Otisville Agreement	617,647	494,118	0	
12	Bad Debt Expense	2,621,982	(134,668)	443,089	
13	Contributions in Aid of Construction	13,131,993	505,429	0	
14	Swap Agreement - Deferred Gain	204,309	8,666	0	
15	Other	375,485,948	(676,899)	19,309,966	
16	TOTAL Gas (Enter total of lines 10 thru 15)	392,541,918	197,688	19,798,633	
17	Other (Specify)	60,621,620	0	0	
18	TOTAL (Account 190) (Enter total of lines 8, 16 & 17)	912,699,240	(69,050,561)	70,816,078	
19	Classification of Total:				
20	Federal Income Tax	912,699,240	(69,050,561)	70,816,078	
21	State Income Tax				
22	Local Income Tax				
NOTES - See page 234A.1, 234A.2, 234A.3, 234B.1, 234B.2 and 234B.3					

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/18/07	Year of Report December 31, 2006
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ACCUMULATED DEFERRED INCOME TAXES (Account 190) (Continued)

3. If more space is needed, use separate pages as required. and classification, significant items for which deferred taxes are being provided. Indicate insignificant amounts listed other .

4. In the space provided below, identify by amount

Changes During Year		ADJUSTMENTS				Balance at End of Year (k)	Line No.
Amounts Debited to Account 410.2 (e)	Amounts Credited to Account 411.2 (f)	DEBITS		CREDITS			
		Acct. No. (g)	Amount (h)	Acct. No. (i)	Amount (j)		
							1
						3,004	2
						(367,416)	3
						885,858	4
						1,853,722	5
				283.196	1	0	6
			305,622,494		95,035,031	788,013,690	7
0	0		305,622,494		95,035,032	790,388,858	8
							9
						524,575	10
						123,529	11
						3,199,739	12
						12,626,564	13
						195,643	14
			185,622,589		29,933,451	551,161,951	15
0	0		185,622,589		29,933,451	567,832,001	16
14,450,063	3,634,569		10,032,299		10,782,131	49,056,294	17
14,450,063	3,634,569		501,277,382		135,750,614	1,407,277,153	18
							19
14,450,063	3,634,569		501,277,382		135,750,614	1,407,277,153	20
							21
							22

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/18/07	Year of Report December 31, 2006
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ACCUMULATED DEFERRED INCOME TAXES (Account 190) (Continued)

1. Report the information called for below concerning the respondent's accounting for deferred income taxes. 2. At Other (Specify), include deferrals relating to other income and deductions.

Line No.	Account Subdivision (a)	Balance at Beginning of Year (b)	Changes During Year	
			Amounts Debited to Account 410.1 (c)	Amounts Credited to Account 411.1 (d)
23	Electric Other (Detail of Line 7)			
24	Accretion - Options Payable	1,689,628	768,894	175,281
25	'95 biennial Conservation Program	(1)	0	1
26	CATV Deferred Revenue	551,750	986,644	982,032
27	Campbell 3 Deferred Revenue	336,317	312,499	887,054
28	Swap Agreement - Deferred Gain	588,380	498,110	342,267
29	Clean Air Allowance - 2001	1,758,258	3,808,995	23,786,296
30	Contract Guarantee	0	0	22,357
31	Contributions in Aid of Construction	14,268,236	740,066	0
32	Deferred AMT	5,249,244	(34,903,977)	0
33	Deferred Compensation	742,875	245,623	219,450
34	DOE Decommissioning	880,709	983,442	0
35	EISP Deferred Comp	52,260	15,382	9,720
36	EICP	4,243,570	4,113,335	4,329,485
37	FAS 148-STK Option Fair Value	307,295	0	0
38	Fixed Price Fuel Contract	0	0	4,829
39	Fly Ash Trust Fund	226,266	0	20,727
40	General Business Credits	147,579	(6,794,660)	0
41	Injuries & Damages	7,409,031	346,280	(289,822)
42	Insurance Recovery	1,239	0	26,950
43	Like Kind Exchanges	7,267	0	0
44	Loss of General Business Credits	919,565	919,565	0
45	MSBT Reserve	2,864,750	2,864,750	2,977,450
46	NOL Carryforward - Electric	20,483,471	(59,739,486)	0
47	Offshore Insurance Liability (OIL)	1,049,601	0	(255,804)
48	OPEB Obligation	52,709,302	11,460,674	7,067,063
49	Outside Services - Audit Accrual	151,664	638,952	607,139
50	Palisades Decommissioning Costs	65,208,713	0	5,023,138
51	Payroll Tax Accrued	662,364	518,110	375,204
52	Pension Costs	13,421,359	0	2,651,468
53	Property Taxes	0	0	695,917
54	PSCR Contingency	8,900,178	840,000	840,000
55	Renewable Energy Resources	812,670	0	875,000
56	Renewable Energy Tax Credit	0	0	0
57	Reserve Cap Deferred Revenue	298,713	7,210	68,082
58	Sales & Use Tax Reserve	1,750,000	440,160	153,020
59	Save & Share	761,887	761,887	0
60	Savings Plan - Rabbi Trust	217,359	20,470	49,268
61	Senior Reactor Operator Retention Liability	400,522	109,095	0
62	Special Compensation (SEMP) - Electric	(5,036)	0	5,036
63	SRS Supplemental Program	1,268,224	138,406	130,205
64	SRS Excess Liability (OCI)	626,885	0	0

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/18/07	Year of Report December 31, 2006
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ACCUMULATED DEFERRED INCOME TAXES (Account 190) (Continued)

3. If more space is needed, use separate pages as required. and classification, significant items for which deferred taxes are being provided. Indicate insignificant amounts listed other .

4. In the space provided below, identify by amount

Changes During Year		ADJUSTMENTS				Balance at End of Year (k)	Line No.
Amounts Debited to Account 410.2 (e)	Amounts Credited to Account 411.2 (f)	DEBITS		CREDITS			
		Acct. No. (g)	Amount (h)	Acct. No. (i)	Amount (j)		
							23
				283.155	243,994	852,021	24
						0	25
						547,138	26
						910,872	27
						432,537	28
						21,735,559	29
						22,357	30
						13,528,170	31
						40,153,221	32
						716,702	33
		283.209	102,733			0	34
		219.070	170,114			216,712	35
				190.148	133,465	4,326,255	36
						307,295	37
						4,829	38
						246,993	39
				190.242	101,383	6,840,856	40
						6,772,929	41
						28,189	42
						7,267	43
						0	44
						2,977,450	45
						80,222,957	46
						793,797	47
		282/3/6	112,684,793			161,000,484	48
						119,851	49
						70,231,851	50
						519,458	51
		219/282/3	172,220,902	282/283	63,598,233	124,695,496	52
						695,917	53
						8,900,178	54
						1,687,670	55
		190.189	101,383			101,383	56
						359,585	57
						1,462,860	58
						0	59
						246,157	60
						291,427	61
						0	62
		190/219	1,170,257	190.003	499,750	1,930,530	63
				219.047	626,885	0	64

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/18/07	Year of Report December 31, 2006
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ACCUMULATED DEFERRED INCOME TAXES (Account 190) (Continued)

1. Report the information called for below concerning the respondent's accounting for deferred income taxes. 2. At Other (Specify), include deferrals relating to other income and deductions.

Line No.	Account Subdivision (a)	Balance at Beginning of Year (b)	Changes During Year	
			Amounts Debited to Account 410.1 (c)	Amounts Credited to Account 411.1 (d)
65	Electric Other (Detail of Line 7 - Continued)			
66	Tax Interest During Construction	10,404,262	511,916	0
67	Vacation Pay Accrual	1,553,799	0	86,915
68	Voluntary Severance	0	(190,574)	0
69	Wurtsmith Escrow	45,668	0	4,539
70	FAS 109-Accumulated Def.Tax Benefits-ITC	16,818,755	0	0
71	FAS 109-Accumulated Def.Tax Benefits-Other (2)		0	0
72	FAS 109-Accumulated DFIT Benefit-Reg Lia	81,365,195	0	0
73	FAS 109-Accumulated DFIT Benefit-Property	134,827,957	0	0
74	Total Electric Other	455,977,728	(69,578,232)	51,870,267
75				
76				
77	Gas Other (Detail of Line 15)			
78	Contract Guarantee	0	0	13,130
79	Deferred AMT	6,206,088	(9,047,369)	0
80	Deferred Compensation	665,200	203,333	226,730
81	Deferred Revenue-Appliance Service Program	303,763	94,894	82,361
82	EISP Deferred Comp	50,210	14,779	9,338
83	EICP	2,448,046	2,582,602	2,269,913
84	FAS 148-Stock Option Fair Value	295,245	0	0
85	Fixed Price Fuel Contract	0	0	2,262
86	Gas Inventory Capitalization	1,687,257	(4,666,882)	6,634,648
87	Gas Inventory Linepack	2,908,811	0	267,490
88	GCR Contingency	(148,473)	790,404	539,281
89	General Business Credit	213,787	(1,894,974)	0
90	Grand Lacs Deferred Revenue	(320,480)	(320,480)	0
91	Injuries & Damages	2,420,464	45,868	(743,565)
92	Insurance Recovery - MGP	4,046,042	917,406	247,752
93	Loss of General Business Credits	1,332,103	1,332,103	0
94	Manufactured Gas Plants Environmental Clean-up	10,246,117	0	0
95	MSBT Reserve	1,335,250	1,335,250	1,397,550
96	NOL Carryforward - Gas	15,965,160	(31,171,809)	0
97	Offshore Insurance Liability (OIL)	1,095,941	0	(370,831)
98	OPEB Obligation	32,980,163	7,342,981	6,195,612
99	Outside Service - Audit Expense	144,476	403,775	374,450
100	Payroll Tax Accrued	317,878	266,904	193,286
101	Pension Costs	7,046,450	0	1,337,740
102	Property Taxes	0	0	244,511
103	Ray Storage Field Losses	2,640,799	2,640,799	0
104	Renewable Energy Tax Credit	0	0	0
105	Sales & Use Tax Reserve	840,000	119,840	56,980
106	Save & Share	342,297	342,297	0
107	Savings Plan - Rabbi Trust	101,714	10,472	25,380
108	Special Compensation (SEMP) - Gas (1)		(1)	0
109	SRS Supplemental Payment	617,220	67,905	63,745

Name of Respondent		This Report Is:		Date of Report		Year of Report	
Consumers Energy Company		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		(Mo, Da, Yr) 04/18/07		December 31, 2006	
ACCUMULATED DEFERRED INCOME TAXES (Account 190) (Continued)							
3. If more space is needed, use separate pages as required.				and classification, significant items for which deferred taxes are being provided. Indicate insignificant amounts listed other .			
4. In the space provided below, identify by amount							
Changes During Year		ADJUSTMENTS				Balance at End of Year (k)	Line No.
Amounts Debited to Account 410.2 (e)	Amounts Credited to Account 411.2 (f)	DEBITS		CREDITS			
		Acct. No. (g)	Amount (h)	Acct. No. (i)	Amount (j)		
Electric Other (Detail of Line 7 - Continued)							65
						9,892,346	66
		282xxx	636,204	282.xxx	201,599	2,075,319	67
						190,574	68
						50,207	69
				286.101	1,012,480	15,806,275	70
		286.103	2			0	71
		286.103	18,536,106	286xxx	10,229,335	89,671,966	72
				285/286	18,387,907	116,440,050	73
			305,622,494		95,035,031	788,013,690	74
							75
							76
							77
						13,130	78
						15,253,457	79
						688,597	80
						291,230	81
		219.071	83,788			128,557	82
		190.147	133,465			2,268,822	83
						295,245	84
						2,262	85
						12,988,787	86
						3,176,301	87
		190.070	329,175			(70,421)	88
				190.243	49,077	2,059,684	89
						0	90
						1,631,031	91
						3,376,388	92
						0	93
				283.137	1,971,460	8,274,657	94
						1,397,550	95
						47,136,969	96
						725,110	97
		282/3/6	57,617,890			89,450,684	98
						115,151	99
						244,260	100
		219/282/3	84,662,355	282/3/6	27,060,132	65,986,413	101
						244,511	102
						0	103
		190.190	49,077			49,077	104
						777,140	105
						0	106
						116,622	107
						0	108
		219.067	330,250			943,310	109

Name of Respondent Consumers Energy Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/18/07	Year of Report December 31, 2006
ACCUMULATED DEFERRED INCOME TAXES (Account 190) (Continued)				
1. Report the information called for below concerning the respondent's accounting for deferred income taxes.			2. At Other (Specify), include deferrals relating to other income and deductions.	
Line No.	Account Subdivision (a)	Balance at Beginning of Year (b)	Changes During Year	
			Amounts Debited to Account 410.1 (c)	Amounts Credited to Account 411.1 (d)
110	Gas Other (Detail of Line 15 - Continued)			
111	SRS Excess Liability (OCI)	295,005	0	0
112	Take or Pay Order 500	27,983,752	27,983,752	0
113	Tax Interest During Construction	1,796,331	65,515	0
114	Vacation Pay Accrual	731,200	(136,263)	144,029
115	Voluntary Severance	0	0	98,174
116	FAS 109-Accumulated DFIT Benefit-ITC	6,109,320	0	0
117	FAS 109-Accumulated DFIT Benefit-Reg Liability	87,114,347	0	0
118	FAS 109-Accumulated DFIT Benefit-Property	155,674,466	0	0
119	Total Gas Other	375,485,948	(676,899)	19,309,966
120				
121	Other (Detail of Line 17)			
122	Bad Debt Expense	181,812		
123	Capital Loss Carryforward	0		
124	Swap Agreement - Deferred Gain	85,971		
125	CP Foundation	53,284		
126	Contribution Carryover	4,493,333		
127	Deferred AMT	6,539,562		
128	EICP	0		
129	Energyguard	0		
130	FAS 115 - Nuclear Decommissioning	48,720,491		
131	GCR Contingency - Interest	0		
132	General Business Credit	(14,307)		
133	Loss of General Business Credits	3,761,479		
134	MCV Contract Loss	0		
135	MCV Land Rent	74,809		
136	NOL Carryforward - Other	(6,422,308)		
137	Nuclear Simulator	2,595,826		
138	PSCR Contingency - Interest	(139,148)		
139	PSI Line Write-off	(140,499)		
140	Realized Gain SERP Plan Assets	831,315		
141	Renewable Energy Tax Credit	0		
142	Total Other	60,621,620		
143				
144				
145				
146				
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148				
149				
150				
151				
152				
153				

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/18/07	Year of Report December 31, 2006				
ACCUMULATED DEFERRED INCOME TAXES (Account 190) (Continued)							
3. If more space is needed, use separate pages as required.							
4. In the space provided below, identify by amount and classification, significant items for which deferred taxes are being provided. Indicate insignificant amounts listed other .							
Changes During Year		ADJUSTMENTS				Balance at End of Year (k)	Line No.
Amounts Debited to Account 410.2 (e)	Amounts Credited to Account 411.2 (f)	DEBITS		CREDITS			
		Acct. No. (g)	Amount (h)	Acct. No. (i)	Amount (j)		
Gas Other (Detail of Line 15 - Continued)							
				219.047	295,005	0	110
						0	111
						1,730,816	112
		282.132	298,659	282xxx	101,185	1,208,966	113
						98,174	114
				286.102	296,785	5,812,535	115
		286.100	20,948,062	286.102	159,807	107,902,602	116
		286.100	21,169,868			176,844,334	117
			185,622,589		29,933,451	551,161,951	118
							119
							120
							121
186,021	18,887					14,678	122
12,000,000	0					(12,000,000)	123
53,471	0					32,500	124
12,587	1,400,000					1,440,697	125
3,559,162	0					934,171	126
(3,603,463)	0					10,143,025	127
93,929	424,658					330,729	128
0	0					0	129
0	0	283.111	9,881,477	283xxx	7,015,492	51,586,476	130
0	329,175			190.070	329,175	0	131
(243,737)	0	190.xxx	4,935	190.246	5,388	228,977	132
3,761,479	0					0	133
0	0					0	134
6,613	0					68,196	135
(1,375,999)	0					(5,046,309)	136
0	0			282.111	2,595,826	0	137
0	1,461,849					1,322,701	138
0	0	282.111	140,499			0	139
0	0			283xxx	831,315	0	140
0	0	190.193	5,388	190xxx	4,935	453	141
14,450,063	3,634,569		10,032,299		10,782,131	49,056,294	142
							143
							144
							145
							146
							147
							148
							149
							150
							151
							152
							153

Name of Respondent	This Report Is:	Date of Report	Year of Report	
Consumers Energy Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) 04/23/07	December 31, 2006	
UNAMORTIZED LOSS AND GAIN ON REACQUIRED DEBT (Account 189, 257)				
1. Report under separate subheadings for Unamortized Loss and Unamortized Gain on Reacquired Debt, particulars of gain and loss on reacquisition applicable to each class and series of long-term debt, including maturity date. If gain or loss resulted from a refunding transaction, include also the maturity date of the new issue.		2. In column (c) show the principal amount of bonds or other long-term debt reacquired. 3. In column (d) show the net gain or net loss realized on each debt reacquisition as computed in accordance with General Instruction 16 of the Uniform System of Accounts.		
Line No.	Designation of Long-Term Debt (a)	Date Reacquired (b)	Princ. Amt. Of Debt Reacquired (c)	Net Gain or Net Loss (d)
1	<u>Installment Sales Contracts</u>			
2	Refunded by Pollution Control Revenue Refunding Bond due 2018			
3	Charter Township of Hampton - Due 2000	6-1-88	15,800,000	(620,649)
4	Port Sheldon Township - Due 2000	6-1-88	8,400,000	(357,767)
5	Econ Dev Corp - Port Sheldon Township - Due 1991	6-1-88	43,500,000	(761,363)
6	Cost of Issuing Pollution Control Revenue Refunding Bond due 2018			
7			67,700,000	(2,586,358)
8	Refunded by Pollution Control Revenue Refunding Bond Series '93A due 2010			
9	Covert Township, Series A - Due 2003	8-1-93	11,100,000	(69,344)
10	Charter Township of Hampton, Series A - Due 2004	8-1-93	8,900,000	(74,999)
11	Township of Port Sheldon, Series B - Due 1993-2007	8-1-93	7,900,000	(134,590)
12			27,900,000	(278,933)
13	Refunded by Pollution Control Revenue Refunding Bond Series '93B due 2010			
14	Covert Township, Series A - Due 2003	8-1-93	11,900,000	(74,564)
15	Charter Township of Hampton, Series A - Due 2004	8-1-93	9,600,000	(80,644)
16	Township of Port Sheldon, Series B - Due 1993-2007	8-1-93	8,500,000	(144,720)
17	Cost of Issuing Pollution Control Revenue Refunding Bond due 2010			
18			30,000,000	(933,220)
19	<u>First Mortgage Bonds</u>			
20	Refunded by 5.00% FMB due 2015			
21	7-3/8% FMB due 2023	12-8-04	207,700,000	(18,694,148)
22	Refunded by 6-7/8% due 3/1/18			
23	7.5% FMB due 2001	9-18-98	57,164,000	(554,491)
24	Refunded by 6-7/8% due 3/1/18			
25	7.5% FMB due 2002	9-18-98	62,174,000	(686,401)

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report December 31, 2006
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UNAMORTIZED LOSS AND GAIN ON REACQUIRED DEBT (Account 189, 257) (Continued)

4. Show loss amounts in red or by enclosure in parentheses. Amortization of Loss on Reacquired Debt or credited to Account 429.1, Amortization of Gain on Reacquired Debt-Credit.
5. Explain any debits and credits other than amortization debited to Account 428.1,

Balance Beginning of Year (e)	Debits During Year (f)	Credits During Year (g)	Balance End of Year (h)	Line No.
				1
				2
189,957		15,412	174,545	3
109,575		8,880	100,695	4
233,153		18,900	214,253	5
260,975		21,159	239,816	6
793,660	0	64,351	729,309	7
				8
13,496		3,085	10,411	9
14,682		3,332	11,350	10
27,358		5,924	21,434	11
55,536	0	12,341	43,195	12
				13
17,443		2,928	14,515	14
18,931		3,180	15,751	15
34,735		5,869	28,866	16
490,594		112,846	377,748	17
561,703	0	124,823	436,880	18
				19
				20
16,870,328		1,823,819	15,046,509	21
				22
251,036		20,493	230,543	23
				24
309,314		25,250	284,064	25

16,770,500

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report December 31, 2006
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UNAMORTIZED LOSS AND GAIN ON REACQUIRED DEBT (Account 189, 257)

1. Report under separate subheadings for Unamortized Loss and Unamortized Gain on Reacquired Debt, particulars of gain and loss on reacquisition applicable to each class and series of long-term debt, including maturity date. If gain or loss resulted from a refunding transaction, include also the maturity date of the new issue.

2. In column (c) show the principal amount of bonds or other long-term debt reacquired.

3. In column (d) show the net gain or net loss realized on each debt reacquisition as computed in accordance with General Instruction 16 of the Uniform System of Accounts.

Line No.	Designation of Long-Term Debt (a)	Date Reacquired (b)	Princ. Amt. Of Debt Reacquired (c)	Net Gain or Net Loss (d)
1	Refunded by 4.25% due 4/15/08 and 5.375% due 4/15/13			
2	6.2% Senior note due 2008	5-1-03	250,000,000	(32,386,165)
3	Refunded by 4% due 2010, 4.8% due 2009 and 6% due 2008			
4	Long-term bank loan due July 2004	5-16-03	100,000,000	
5	Long-term bank loan due July 2004	6-2-03	150,000,000	(7,245,805)
6	Long-term bank loan due July 2004	8-29-03	200,000,000	(2,241,188)
7	Refunded by 4.4% due 2009, 5.0% due 2012 and 5.5% due 2016			
8	Long-term bank loan due March 2009	8-12-04	140,000,000	(4,577,688)
9	6.5% Senior note due 2018	8-12-04	141,000,000	(9,604,074)
10	6.0% Senior note due 2005	8-12-04	300,000,000	(4,802,375)
11	Refunded by 5.65% due 2020 and 5.65% due 2035			
12	6.25% Senior notes due 2006	3-24-05	332,500,000	(10,690,959)
13	6.5% Senior IQ notes due 2028	4-13-05	200,000,000	(17,583,846)
14	Refunded by 5.15% due 2017 and 5.80% due 2035			
15	Long-term bank term loan	1-25-05	60,000,000	(33,952)
16	Long-term debt - related parties (TOPrS I)	2-25-05	73,000,000	(1,236,385)
17	Long-term debt - related parties (TOPrS II)	2-25-05	124,000,000	(3,056,790)
18	Long-term debt - related parties (TOPrS III)	1-24-05	180,000,000	(18,938)
19	Long-term debt - related parties (TOPrS IV)	2-6-06	128,866,000	(6,114,338)
20				
21				
22				
23				
24				
25	Total			

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report December 31, 2006
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UNAMORTIZED LOSS AND GAIN ON REACQUIRED DEBT (Account 189, 257) (Continued)

4. Show loss amounts in red or by enclosure in parentheses. Amortization of Loss on Reacquired Debt or credited to Account 429.1, Amortization of Gain on Reacquired Debt-Credit.

5. Explain any debits and credits other than amortization debited to Account 428.1,

Balance Beginning of Year (e)	Debits During Year (f)	Credits During Year (g)	Balance End of Year (h)	Line No.
				1
20,295,331		4,534,063	15,761,268	2
				3
			0	4
4,571,758		1,035,115	3,536,643	5
1,516,764		310,468	1,206,296	6
				7
3,822,856		567,833	3,255,023	8
8,020,424		1,191,324	6,829,100	9
4,010,494		595,704	3,414,790	10
				11
10,157,403		708,656	9,448,747	12
17,211,509		872,769	16,338,740	13
				14
31,567		2,827	28,740	15
1,149,529		102,943	1,046,586	16
2,846,699		254,928	2,591,771	17
18,728		585	18,143	18
0	6,114,338	188,969	5,925,369	19
				20
				21
				22
				23
				24
			86,171,716	25

Name of Respondent Consumers Energy Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report December 31, 2006
CAPITAL STOCK (Accounts 201 and 204)				
<p>1. Report below the particulars (details) called for concerning common and preferred stock at end of year, distinguishing separate series of any general class. Show separate totals for common and preferred stock. If information to meet the stock exchange reporting requirement outline in column (a) is available from the SEC 10-K Report Form filing, a specific reference to report form (i.e. year and company title) may be reported in column (a) provided the fiscal years for both the 10-K report and this report are compatible.</p> <p>2. Entries in column (b) should represent the number of shares authorized by the articles of incorporation as amended to end of year.</p>				
Line No.	Class and Series of Stock and Name of Stock Exchange (a)	Number of Shares Authorized by Charter (b)	Par or Stated Value Per Share (c)	Call Price at End of Year (d)
1	Account 201 - Common Stock *	125,000,000	10.00	
2	Total Common Stock	125,000,000		
3				
4	Account 204 - Preferred Stock	441,599		
5	Preferred Stock - \$4.50 Cum **		100.00	110.00
6	Preferred Stock - \$4.16 Cum **		100.00	103.25
7				
8	Total Preferred Stock	441,599		
9				
10				
11	* Stock held by parent company, CMS			
12	Energy Corporation			
13				
14	** New York Stock Exchange			
15				
16				
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Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report December 31, 2006
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CAPITAL STOCK (Accounts 201 and 204) (Continued)

3. Give particulars (details) concerning shares of any class and series of stock authorized to be issued by a regulatory commission which have not yet been issued.
4. The identification of each class of preferred stock should show the dividend rate and whether the dividends are cumulative or noncumulative.

5. State in a footnote if any capital stock which has been nominally issued is nominally outstanding at end of year.
6. Give particulars (details) in column (a) of any nominally issued capital stock, reacquired stock, or stock in sinking and other funds which is pledged, stating name of pledgee and purposes of pledge.

OUTSTANDING PER BALANCE SHEET <i>(Total amount outstanding without reduction for amounts held by respondents.)</i>		HELD BY RESPONDENT					Line No.
		AS REACQUIRED STOCK (Account 217)		IN SINKING AND OTHER FUNDS			
Shares (e)	Amount (f)	Shares (g)	Cost (h)	Shares (i)	Amount (j)		
84,108,789	841,087,890					1	
84,108,789	841,087,890					2	
						3	
						4	
373,148	37,314,800					5	
68,451	6,845,100					6	
						7	
441,599	44,159,900					8	
						9	
						10	
						11	
						12	
						13	
						14	
						15	
						16	
						17	
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						32	
						33	
						34	

Name of Respondent Consumers Energy Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report December 31, 2006
CAPITAL STOCK SUBSCRIBED, CAPITAL STOCK LIABILITY FOR CONVERSION, PREMIUM ON CAPITAL STOCK AND INSTALLMENTS RECEIVED ON CAPITAL STOCK (Accounts 202 & 205, 203 & 206, 207, 212)				
<p>1. Show for each of the above accounts the amounts applying to each class and series of capital stock.</p> <p>2. For Account 202, <i>Common Stock Subscribed</i>, and Account 205, <i>Preferred Stock Subscribed</i>, show the subscription price and the balance due on each class at the end of year.</p> <p>3. Describe in a footnote the agreement and transactions under which a conversion liability existed</p> <p>under Account 203, <i>Common Stock Liability for Conversion</i>, or Account 206, <i>Preferred Stock Liability for Conversion</i>, at the end of the year.</p> <p>4. For Premium on Account 207, <i>Capital Stock</i>, designate with a double asterisk any amounts representing the excess of consideration received over stated values of stocks without par value.</p>				
Line No.	Name of Account & Description of Item (a)	Number of Shares (b)	Amount (c)	
1	Account 202 - None			
2				
3	Account 203 - None			
4				
5	Account 205 - None			
6				
7	Account 206 - None			
8				
9	Account 207			
10	Premium on Common Stock	84,108,789	386,028,613	
11				
12	Account 212 - None			
13				
14				
15				
16				
17				
18				
19				
20				
21				
22				
23				
24				
25				
26				
27				
28				
29				
30				
31				
32				
33				
34				
35				
36				
37				
38				
39				
40	TOTAL	84,108,789	386,028,613	

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report December 31, 2006
OTHER PAID - IN CAPITAL (Accounts 208-211, inc.)			
<p>Report below the balance at the end of the year and the information specified below for the respective other paid-in capital accounts. Provide a subheading for each account and show a total for the account, as well as total of all accounts for reconciliation with balance sheet, page 112. Add more columns for any account if deemed necessary. Explain changes made in any account during the year and give the accounting entries effecting such change.</p> <p>(a) <i>Donations Received from Stockholders</i> (Account 208)-State amount and give brief explanation of the origin and purpose of each donation.</p> <p>(b) <i>Reduction in Par or Stated Value of Capital Stock</i> (account 209)-State amount and give brief explanation</p>		<p>of the capital changes which gave rise to amounts reported under this caption including identification with the class and series of stock to which related.</p> <p>(c) <i>Gain on Resale or Cancellation of Reacquired Capital Stock</i> (Account 210)-Report balance at beginning of year, credits, debits, and balance at end of year with a designation of the nature of each credit and debit identified by the class and series of stock to which related.</p> <p>(d) <i>Miscellaneous Paid-In Capital</i> (Account 211)- Classify amounts included in this account according to captions which, together with brief explanations, disclose the general nature of the transactions which gave rise to the reported amounts.</p>	
Line No.	Item (a)	Amount (b)	
1	Account 208		
2	Donations Received form Stockholders:		
3	Cash Infusions-CMS Energy-Prior to 2006	1,248,198,250	
4	CMS Engineering Stock-Prior to 2006	81,351	
5	Cash Infusions-CMS Energy-January 2006	100,000,000	
6	Cash Infusions-CMS Energy-March 2006	100,000,000	
7			
8			
9			
10	Subtotal - 208	1,448,279,601	
11			
12	Account 209 - None		
13			
14	Account 210		
15	Gain on Reacquired Capital Stock-Prior to 2006	20,440,268	
16			
17	Account 211		
18	Paid-in-Capital - Prior to 2006	293,744	
19			
20			
21			
22			
23			
24			
25			
26			
27			
28			
29			
30			
31			
32			
33			
34			
35	TOTAL	1,469,013,613	

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report December 31, 2006
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DISCOUNT ON CAPITAL STOCK (Account 213)

1. Report the balance at end of year of discount on capital stock for each class and series of capital stock. attach a statement giving particulars (details) of the change. State the reason for any charge-off during the year and specify the amount charged.
2. If any change occurred during the year in the balance with respect to any class or series of stock.

Line No.	Class and Series of Stock (a)	Balance at End of Year (b)
1		
2		
3		
4		
5		
6		
7		
8		
9		
10		
11		
12		
13		
14		
15		
16		
17	TOTAL	0

CAPITAL STOCK EXPENSE (Account 214)

1. Report the balance at end of year of capital stock expenses for each class and series of capital stock. attach a statement giving particulars (details) of the change. State the reason for any charge-off of capital stock expense and specify the account charged.
2. If any change occurred during the year in the balance with respect to any class or series of stock,

Line No.	Class and Series of Stock (a)	Balance at End of Year (b)
1	Common Stock	23,596,832
2	\$4.16 Preferred Stock	121,741
3		
4		
5		
6		
7		
8		
9		
10		
11		
12		
13		
14		
15		
16		
17		
18	TOTAL	23,718,573

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Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report December 31, 2006
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**SECURITIES ISSUED OR ASSUMED AND SECURITIES REFUNDED OR RETIRED
DURING THE YEAR**

1. Furnish a supplemental statement giving a brief description of security financing and refinancing transactions during the year and the accounting for the securities, discounts, premiums, expenses, and related gains or losses. Identify as to Commission authorization numbers and dates.

2. Furnish particulars (details) showing fully the accounting for the total principal amount, par value, or stated value of each class and series of security issued, assumed, retired, or refunded and the accounting for premiums, discounts, expenses, and gains or losses relating to the securities. Set forth the facts of the accounting clearly with regard to redemption premiums, unamortized discounts, expenses, and gains or losses relating to securities retired or refunded, including the accounting for such amounts carried in the respondent's accounts at the date of the refunding or refinancing transactions with respect to securities previously refunded or retired.

3. Include in the identification of each class and series of security, as appropriate, the interest or dividend rate, nominal date of issuance, maturity date, aggregate principal amount, par value or stated value, and number of shares. Give also the issuance of redemption price and name of the principal underwriting firm through which the security transactions were consummated.

4. Where the accounting for amounts relating to securities refunded or retired is other than that specified in General Instruction 16 of the Uniform System of Accounts, give references to the commission authorization for the different accounting and state the accounting method.

5. For securities assumed, give the name of the company for which the liability on the securities was assumed as well as particulars (details) of the transactions whereby the respondent undertook to pay obligations of another company. If any unamortized discounts, premiums, expenses, and gains or losses were taken over onto the respondent's books, furnish details of these amounts with amounts relating to refunded securities clearly earmarked.

DEBIT (CREDIT)			
Series	Account 131 Cash	Account 181 Unamortized Debt Expense	Account 221 Bonds
First Mortgage Bonds paid down in 2006			
5.65% FMB due 4-15-35	(2,209,586)	(82,731)	2,577,000
Other Long Term Debt			
DOE SNF Disposal Contract (1)	6,940,547		
Other Debt Retired, Issued or Paid Down			
TOPR'S IV DUE 06-31	(126,489,843)	(3,535,951)	
TOTAL	(121,758,882)	(3,618,682)	2,577,000

(1) Account debited is interest expense.

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report December 31, 2006
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**SECURITIES ISSUED OR ASSUMED AND SECURITIES REFUNDED OR RETIRED
DURING THE YEAR (Continued)**

1. Furnish a supplemental statement giving a brief description of security financing and refinancing transactions during the year and the accounting for the securities, discounts, premiums, expenses, and related gains or losses. Identify as to Commission authorization numbers and dates.

2. Furnish particulars (details) showing fully the accounting for the total principal amount, par value, or stated value of each class and series of security issued, assumed, retired, or refunded and the accounting for premiums, discounts, expenses, and gains or losses relating to the securities. Set forth the facts of the accounting clearly with regard to redemption premiums, unamortized discounts, expenses, and gains or losses relating to securities retired or refunded, including the accounting for such amounts carried in the respondent's accounts at the date of the refunding or refinancing transactions with respect to securities previously refunded or retired.

3. Include in the identification of each class and series of security, as appropriate, the interest or dividend rate, nominal date of issuance, maturity date, aggregate principal amount, par value or stated value, and number of shares. Give also the issuance of redemption price and name of the principal underwriting firm through which the security transactions were consummated.

4. Where the accounting for amounts relating to securities refunded or retired is other than that specified in General Instruction 16 of the Uniform System of Accounts, give references to the commission authorization for the different accounting and state the accounting method.

5. For securities assumed, give the name of the company for which the liability on the securities was assumed as well as particulars (details) of the transactions whereby the respondent undertook to pay obligations of another company. If any unamortized discounts, premiums, expenses, and gains or losses were taken over onto the respondent's books, furnish details of these amounts with amounts relating to refunded securities clearly earmarked.

DEBIT (CREDIT)

Account 224/242 Other Long-Term Debt	Account 225 Unamortized Premium		Account 226 Unamortized Discount		Account 237 Interest Accrued	Account 189 Unamortized Loss on Reacquired Debt	Account 182 Regulatory Asset	
(6,940,547)					6,066	(290,749)		
128,866,000					1,159,794			
121,925,453			-		1,165,860	(290,749)		

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report December 31, 2006
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LONG-TERM DEBT (Accounts 221, 222, 223 and 224)

1. Report by balance sheet account the particulars (details) concerning long-term debt included in Accounts 221, Bonds, 222, Reacquired Bonds, 223, Advances from Associated Companies, and 224, Other Long-Term Debt.
2. In column (a), for new issues, give Commission authorization numbers and dates.
3. For bonds assumed by the respondent, include in column (a) the name of the issuing company as well as a description of the bonds.
4. For advances from Associated Companies, report separately advances on notes and advances on open accounts. Designate demand notes as such. Include in column (a) names of associated companies from which advances were received.
5. For receivers' certificates, show in column (a) the name of the court and date of court order under which such certificates were issued.
6. In column (b) show the principal amount of bonds or other long-term debt originally issued.
7. In column (c) show the expense, premium or discount with respect to the amount of bonds or other long-term debt originally issued.
8. For column (c) the total expenses should be listed first for each issuance, then the amount of premium (in parentheses) or discount. Indicate the premium or discount with a notation, such as (P) or (D). The expenses, premium or discount should not be netted.
9. Furnish in a footnote particulars (details) regarding the treatment of unamortized debt expense, premium or discount associated with issues redeemed during the year. Also, give in a footnote the date of the Commission's authorization of treatment other than as specified by the Uniform System of Accounts.

Line No.	Class and Series of Obligation, Coupon Rate <i>(For new issue, give Commission Authorization numbers and dates)</i>	Principal Amount of Debt Issued	Total Expense, Premium or Discount
	(a)	(b)	(c)
1	ACCOUNT 221		
2	4.25% Series A, Due 2008	250,000,000	1,805,067
3			570,000 D
4			12,954,466
5	5.375% Series B, Due 2013	375,000,000	2,805,845
6			1,788,750 D
7			19,431,699
8	4% Series E, Due 2010	250,000,000	1,871,930
9			1,247,500 D
10			7,245,805
11	4.8% Series G, Due 2009	200,000,000	1,436,938
12			454,000 D
13			1,120,594
14	6.0% Series I, Due 2014	200,000,000	1,536,904
15			318,000 D
16			1,120,594
17	4.40% Series K, Due 2009	150,000,000	1,022,407
18			19,500 D
19			3,559,526
20	5.00% Series L, Due 2012	300,000,000	2,093,597
21			315,000 D
22			7,119,052
23	5.50% Series M, Due 2016	350,000,000	2,602,217
24			1,669,500 D
25			8,305,560
26	5.00%, Due 2015	225,000,000	1,580,164
27			375,750 D
28			18,694,148
29	5.15%, Due 2017	250,000,000	1,974,816
30			1,100,000 D
31			4,332,127
32	5.65%, Due 2020	300,000,000	2,666,410
33	TOTAL	4,732,058,000	171,858,508

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report December 31, 2006
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LONG-TERM DEBT (Accounts 221, 222, 223 and 224) (Continued)

10. Identify separate undisposed amounts applicable to issues which were redeemed in prior years.
11. Explain any debits and credits other than amortization debited to Account 428, Amortization of Debt-Discount and Expense, or credited to Account 429, *Amortization of Premium on Debt-Credit*.
12. In a footnote, give explanatory particulars (details) for Accounts 223 and 224 of net changes during the year. With respect to long-term advances, show for each company: (a) principal advanced during year, (b) interest added to principal amount, and (c) principal repaid during year. Give Commission authorization numbers and dates.
13. If the respondent has pledged any of its long-term debt securities give particulars (details) in a footnote including name of pledgee and purpose of the pledge.
14. If the respondent has any long-term debt securities which have been nominally issued and are nominally outstanding at end of year, describe such securities in a footnote.
15. If interest expense was incurred during the year on any obligations retired or reacquired before end of year, include such interest expense in column (i). Explain in a footnote any difference between the total of column (i) and the total of Account 427, *Interest on Long-Term Debt*, and Account 430, *Interest on Debt to Associated Companies*.
16. Give particulars (details) concerning any long-term debt authorized by a regulatory commission but not yet issued.

Nominal Date of Issue (d)	Date of Maturity (e)	AMORTIZATION PERIOD		Outstanding (Total amount outstanding without reduction for amounts held by respondent) (h)	Interest for Year Amount (i)	Line No.
		Date From (f)	Date To (g)			
4/30/2003	4/15/2008	4/30/2003	4/15/2008	250,000,000	10,625,000	1 2 3 4
4/30/2003	4/15/2013	4/30/2003	4/15/2013	375,000,000	20,156,250	5 6 7
5/23/2003	5/15/2010	5/23/2003	5/15/2010	250,000,000	10,000,000	8 9
8/26/2003	2/17/2009	8/26/2003	2/17/2009	200,000,000	9,600,000	10 11 12
8/26/2003	2/15/2014	8/26/2003	2/15/2014	200,000,000	12,000,000	13 14 15 16
8/17/2004	8/15/2009	8/17/2004	8/15/2009	150,000,000	6,600,000	17 18 19
8/17/2004	8/15/2012	8/17/2004	8/15/2012	300,000,000	15,000,000	20 21 22
8/17/2004	8/15/2016	8/17/2004	8/15/2016	350,000,000	19,250,000	23 24 25
12/13/2004	3/15/2015	12/13/2004	3/15/2015	225,000,000	11,250,000	26 27 28
1/20/2005	2/15/2017	1/20/2005	2/15/2017	250,000,000	12,875,000	29 30 31
3/24/2005	4/15/2020	3/24/2005	4/15/2020	300,000,000	16,950,000	32
				4,080,403,913	220,049,381	33

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report December 31, 2006
LONG-TERM DEBT (Accounts 221, 222, 223 and 224)(Continued)			
<p>1. Report by balance sheet account the particulars (details) concerning long-term debt included in Accounts 221, Bonds, 222, Reacquired Bonds, 223, Advances from Associated Companies, and 224, Other Long-Term Debt.</p> <p>2. In column (a), for new issues, give Commission authorization numbers and dates.</p> <p>3. For bonds assumed by the respondent, include in column (a) the name of the issuing company as well as a description of the bonds.</p> <p>4. For advances from Associated Companies, report separately advances on notes and advances on open accounts. Designate demand notes as such. Include in column (a) names of associated companies from which advances were received.</p> <p>5. For receivers' certificates, show in column (a) the name of the court and date of court order under which such certificates were issued.</p> <p>6. In column (b) show the principal amount of bonds or other long-term debt originally issued.</p> <p>7. In column (c) show the expense, premium or discount with respect to the amount of bonds or other long-term debt originally issued.</p> <p>8. For column (c) the total expenses should be listed first for each issuance, then the amount of premium (in parentheses) or discount. Indicate the premium or discount with a notation, such as (P) or (D). The expenses, premium or discount should not be netted.</p> <p>9. Furnish in a footnote particulars (details) regarding the treatment of unamortized debt expense, premium or discount associated with issues redeemed during the year. Also, give in a footnote the date of the Commission's authorization of treatment other than as specified by the Uniform System of Accounts.</p>			
Line No.	Class and Series of Obligation, Coupon Rate <i>(For new issue, give Commission Authorization numbers and dates)</i> (a)	Principal Amount of Debt Issued (b)	Total Expense, Premium or Discount (c)
1			1,188,000 D
2			10,690,959
3	5.65%, Due 2035	150,000,000	5,001,667
4			17,583,847
5	5.80%, Due 2035	175,000,000	1,767,675
6			337,750 D
7			6,133,176
8	Subtotal Account 221 - First Mortgage Bonds	3,175,000,000	155,840,940
9			
10	ACCOUNT 222		
11	None		
12			
13	ACCOUNT 223		
14	Subordinated Deferred Interest Note - Consumers Power Company Financing IV	128,866,000	4,239,936
15			
16	Note Payable - Consumers Funding - LLC # 2	84,000,000	11,423 D
17			8,333
18	Note Payable - Consumers Funding - LLC # 3	31,000,000	6,040 D
19			8,333
20	Note Payable - Consumers Funding - LLC # 4	95,000,000	21,872 D
21			8,333
22	Note Payable - Consumers Funding - LLC # 5	117,000,000	28,148 D
23			8,333
24	Note Payable - Consumers Funding - LLC # 6	115,592,000	30,529 D
25			8,335
26	Subtotal Account 223 - Advances from Associated Companies	571,458,000	4,379,615
27			
28			
29			
30			
31			
32			
33	Total	4,732,058,000	171,858,508

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report December 31, 2006
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LONG-TERM DEBT (Accounts 221, 222, 223 and 224) (Continued)

10. Identify separate undisposed amounts applicable to issues which were redeemed in prior years.
11. Explain any debits and credits other than amortization debited to Account 428, Amortization of Debt-Discount and Expense, or credited to Account 429, *Amortization of Premium on Debt-Credit*.
12. In a footnote, give explanatory particulars (details) for Accounts 223 and 224 of net changes during the year. With respect to long-term advances, show for each company: (a) principal advanced during year, (b) interest added to principal amount, and (c) principal repaid during year. Give Commission authorization numbers and dates.
13. If the respondent has pledged any of its long-term debt securities give particulars (details) in a footnote including name of pledgee and purpose of the pledge.
14. If the respondent has any long-term debt securities which have been nominally issued and are nominally outstanding at end of year, describe such securities in a footnote.
15. If interest expense was incurred during the year on any obligations retired or reacquired before end of year, include such interest expense in column (i). Explain in a footnote any difference between the total of column (i) and the total of Account 427, *Interest on Long-Term Debt*, and Account 430, *Interest on Debt to Associated Companies*.
16. Give particulars (details) concerning any long-term debt authorized by a regulatory commission but not yet issued.

Nominal Date of Issue (d)	Date of Maturity (e)	AMORTIZATION PERIOD		Outstanding (Total amount outstanding without reduction for amounts held by respondent) (h)	Interest for Year Amount (i)	Line No.
		Date From (f)	Date To (g)			
4/13/2005	4/15/1935	4/13/2005	4/15/1935	147,408,000	8,669,845	1
						2
						3
8/11/2005	9/15/1935	8/11/2005	9/15/1935	175,000,000	10,150,000	4
						5
						6
						7
5/31/2001	6/30/1931	5/31/2001	6/30/1931	3,172,408,000	163,126,095	8
						9
						10
						11
						12
11/8/2001	1/20/2006	11/8/2001	1/20/2006	67,796,646	4,731,000	13
						14
11/8/2001	1/20/2007	11/8/2001	1/20/2007	117,000,000	6,353,100	15
11/8/2001	1/20/2010	11/8/2001	1/20/2010	115,592,000	6,658,099	16
11/8/2001	1/20/2013	11/8/2001	1/20/2013	115,592,000	6,658,099	17
11/8/2001	7/20/2015	11/8/2001	7/20/2015	300,388,646	20,041,389	18
						19
						20
						21
						22
						23
						24
						25
						26
						27
						28
						29
						30
						31
						32
				4,080,403,913	220,049,381	33

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report December 31, 2006
LONG-TERM DEBT (Accounts 221, 222, 223 and 224)(Continued)			
<p>1. Report by balance sheet account the particulars (details) concerning long-term debt included in Accounts 221, Bonds, 222, Reacquired Bonds, 223, Advances from Associated Companies, and 224, Other Long-Term Debt.</p> <p>2. In column (a), for new issues, give Commission authorization numbers and dates.</p> <p>3. For bonds assumed by the respondent, include in column (a) the name of the issuing company as well as a description of the bonds.</p> <p>4. For advances from Associated Companies, report separately advances on notes and advances on open accounts. Designate demand notes as such. Include in column (a) names of associated companies from which advances were received.</p> <p>5. For receivers' certificates, show in column (a) the name of the court and date of court order under which such certificates were issued.</p> <p>6. In column (b) show the principal amount of bonds or other long-term debt originally issued.</p> <p>7. In column (c) show the expense, premium or discount with respect to the amount of bonds or other long-term debt originally issued.</p> <p>8. For column (c) the total expenses should be listed first for each issuance, then the amount of premium (in parentheses) or discount. Indicate the premium or discount with a notation, such as (P) or (D). The expenses, premium or discount should not be netted.</p> <p>9. Furnish in a footnote particulars (details) regarding the treatment of unamortized debt expense, premium or discount associated with issues redeemed during the year. Also, give in a footnote the date of the Commission's authorization of treatment other than as specified by the Uniform System of Accounts.</p>			
Line No.	Class and Series of Obligation, Coupon Rate <i>(For new issue, give Commission Authorization numbers and dates)</i> (a)	Principal Amount of Debt Issued (b)	Total Expense, Premium or Discount (c)
1	ACCOUNT 224		
2	Other Long-Term Debt		
3	Variable Rate Demand Pollution Control Revenue Refunding Bonds:		
4	Michigan Strategic Fund - 1988	67,700,000	614,195
5			
6	Limited Obligation Refunding Revenue Bonds:		
7	Michigan Strategic Fund Series '93A	27,900,000	331,606
8	Michigan Strategic Fund Series '93B	30,000,000	982,485
9	Michigan Strategic Fund Series 2005	35,000,000	1,719,317
10	Department of Energy - Spent Nuclear Fuel Liability		
11			
12			
13			
14	Senior Notes:		
15	6-3/8% Due 2/1/08 Docket No. ES97-7-000 11/27/96 & 1/30/98	250,000,000	1,812,677
16			2,417,500 D
17			(1,660,538)
18	6-7/8% Due 3/1/18 Docket No. ES97-7-000, 11/27/96, 1/30/98, 2/27/98	225,000,000	2,097,242
19			3,307,500 D
20			(3,377,696)
21	6.25% Due 9/15/06 Docket No. ES00-28-000, 6/15/00	350,000,000	2,329,664
22			1,064,000 D
23	JP Morgan Revolver - May 2010		
24			
25	Subtotal Account 224 - Other Long-Term Debt	985,600,000	11,637,953
26			
27			
28			
29			
30			
31			
32			
33	TOTAL	4,732,058,000	171,858,508

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LONG-TERM DEBT (Accounts 221, 222, 223 and 224) (Continued)

10. Identify separate undisposed amounts applicable to issues which were redeemed in prior years.
11. Explain any debits and credits other than amortization debited to Account 428, Amortization of Debt-Discourt and Expense, or credited to Account 429, *Amortization of Premium on Debt-Credit*.
12. In a footnote, give explanatory particulars (details) for Accounts 223 and 224 of net changes during the year. With respect to long-term advances, show for each company: (a) principal advanced during year, (b) interest added to principal amount, and (c) principal repaid during year. Give Commission authorization numbers and dates.
13. If the respondent has pledged any of its long-term debt securities give particulars (details) in a footnote including name of pledgee and purpose of the pledge.
14. If the respondent has any long-term debt securities which have been nominally issued and are nominally outstanding at end of year, describe such securities in a footnote.
15. If interest expense was incurred during the year on any obligations retired or reacquired before end of year, include such interest expense in column (i). Explain in a footnote any difference between the total of column (i) and the total of Account 427, *Interest on Long-Term Debt*, and Account 430, *Interest on Debt to Associated Companies*.
16. Give particulars (details) concerning any long-term debt authorized by a regulatory commission but not yet issued.

Nominal Date of Issue (d)	Date of Maturity (e)	AMORTIZATION PERIOD		Outstanding (Total amount outstanding without reduction for amounts held by respondent) (h)	Interest for Year Amount (i)	Line No.				
		Date From (f)	Date To (g)							
4/26/1988	4/15/2018	4/26/1988	4/15/2018	67,700,000	2,707,167	1				
						2				
						3				
						4				
						5				
						6				
6/29/1993	6/15/2010	6/29/1993	6/15/2010	27,900,000	1,111,255	7				
						6/29/1993	6/15/2010	30,000,000	1,012,500	8
						4/14/2005	4/1/1935	35,000,000	1,323,535	9
				107,768,267	6,940,547	10				
						11				
						12				
						13				
						14				
2/1/1998	2/1/2008	2/1/1998	2/1/2008	159,239,000	10,151,486	15				
						16				
						17				
3/1/1998	3/1/2018	3/1/1998	3/1/2018	180,000,000	12,375,000	18				
						19				
						20				
9/26/2001	9/15/2006	9/26/2001	9/15/2006		316,417	21				
						22				
					943,990	23				
						24				
				607,607,267	36,881,897	25				
						26				
						27				
						28				
						29				
						30				
						31				
						32				
				4,080,403,913	220,049,381	33				

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FOOTNOTE DATA

Page Number (a)	Item Number (b)	Column Number (c)	Comments (d)																										
256	4,7	c	Option fee																										
256	10,13,16,19,22, 25,28,31	c	Remaining unamortized debt discount and expense on reacquired debt																										
256.1	2,4,7	c	Remaining unamortized debt discount and expense on reacquired debt																										
256.2	1	a	<p>RESPONSE TO INSTRUCTION 12 NET CHANGES TO ACCOUNT 223, ADVANCES FROM ASSOCIATED COMPANIES</p> <table border="0"> <tr> <td>Balance, Beginning of Year</td> <td align="right">\$ 459,905,581</td> </tr> <tr> <td>Additions During the Year</td> <td align="right">0</td> </tr> <tr> <td colspan="2">Retirements During the Year:</td> </tr> <tr> <td>Subordinated Deferred Interest Notes:</td> <td></td> </tr> <tr> <td> Consumers Power Company Financing IV</td> <td align="right">(128,866,000)</td> </tr> <tr> <td> Note payable-Consumers Funding-LLC #2</td> <td align="right">(3,447,580)</td> </tr> <tr> <td> Note payable-Consumers Funding-LLC #3</td> <td align="right">(27,203,355)</td> </tr> <tr> <td>Balance, End of Year</td> <td align="right"><u>\$ 300,388,646</u></td> </tr> </table> <p>NET CHANGES TO ACCOUNT 224, OTHER LONG-TERM DEBT</p> <table border="0"> <tr> <td>Balance, Beginning of Year</td> <td align="right">\$ 600,666,720</td> </tr> <tr> <td>Additions During the Year:</td> <td></td> </tr> <tr> <td> Department of Energy - Increase in Spent Nuclear Fuel Liability</td> <td align="right">6,940,547</td> </tr> <tr> <td>Retirements During the Year</td> <td align="right">0</td> </tr> <tr> <td>Balance, End of Year</td> <td align="right"><u>\$ 607,607,267</u></td> </tr> </table> <p>RESPONSE TO INSTRUCTION 9</p> <p>When an issue is redeemed, the difference between the amount paid upon reacquisition and the face value, less any unamortized discount, related debt expense and reacquisition costs is recognized currently in Account 426.5. An exception occurs if the issue redeemed is directly refinanced with a new issue; then amounts are amortized, over the life of the new issue (or the life of the previous refinancing issue) and not currently recognized.</p> <p>RESPONSE TO INSTRUCTION 15 Account 430, Interest on Debt to Associated Companies, includes interest on short-term debt with associated companies</p>	Balance, Beginning of Year	\$ 459,905,581	Additions During the Year	0	Retirements During the Year:		Subordinated Deferred Interest Notes:		Consumers Power Company Financing IV	(128,866,000)	Note payable-Consumers Funding-LLC #2	(3,447,580)	Note payable-Consumers Funding-LLC #3	(27,203,355)	Balance, End of Year	<u>\$ 300,388,646</u>	Balance, Beginning of Year	\$ 600,666,720	Additions During the Year:		Department of Energy - Increase in Spent Nuclear Fuel Liability	6,940,547	Retirements During the Year	0	Balance, End of Year	<u>\$ 607,607,267</u>
Balance, Beginning of Year	\$ 459,905,581																												
Additions During the Year	0																												
Retirements During the Year:																													
Subordinated Deferred Interest Notes:																													
Consumers Power Company Financing IV	(128,866,000)																												
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FOOTNOTE DATA (Continued)

Page Number (a)	Item Number (b)	Column Number (c)	Comments (d)
			<p>RESPONSE TO INSTRUCTION 16</p> <p>In May 2006, the FERC issued an order authorizing Consumers to issue up to \$2.0 billion of secured and unsecured short-term securities for the following purposes:</p> <ul style="list-style-type: none"> • up to \$1.0 billion for general corporate purposes, • up to \$1.0 billion of FMB or other securities to be issued solely as collateral for other short-term securities. <p>Also in May 2006, the FERC issued an order authorizing us to issue up to \$5.0 billion of secured and unsecured long-term securities for the following purposes:</p> <ul style="list-style-type: none"> • up to \$1.5 billion for general corporate purposes, • up to \$1.0 billion for purposes of refinancing or refunding existing long-term debt, and • up to \$2.5 billion of FMB or other securities to be issued solely as collateral for other long-term securities. <p>The authorizations are for a two year period beginning July 1, 2006 and ending June 30, 2008. Any long-term issuances during the two year authorization period are exempt from FERC's competitive bidding and negotiated placement requirements.</p>
256.2	17,20	c	Gain on Hedge Agreement

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PAYABLES TO ASSOCIATED COMPANIES* (Accounts 233, 234)

1. Report particulars of notes and accounts payable to associated companies at end of year.
2. Provide separate totals for Accounts 233, Notes Payable to Associated Companies, and 234, Accounts Payable to Associated Companies, in addition to total for the combined accounts.
3. List each note separately and state the purpose for which issued. Show also in column (a) date of note, maturity and interest rate.
4. Include in column (f) the amount of any interest expense during the year on notes or accounts that were paid before the end of the year.
5. If collateral has been pledged as security to the payment of any note or account, describe such collateral.

**See definition on page 226B*

Line No.	Particulars (a)	Balance Beginning of Year (b)	Totals for Year		Balance End of Year (e)	Interest for Year (f)
			Debits (c)	Credits (d)		
1	ACCOUNT 233					
2	Notes Payable to Associated Companies					
3	CMS Energy Corporation	27,000,000	1,251,100,000	1,266,000,000	41,900,000	3,672,191
4	CMS Midland, Inc.	10,000,000	10,000,000	0	0	316,696
5	New Midland, Inc.	0	10,000,000	10,000,000	0	49,839
6	Consumers Funding LLC	27,395,393	30,650,936	30,650,936	27,395,393	18,288,546
7						
8	TOTAL ACCOUNT 233	64,395,393	1,301,750,936	1,306,650,936	69,295,393	22,327,272
9						
10	ACCOUNT 234					
11	Accounts Payable to Associated Companies					
12	CMS Bay Area Pipeline LLC	342,240	3,886,927	3,872,429	327,742	
13	CMS Energy Corporation	12,341,500	875,943,346	868,778,190	5,176,344	
14	CMS Energy Resource Management Co.	0	14,852	14,852	0	
15	CMS Enterprises Company	55,004	1,184,717	1,350,265	220,552	
16	CMS Generation Company	0	7,841	7,841	0	
17	CMS Midland Holdings Company	0	4,384,155	4,384,155	0	
18	CMS Midland, Inc.	0	1,477,928	1,477,928	0	
19	CMS Resource Development Company	100	400	400	100	
20	Consumers Campus Holdings LLC	7,846	1,526,385	1,521,106	2,567	
21	Consumers Funding LLC	(138,059)	49,947,064	49,962,193	(122,930)	
22	ES Services Company	0	1,712,288	1,712,288	0	
23	Genesee Power Station LP	2,222,792	19,260,644	19,741,990	2,704,138	
24	Grayling Generating Station LP	3,072,724	18,544,899	18,691,196	3,219,021	
25	Midland Cogeneration Venture LP	26,362,283	396,534,396	370,172,113	0	
26	New Midland, Inc	0	23,766	23,766	0	
27	T.E.S. Filer City Station LP	6,439,796	35,878,944	35,827,988	6,388,840	
28						
29	TOTAL ACCOUNT 234	50,706,226	1,410,328,552	1,377,538,700	17,916,374	
30						
31	Line 3 - Purpose: Working Capital					
32	Date of issue: 11-1-05, 11-1-06					
33	Maturity: 10-31-06, 10-31-07 Interest Rate: Variable					
34						
35	Lines 4 & 5 - Purpose: Working Capital					
36	Date of issue: 12-30-05					
37	Maturity: 12-29-06, Interest Rate: Variable					
38	Note: CMS Midland, Inc. was dissolved on August 17, 2006 and its account balances were transferred to New Midland, Inc.					
39						
40	Line 5 - Purpose: Securitization Bond Issuance					
41	Date of issue: 11-08-01					
42	Maturity: Various, Interest Rates: Various					
43						
44	It should be noted that column D may reflect					
45	activity in the accounts which includes estimates					
	TOTAL	115,101,619	2,712,079,488	2,684,189,636	87,211,767	22,327,272

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(Next page is 261A)

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report December 31, 2006
RECONCILIATION OF REPORTED NET INCOME WITH TAXABLE INCOME FOR FEDERAL INCOME TAXES			
<p>1. Report the reconciliation of reported net income for the year with taxable income used in computing Federal income tax accruals and show computation of such tax accruals. Include in the reconciliation, as far as practicable, the same detail as furnished on Schedule M-1 of the tax return for the year. Submit a reconciliation even though there is no taxable income for the year. Indicate clearly the nature of each reconciling amount.</p> <p>2. If the utility is a member of a group which files a consolidated Federal tax return, reconcile reported net income with taxable net income as if a separate return were to be filed, indicating, however, intercompany amounts to be eliminated in such a consolidated return. State names of group members, tax assigned to each group member, and basis of allocation, assignment, or sharing of the consolidated tax among the group members.</p>			
Line No.		TOTAL AMOUNT	
1	Utility net operating income (page 114 line 26)		
2	Allocations: Allowance for funds used during construction		
3	Interest expense		
4	Other (specify)		
5	Net income for the year (page 117 line 78)	186,321,122	
6	Allocation of Net income for the year		
7	Add: Federal income tax expenses	127,541,016	
8			
9	Total pre-tax income	313,862,138	
10			
11	Add: Taxable income not reported on books:	76,919,037	
12			
13			
14			
15	Add: Deductions recorded on books not deducted from return	690,933,475	
16			
17			
18			
19	Subtract: Income recorded on books not included in return:	(47,973,904)	
20			
21			
22			
23	Subtract: Deductions on return not charged against book income:	868,744,055	
24			
25			
26	Federal taxable income for the year	260,944,499	

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report December 31, 2006
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RECONCILIATION OF REPORTED NET INCOME WITH TAXABLE INCOME FOR FEDERAL INCOME TAXES (Continued)

3. Allocate taxable income between utility and other income as required to allocate tax expense between 409.1 and 409.2
4. A substitute page, designed to meet a particular need of a company, may be used as long as data is consistent and meets the requirements of the above instructions.

Utility	Other	Line No.
468,269,259		1
		2
9,586,768		3
(249,645,227)		4
		5
228,210,800	(41,889,678)	6
102,425,963	25,115,053	7
		8
330,636,763	(16,774,625)	9
		10
76,919,037	0	11
		12
		13
		14
689,733,771	1,199,704	15
		16
		17
		18
(15,184,530)	(32,789,374)	19
		20
		21
		22
766,960,528	101,783,527	23
		24
		25
345,513,573	(84,569,074)	26

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report 12/31/06
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FOOTNOTE DATA

Line No.		TOTAL AMOUNT
11	Add: Taxable income not reported on books	
	ANR/CE Otisville Agreement	(1,411,765)
	Clean Air Allowances - Revenue	60,207,848
	Contributions in Aid of Construction	17,759,368
	PSCR Underrecovery - 1997 Principal	183,504
	Reserve Capacity - Deferred Revenue	202,921
	Service Programs (ASP/Housecalls/Etc)	(35,809)
	Wurtsmith Escrow - Interest Income	12,970
		76,919,037
15	Add: Deductions recorded on books not deducted from return	
	Accrued Bonus - EICP Incentive	(242,073)
	AFUDC - Excess FERC Calc Rate	2,293,542
	ARO Transition/Accretion	(3,429,727)
	Bad Debt Reserve	985,738
	Campbell 3 Backup Capacity	752,370
	Depreciation - Book (Generation & Palisades)	74,007,824
	Depreciation - Book (Includes Computer Software Depr)	280,672,898
	DSSP - Deferred Comp - Savings Plan - Rabbi Trust	131,822
	EISP - Executive Incentive Separation Plan - Deferred Comp	(31,724)
	Executive Compensation - Sec 162(M)	422,312
	FAS 133 Electric Call Option - Accretion Exp	500,803
	Fly Ash Trust Fund	59,220
	Hesson Gas Storage	178,129
	Injuries & Damages	(4,396,822)
	Interest During Construction (IDC) - Generation & Palisades- Tax	23,551,204
	Interest During Construction (IDC) - Non-Generation - Tax	3,172,796
	Linepack Adjustment	764,257
	Lobbying and Political Contributions	1,000,000
	Ludington Settlement - Line 2	96,885
	Meals & Entertainment - Nondeductible Portion	495,611
	MSBT Reserve	500,000
	Midland Amortization - FERC	517,677
	Nuclear Fuel-Book Amortization	17,591,520
	Nuclear Decommissioning - FERC - Palisades	653,987
	Nuclear Decommissioning - MPSC - Palisades	5,456,018
	OPEB - Def Service & Interest - Book Expense	48,533,071
	OPEB - Transition Adj. Book Expense	22,496,875
	OIL - Avoided Premium Surcharge	(1,790,388)
	PA 141 Nuclear Security	6,310,693
	Penalties	(450)
	Pensions (Including SERP)	80,702,165
	R&PP Tax-Book Exp Deducted on Prior Yr FIT Return	84,600,000
	Renewable Energy Reserve	2,500,000
	Sales & Use Tax Reserve	(1,000,000)
	Securitized Assets - Book Amortization	45,053,847
	Stranded Costs	(2,367,786)
	Vacation Pay Accrual	(633,814)
	Voluntary Severance Accrual	824,995
		690,933,475

Name of Respondent	This Report Is:	Date of Report	Year of Report
Consumers Energy Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) 04/23/07	12/31/06
FOOTNOTE DATA			
Utility	Other	Line No.	
		11	
(1,411,765)			
60,207,848			
17,759,368			
183,504			
202,921			
(35,809)			
12,970			
76,919,037	0		
		15	
(275,827)	33,754		
2,293,542			
(3,429,727)			
984,938	800		
752,370			
74,007,824			
280,672,898			
131,822			
(31,724)			
422,312			
500,803			
59,220			
178,129			
(4,396,822)			
23,551,204			
3,172,796			
764,257	1,000,000		
96,885			
495,611			
500,000			
517,677			
17,591,520			
653,987			
5,456,018			
48,533,071			
22,496,875			
(1,790,388)			
6,310,693			
		(450)	
80,702,165			
84,434,400	165,600		
2,500,000			
(1,000,000)			
45,053,847			
(2,367,786)			
(633,814)			
824,995			
689,733,771	1,199,704		

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report 12/31/06
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FOOTNOTE DATA

Line No.		TOTAL AMOUNT
19	Subtract: Income recorded on books not included in return	
	Aetna/Blues Reserve	(363,552)
	Bond Premium, Discount, Expense Amortization	(6,322,923)
	CATV Pole Attachments - Deferred Revenue	13,178
	FIN 45 - Contract Guarantees	(101,390)
	Financial Transmission Rights - MTM	(650,252)
	Fixed Price Fuel Contracts - MTM	(20,260)
	Equity Earnings in Subs	(68,404,375)
	Gain/(Loss) on CMS Stock	702,021
	GCR Underrecovery - Principal & Interest Income	(30,652,023)
	Interest Income - Tax Exempt	414,255
	MCV Land Rent	18,895
	MCV Sale - Book	31,195,124
	OPEB Equalization	1,817,296
	OPEB Medicare Subsidy - Tax Exempt	19,836,689
	PA 141 Capital Expenditure - Return On	(114,787,000)
	PSCR Underrecovery - 2005 Principle	121,330,131
	Regulatory Contingency A	(1,776,714)
	Regulatory Contingency B	(223,004)
		(47,973,904)
23	Subtract: Deductions on return not charged against book income	
	263A Deduction Non-Inventory - Generation	12,815,105
	263A Deduction Non-Inventory - Non-Generation	31,231,264
	263A Deduction - Palisades and Nuclear Fuel	4,171,714
	AFUDC - Generation (Book)	19,447,978
	AFUDC - Non Generation (Book)	1,948,948
	Charitable Contributions - CP Foundation Commitment	(3,964,037)
	Cost of Removal - ADR Property - Generation	1,770,129
	Cost of Removal - ADR Property - Non Generation	4,136,990
	Deferred Compensation	54,021
	DOE Decommissioning	2,809,834
	Depreciation - Tax (Generation and Palisades)	79,163,472
	Depreciation - Tax (Non-Generation)	257,104,468
	Electric Restructuring Costs	(34,248,891)
	Gain/Loss on Disposition of ACRS Property - Generation Tax	17,620,140
	Gain/Loss on Disposition of ACRS Property - Non-Generation Tax	3,599,120
	Gas Customer Choice - Deferred Expenses	(21,320)
	Gas Inventory Adjustment	58,071,849
	General Business Credits - Loss of	6,502,529
	Insurance Recovery - Manufactured Gas Plant (MGP) Sites	1,836,298
	Injuries & Damages - Environmental Clean-up	353,325
	MCV Sale - Tax	103,755,292
	Nuclear Decommissioning Expenditures	20,172,059
	Nuclear Decommissioning - FERC - Big Rock	909,631
	Nuclear Fuel Disposal - Dry Cask/Transportation System	6,089,896
	Nuclear Fuel-Tax Amortization	19,215,461
	OPEB - 401H Contribution	(3,080,708)
	OPEB - Payments - Key Employees	143,416
	OPEB - Payments - Tax	40,214,160
	Outside Services - Accrued Auditing Expense	98,280
	PA 141 - 10D(4) Regulatory Asset	89,715,952
	Payroll Taxes Accrued	618,641
	Pensions (Including SERP) - Deduction	10,880,546
	Pensions - Equalization	11,220,893
	Preferred Stock Dividend	671,660
	R&PP Tax-Next Yr Exp Deducted in Current Yr (Deduction)	89,563,500
	R&PP Tax - MTT Reserve	(2,686,937)
	R&PP Tax-Book Change to Fiscal Yr Method - Adjustment	10,846,156
	Regulatory Contingency A1 - Interest Expense	(2,400,000)
	SRO Retention	311,700
	Software - Non-capitalized Current Year Expenditures	8,050,083
	Supplemental Pay-Special Retirement - ERIP	31,433
	Rounding	5
		868,744,055

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FOOTNOTE DATA

Utility	Other	Line No. 11
(363,552)		
(5,861,350)	(461,573)	
13,178		
(101,390)		
(650,252)		
(20,260)		
	(68,404,375)	
	702,021	
(30,036,862)	(615,161)	
	414,255	
	18,895	
	31,195,124	
1,772,505	44,791	
19,836,689		
(114,787,000)		
115,236,768	6,093,363	
	(1,776,714)	
(223,004)		
(15,184,530)	(32,789,374)	
12,815,105		
31,231,264		
4,171,714		
19,447,978		
1,948,948	(3,964,037)	
1,770,129		
4,136,990		
54,021		
2,809,834		
79,163,472		
257,104,468		
(34,248,891)		
17,620,140		
3,599,120		
(21,320)		
58,071,849		
2,651,580	3,850,949	
1,836,298		
353,325		
	103,755,292	
20,172,059		
909,631		
6,089,896		
19,215,461		
(3,080,708)		
143,416		
40,214,160		
98,280		
89,715,952		
618,641		
10,880,546		
10,914,321	306,572	
622,629	49,031	
89,388,000	175,500	
(2,686,937)		
10,835,936	10,220	
	(2,400,000)	
311,700		
8,050,083		
31,433		
5		
766,960,528	101,783,527	

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year of Report
Consumers Energy Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	04/23/07	December 31, 2006

Name of Member of the Affiliated Group

CMS Energy Corporation
 CMS Land Company
 EnerBank USA
 Consumers Energy Company
 CMS Engineering Co.
 CMS Midland Holdings Company
 CMS Midland, Inc.
 Consumers Nuclear Services LLC
 ES Services Company
 MEC Development Corp.
 New Midland Inc
 CMS Enterprises Company
 Explotaciones CMS Oil and Gas Company
 CMS Special Member Company
 CMS Energy Resource Management Company
 CMS Viron Corporation
 CMS Resource Development Company
 CMS Gas Transmission Company
 CMS Generation Co.
 CMS Enterprises International LLC
 CMS Generation Filer City, Inc.
 CMS Generation Genesee Company
 CMS Generation Grayling Company
 CMS Generation Grayling Holdings Company
 CMS Generation Holdings Company
 CMS Generation Honey Lake Company
 CMS Generation Recycling Company
 Hydra-Co Enterprises, Inc.
 CMS Generation Operating Company II, Inc.
 HCO - Jamaica, Inc.
 HCE - Biopower, Inc.
 HCE - Jamaica Development, Inc.
 HCE - Rockfort Diesel, Inc.
 New Bern Energy Recovery, Inc.
 Oxford Tire Recycling, Inc.
 Taweelah A2 Operating Co.

Consumers Energy Company joins in the filing of a consolidated federal income tax return with CMS Energy and its subsidiaries. Income taxes generally are allocated based on each company's separate taxable income in accordance with the CMS Energy tax sharing agreement. For 2006, current federal income tax expense is allocated as follows:

	In thousands
Consumers Energy Company	\$ 168,776
All other members of the group	<u>\$ (68,148)</u>
CMS Energy Consolidated	<u><u>\$ 100,628</u></u>

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Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report December 31, 2006
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TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR (Account 236)

1. Give particulars (details) of the combined prepaid and accrued tax accounts and show the total taxes charged to operations and other accounts during the year. Do not include gasoline and other sales taxes which have been charged to the accounts to which the taxes material was charged. If the actual or estimated amounts of such taxes charged. If the actual or estimated amounts of such taxes are known, show the amounts in a footnote and designate whether estimated or actual amounts.
2. Include on this page, taxes paid during the year and charged direct to final accounts, (not charged to prepaid or accrued taxes). Enter the amounts in both columns (d) and (e). The balancing of this page is not affected by the inclusion of these taxes.
3. Include in column (d) taxes charged during the year, taxes charged to operations and other accounts through (a) accruals credited to taxes accrued, (b) amounts credited to proportions of prepaid taxes chargeable to current year, and (c) taxes paid and charged direct to operations or accounts other than accrued and prepaid tax accounts.
4. List the aggregate of each kind of tax in such manner that the total tax for each State and subdivision can readily be ascertained.

Line No.	Kind of Tax Subaccount (See Instruction 5) (a)	BALANCE AT BEGINNING OF YEAR	
		Taxes Accrued (Account 236) (b)	Prepaid Taxes (Incl. In Account 165) (c)
1	--FEDERAL--		
2	Income (A)	141,326,829	
3	Unemployment (B)	31,127	
4	FICA (B)	2,675,238	
5			
6	TOTAL FEDERAL	144,033,194	0
7			
8	--STATE--		
9	Income (A)	0	
10	Unemployment (B)	94,091	
11	MI Single Business Tax (A)	20,911,000	
12	MPSC Assessment (E)	0	(1,692,250)
13	Surplus Lines Premium Tax	0	
14	State Sales & Use Tax Absorbed By Co (C)	7,400,000	
15			
16	TOTAL STATE	28,405,091	(1,692,250)
17			
18	--LOCAL--		
19	Real & Personal Property (D)	226,201,628	
20	City Income Tax (A)	0	
21			
22	TOTAL LOCAL	226,201,628	0
23			
24			
25	Account 236 Reconciliation		
26			
27			
28	TOTAL	398,639,913	(1,692,250)

Name of Respondent		This Report Is:		Date of Report	Year of Report
Consumers Energy Company		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		(Mo, Da, Yr) 04/23/07	December 31, 2006
TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR (Continued)					
<p>5. If any tax (exclude Federal and State income taxes) covers more than one year, show the required information separately for each tax year, identifying the year in column (a). Itemize by subaccount.</p> <p>6. Enter all adjustments of the accrued and prepaid tax accounts in column (f) and explain each adjustment. Designate debit adjustments by parentheses.</p> <p>7. Do not include in this schedule entries with respect to deferred income taxes or taxes collected through payroll deductions or otherwise pending transmittal of such taxes to the taxing authority.</p> <p>8. The accounts to which taxes charged were distributed should be shown in columns (i) to (o). Show both the utility department and number of account charged. For taxes charged to utility plant show the number of the appropriate balance sheet plant account or subaccount.</p> <p>9. For any tax which it was necessary to apportion to more than one utility department or account, state in a more than one utility department or account, state in a footnote the basis of apportioning such tax.</p> <p>10. Fill in all columns for all line items.</p>					
Taxes Charged During Year (d)	Taxes Paid During Year (e)	Adjustments (f)	BALANCE AT END OF YEAR		Line No.
			Taxes Accrued (Account 236) (g)	Prepaid Taxes (Incl. In Account 165) (h)	
168,706,362	(291,054,560)	3,721,541	22,700,172		1
535,335	(487,118)	0	79,344		2
41,771,560	(41,746,023)	0	2,700,775		3
					4
211,013,257	(333,287,701)	3,721,541	25,480,291	0	5
					6
0	0	0	0		7
1,761,287	(1,637,962)	0	217,416		8
30,974,915	(19,786,927)	(25,152)	32,073,836		9
6,240,673	(6,365,508)			(1,817,085)	10
90	(90)	0	0		11
(631,959)	(368,041)		6,400,000		12
					13
38,345,006	(28,158,528)	(25,152)	38,691,252	(1,817,085)	14
					15
128,733,289	(151,031,984)	19,001,558	222,904,491		16
240,000	(200)		239,800		17
					18
128,973,289	(151,032,184)	19,001,558	223,144,291	0	19
					20
					21
					22
					23
					24
					25
					26
					27
378,331,552	(512,478,413)	22,697,947	287,315,834	(1,817,085)	28

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report December 31, 2006
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TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR (Account 236)

1. Give particulars (details) of the combined prepaid and accrued tax accounts and show the total taxes charged to operations and other accounts during the year. Do not include gasoline and other sales taxes which have been charged to the accounts to which the taxes material was charged. If the actual or estimated amounts of such taxes charged. If the actual or estimated amounts of such taxes are known, show the amounts in a footnote and designate whether estimated or actual amounts.
2. Include on this page, taxes paid during the year and charged direct to final accounts, (not charged to prepaid or accrued taxes). Enter the amounts in both columns (d) and (e). The balancing of this page is not affected by the inclusion of these taxes.
3. Include in column (d) taxes charged during the year, taxes charged to operations and other accounts through (a) accruals credited to taxes accrued, (b) amounts credited to proportions of prepaid taxes chargeable to current year, and (c) taxes paid and charged direct to operations or accounts other than accrued and prepaid tax accounts.
4. List the aggregate of each kind of tax in such manner that the total tax for each State and subdivision can readily be ascertained.

DISTRIBUTION OF TAXES CHARGED (omit cents)

Line No.	Electric a/c 408.1, 409.1 (i)	Gas a/c 408.1, 409.1 (j)	Other Utility Departments a/c 408.1, 409.1 (k)	Other Income & Deductions a/c 408.2, 409.2 (l)
1				
2	161,313,933	37,137,014	0	(29,744,585)
3	232,276	133,599	0	0
4	18,124,212	10,424,587	0	0
5				
6	179,670,421	47,695,200	0	(29,744,585)
7				
8				
9	0	0	0	0
10	764,202	439,550	0	0
11	22,315,364	10,296,846	0	(2,339,012)
12	3,368,720	2,871,953	0	0
13	0	90	0	0
14	(632,699)	740	0	0
15				
16	25,815,587	13,609,179	0	(2,339,012)
17				
18				
19	95,178,354	33,268,460	0	286,475
20	233,806	6,194	0	0
21				
22	95,412,160	33,274,654	0	286,475
23				
24				
25				
26				
27				
28	300,898,168	94,579,033	0	(31,797,122)

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report December 31, 2006
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TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR (Continued)

5. If any tax (exclude Federal and State income taxes) covers more than one year, show the required information separately for each tax year, identifying the year in column (a). Itemize by subaccount.
6. Enter all adjustments of the accrued and prepaid tax accounts in column (f) and explain each adjustment. Designate debit adjustments by parentheses.
7. Do not include in this schedule entries with respect to deferred income taxes or taxes collected through payroll deductions or otherwise pending transmittal of such taxes to the taxing authority.
8. The accounts to which taxes charged were distributed should be shown in columns (i) to (o). Show both the utility department and number of account charged. For taxes charged to utility plant show the number of the appropriate balance sheet plant account or subaccount.
9. For any tax which it was necessary to apportion to more than one utility department or account, state in a more than one utility department or account, state in a footnote the basis of apportioning such tax.
10. Fill in all columns for all line items.

DISTRIBUTION OF TAXES CHARGED

Extraordinary Items a/c 409.3 (m)	Other Utility Opn. Income a/c 408.1, 409.1 (n)	Adjustment to Ret. Earnings a/c 439 (o)	Other (p)	Line No.
				1
			0	2
			169,460	3
			13,222,761	4
				5
			13,392,221	6
				7
			0	8
			557,535	9
			701,717	10
			0	11
			0	12
			0	13
			0	14
				15
			1,259,252	16
				17
			0	18
			0	19
			0	20
			0	21
			0	22
				23
				24
				25
				26
				27
0	0	0	14,651,473	28

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report 12/31/06
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FOOTNOTE DATA

Instruction 6. - Adjustments Column (f)

FEDERAL INCOME TAX (Line 6(f)):

1. Adjustment to reduce the accrued tax liability for excise tax paid on nonhighway use gasoline.	(11,125)
2. Transfer of CMS Midland Holdings' FIT balance to Consumers Energy.	2,652,664
3. Transfer of MCV Group II's FIT balance to Consumers Energy.	1,080,004
4. Rounding.	(2)
Total (Ties to Line 6(f))	3,721,541

STATE (Line 16(f)):

1. Adjustment to reduce Michigan single business tax liability for WDSB Workman's Comp Supplemental Fund credits transferred to account 143.	(25,152)
Total (Ties to Line 16(f))	(25,152)

LOCAL (Line 22(f)):

1. Adjustment to reflect increase (decrease) in 2006 estimated property tax over 2005 property tax estimate.	(3,300,000)
2. Real and Personal Property Tax fiscal year adjustments recorded in 174 accounts.	10,846,156
3. Michigan Tax Tribunal property tax refunds of prior years' taxes.	11,455,402
Total (Ties to Line 22(f))	19,001,558

TOTAL ADJUSTMENTS (Ties to Line 28(f))

22,697,947

Instruction 9. - Basis of Allocation

See Page 262, Column (a) for taxes to which basis is applied.

Allocation Basis

- (A) Taxable Net Income Basis
- (B) Amount of Payroll Charged to Departments
- (C) Customer Basis
- (D) Taxable Assets Basis
- (E) Gross Operating Revenue Basis

Other

Page 262

Actual use taxes paid to the State on purchases were \$5,374,406 for 2006.

Line 25 - Account 236 Reconciliation

MPSC Account 236 ending balance	236,988,253
MPSC Account 244 ending balance	27,570,836
MPSC Account 245 ending balance	22,756,745

Page 263, Line 28, Column (g), Total

287,315,834

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Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report December 31, 2006
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ACCUMULATED DEFERRED INVESTMENT TAX CREDITS (Account 255)

Report below information applicable to Acct 255. Where appropriate, segregate the balances and transactions by utility and nonutility operations. Explain by footnote any correction adjustment to the account balance shown in column (g). Include in column (i) the average period over which the tax credits are amortized.

Line No.	Account Subdivisions	Balance at Beginning of Year	Deferred for Year		Allocation to Current Year's Income		Adjustments
			Account No.	Amount	Account No.	Amount	
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
1	Electric Utility						
2	3%	7,019			411.4	7,019	
3	4%	7,432,934			411.4	434,711	
4	7%						
5	10%	40,613,634			411.4	2,451,073	
6							
7							
8	TOTAL	48,053,587		0		2,892,803	0
9	Other (List separately and show 3%, 4%, 7%, 10% and TOTAL)						
10	Gas Utility						
11	3%	72,184			411.4	72,184	
12	4%	1,017,621			411.4	44,808	
13	7%	521,281			411.4	20,615	
14	10%	15,844,114			411.4	710,351	
15							
16	Total Gas	17,455,200				847,958	
17							
18							
19							
20							
21							
22							
23							
24							
25							
26							
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48							

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report December 31, 2006
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ACCUMULATED DEFERRED INVESTMENT TAX CREDITS (Account 255) (Continued)

Balance at End of Year (h)	Average Period of Allocation to Income (i)	Adjustment Explanation	Line No.
			1
0			2
6,998,223	38 years		3
			4
38,162,561	38 years		5
			6
			7
45,160,784			8
			9
			10
0			11
972,813	38 years		12
500,666	38 years		13
15,133,763	38 years		14
			15
16,607,242			16
			17
			18
			19
			20
			21
			22
			23
			24
			25
			26
			27
			28
			29
			30
			31
			32
			33
			34
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			46
			47
			48

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MISCELLANEOUS CURRENT AND ACCRUED LIABILITIES (Account 242)

1. Give description and amount of other current and accrued liabilities as of the end of year.
2. Minor items may be grouped by classes, showing number of items in each class.

Line No.	Item (a)	Balance End of Year (b)
1	Electric Call Options Payable	12,085,369
2	Employee Incentive Compensation Plan	19,788,017
3	Accrued Vacation Liability	10,543,446
4	Estimated Cost of Purchased Power	13,812,343
5	Low Income Energy Efficiency Fund	4,874,572
6	Healthcare and Life Insurance Accruals	5,424,907
7	Other Miscellaneous Liabilities (22 Items)	1,781,161
8	Special Retirement Supplements	2,340,205
9	Environmental Clean-up (35 sites)	2,341,146
10	Ludington Fish Settlement	1,158,356
11	Customer Deposits	2,408,291
12	Hydro Plant Fish Compensation	976,550
13	Peoplecare - Customer Contribution	45,013
14	Employee Retention Liabilities	832,650
15	Hydro and Ludington FERC fees	1,116,521
16	Accrued Audit Fees	671,431
17	Consumers Energy Foundation	4,000,000
18	Salvation Army Contributions	3,000,000
19	Miscellaneous Payroll Deductions (6 Items)	139,447
20	Oil Avoided Premium Surcharge	4,339,732
21	Accrued Gas Transition	1,260,837
22	Severance Accrual Liability	824,995
23	MCV Asset Sale Liability	187,993
24	TOTAL	93,952,982

CUSTOMER ADVANCES FOR CONSTRUCTION (Account 252)

Line No.	List Advances by department (a)	Balance End of Year (b)
25	Electric	43,978,037
26	Gas	159,447
27		
28		
29		
30		
31		
32		
33		
34	TOTAL	44,137,484

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OTHER DEFERRED CREDITS (Account 253)

1. Report below the particulars (details) called for concerning other deferred credits.
2. For any deferred credit being amortized, show the period of amortization.
3. Minor items (less than \$10,000) may be grouped by classes.

Line No.	Description of Other Deferred Credits (a)	Balance at Beginning of Year (b)	DEBITS		Credits (e)	Balance at End of Year of Report (f)
			Contra Account (c)	Amount (d)		
1	Unclaimed Checks-var	1,050,383	232	136,286	905,860	1,819,957
2	Envir Clean-Up Manufactured Gas	29,274,618	182	6,480,000	847,257	23,641,875
3	Adrian Energy Performance Contingency	323,103	242	0	42,198	365,301
4	Electric Contingency Reserve	25,429,077	Various	15,777,471	2,400,000	12,051,606
5	Transmission Relocation Advance	771,582	107	3,636,149	3,762,506	897,939
6	Backup Capacity Agreement-Campbell 3	1,850,120	447	11,979,007	12,731,377	2,602,490
7	Directors Deferred Compensation Plans	761,148	232	1,839,280	1,078,132	0
8	Executive Deferred Compensation Plans	2,299,478	232	5,453,900	3,154,422	0
9	Intercompany MCV Income (1)	363,735	418	18,895	0	344,840
10	Consumers Energy Foundation Commit	152,240	426	35,963	0	116,277
11	Adv Pymt-Pole Attmt-Charter	497,280	172\143	785,862	840,696	552,114
12	Undistr Insurance-Aetna	20,990	134	1,146,176	1,125,186	0
13	Cash Receipts	7,621	Various	148,831,120	148,823,281	(218)
14	Insurance Recovery-MGP	15,396,033	131\925	7,095,692	4,877,520	13,177,861
15	Deferred ASP Rev-Gas	867,892	488	942,580	906,772	832,084
16	Elec Call Options-Noncurr	1,401,916	242	12,591,208	62,379,920	51,190,628
17	Gas Contingency	(424,208)	Various	1,499,631	1,722,635	(201,204)
18	Deferred Interest-Escrow Agreements (6)	2,098,416	431	1,147,315	834,794	1,785,895
19	Interconnection Advances	856,287	107	5,522,148	8,677,130	4,011,269
20	Electric Generation Supplier-Deposits	2,915,452	131	0	154,227	3,069,679
21	Financial Solutions-Defd Rev	91,013	131\454	101,553	15,067	4,527
22	Deferred Rev-Pole Attachments	1,576,432	454	3,157,167	3,143,985	1,563,250
23	Gas Options	1,056,248	175\421	3,202,800	2,146,552	0
24	Reserve Capacity Def Rev 2004	853,468	456	24,720	227,641	1,056,389
25	MiJuns Membership fees	37,152	131	50,272	45,542	32,422
26	FAMS Project	338,591	131	356,082	19,140	1,649
27	Renewable Energy Resources	4,761,933	426	0	5,000,000	9,761,933
28	ANR\ICE Otisville Agreement	1,764,706	131	2,588,235	1,176,470	352,941
29	Entergy Mail-Prepayment	94,026	131	401,408	307,382	0
30	Budget Plan Liability	0	142	45,590,694	100,248,581	54,657,887
31	FIN 45 Contract Guar	0	930	0	101,390	101,390
32	Transformer Lease Reserve - DTE	0	143	0	241,200	241,200
33	Fixed Fuel Contract	0	426	0	20,260	20,260
34	Coal Ash Trust Funds	646,471	431	0	59,220	705,691
35	FTR MTM	0	244	0	11,539	11,539
36						
37						
38						
39						
40						
41						
42	Minor Items (Items less than 10000)	23,599	various	23,599	0	0
43						
44						
	TOTAL	97,156,802		280,415,213	368,027,882	184,769,471

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report December 31, 2006
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**ACCUMULATED DEFERRED INCOME TAXES - OTHER PROPERTY
(Account 282)**

1. Report the information called for below concerning the respondent's accounting for deferred income taxes relating to property not subject to accelerated amortization.
2. For Other (Specify), include deferrals relating to other income and deductions.

Line No.	Account (a)	Balance at Beginning of Year (b)	CHANGES DURING YEAR	
			Amounts Debited to Acct. 410.1 (c)	Amounts Credited to Acct. 411.1 (d)
1	Account 282			
2	Electric	791,188,294	87,411,992	31,783,530
3	Gas	285,431,582	33,701,548	4,766,561
4	Other (Define)			
5	TOTAL (Enter total of lines 2 thru 4)	1,076,619,876	121,113,540	36,550,091
6	Other (Specify)			
7	Non-Utility	1,251,628		
8				
9	TOTAL Account 282 (Enter total of lines 5 thru 8)	1,077,871,504	121,113,540	36,550,091
10	Classification of TOTAL			
11	Federal Income Tax			
12	State Income Tax			
13	Local Income Tax			

NOTES

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report December 31, 2006
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**ACCUMULATED DEFERRED INCOME TAXES - OTHER PROPERTY
(Account 282) (Continued)**

3. Use footnotes as required.
4. Fill in all columns for all line items as appropriate.

CHANGES DURING YEAR		ADJUSTMENTS				Balance at End of Year	Line No.
Amounts Debited to Acct. 410.2 (e)	Amounts Credited to Acct. 411.2 (f)	DEBITS		CREDITS			
		Account Credited (g)	Amount (h)	Account Debited (i)	Amount (j)	(k)	
							1
		190/282/283	171,239,660	190/282/283	153,741,271	829,318,367	2
		190/282/283	24,284,141	190/282/283	28,876,789	318,959,217	3
							4
0	0		195,523,801		182,618,060	1,148,277,584	5
							6
75,934	698,579					628,983	7
							8
75,934	698,579		195,523,801		182,618,060	1,148,906,567	9
							10
							11
							12
							13

NOTES (Continued)

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report December 31, 2006
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ACCUMULATED DEFERRED INCOME TAXES - OTHER (Account 283)

1. Report the information called for below concerning the respondent's accounting for deferred income taxes relating to amounts recorded in Account 283.
2. For Other (Specify), include deferrals relating to other income and deductions.

Line No.	Account (a)	Balance at Beginning of Year (b)	CHANGES DURING YEAR	
			Amounts Debited to Acct. 410.1 (c)	Amounts Credited to Acct. 411.1 (d)
1	Electric			
2	AFUDC (U-8638)	862,356	0	42,435
3	Bond Premium, Disc & Exp Amortized	23,775,212	(582,193)	2,408,010
4	Construction OH (FPC 530/MPSC U-5281)	568,868	0	31,608
5	DOE Decommissioning	0	359,185	0
6	Other (See Line 46, Page 276A)	489,552,658	132,707,208	137,158,817
7	TOTAL Electric (total of lines 2 thru 6)	514,759,094	132,484,200	139,640,870
8	Gas			
9	AFUDC (U-8638)	14,302	0	572
10	Bond Premium, Disc & Exp Amortized	8,167,799	383,243	1,208,629
11	AFUDC Excess FERC - Gas	21,122	0	60,800
12	Brownfield Credit - MSBT	1,290,360	0	0
13	Other (See Line 59, Page 276A)	283,522,118	(17,716,512)	11,536,584
14	TOTAL Gas (Total of lines 9 thru 13)	293,015,701	(17,333,269)	12,806,585
15	Other (Specify) (See Line 77, Page 276A)	67,577,902	0	0
16	TOTAL (Account 283) (Enter total of lines 7, 14 and 15)	875,352,697	115,150,931	152,447,455
17	Classification of TOTAL			
18	Federal Income Tax	875,352,697	115,150,931	152,447,455
19	State Income Tax			
20	Local Income Tax			

NOTES

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report December 31, 2006
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ACCUMULATED DEFERRED INCOME TAXES - OTHER (Account 283) (Continued)

3. Provide in the space below explanations for pages 276A and 276B. Include amounts relating to insignificant items listed under Other.
4. Fill in all columns for all items as appropriate.
5. Use footnotes as required.

CHANGES DURING YEAR		ADJUSTMENTS				Balance at End of Year	Line No.
Amounts Debited to Acct. 410.2 (e)	Amounts Credited to Acct. 411.2 (f)	CREDITS		DEBITS			
		Account Debited (g)	Amount (h)	Account Credited (i)	Amount (j)	(k)	
							1
						819,921	2
						20,785,009	3
						537,260	4
		190.131	102,733			461,918	5
			269,937,013		71,745,300	683,292,762	6
0	0		270,039,746		71,745,300	705,896,870	7
							8
						13,730	9
						7,342,413	10
						(39,678)	11
				282.112	1,290,360	0	12
			121,984,542		30,725,505	345,528,059	13
0	0		121,984,542		32,015,865	352,844,524	14
46,122,453	1,455,662		12,514,027		54,909,976	69,848,744	15
46,122,453	1,455,662		404,538,315		158,671,141	1,128,590,138	16
							17
46,122,453	1,455,662		404,538,315		158,671,141	1,128,590,138	18
							19
							20

NOTES (Continued)

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report December 31, 2006
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ACCUMULATED DEFERRED INCOME TAXES - OTHER (Account 283) (Continued)

1. Report the information called for below concerning the respondent's accounting for deferred income taxes relating to amounts recorded in Account 283.
2. For Other (Specify), include deferrals relating to other income and deductions.

Line No.	Account (a)	Balance at Beginning of Year (b)	CHANGES DURING YEAR	
			Amounts Debited to Acct. 410.1 (c)	Amounts Credited to Acct. 411.1 (d)
21	Electric Other (Detail of line 8):			
22	AFUDC Excess FERC - Electric	(1,409,895)	0	741,939
23	Big Rock Decommissioning Plan Development	1,517,276	(1,357,427)	0
24	Big Rock Site Restoration	5,042,038	7,831,618	0
25	Big Rock Decommissioning-Spent Fuel Storage	18,380,387	674,835	88,805
26	Brownfield Credit - MSBT	1,514,771	0	0
27	Electric Restructuring Implementation Project (ERIP)	25,995,708	126,786	12,113,897
28	FAS133-Call Options	243,994	0	0
29	FAS133-Fuel Options	0	0	0
30	Financial Transmission Rights MTM	227,588	228,270	455,858
31	Greenpower Reprogram Costs	108,859	0	0
32	Ludington Settlement	(425,867)	367,607	401,341
33	Midland Amort - FERC (U-8776)	2,536,430	0	130,382
34	Midland Demobilization (U-8448)	0	0	6,667
35	OPEB Regulatory Asset	29,521,146	5,203	8,161,433
36	PA 141 Sec 10(D)4 Regulatory Assets	70,878,931	70,863,114	79,637,985
37	PA 141 Sec 10(D)4 Costs-Palisades Security	2,895,467	482,810	2,691,553
38	Potential Audit Deficiency	534,692	(534,692)	0
39	Pension Costs	75,486,036	4,062,834	13,468,652
40	PSCR Underrecovery (U-10445)	12,144,102	41,508,392	1,239,750
41	Real & Personal Property Taxes (U-5584)	40,524,842	4,956,922	1,037,895
42	Securitized Regulatory Assets	171,747,426	1,813,122	15,768,846
43	Stranded Costs	21,970,784	828,725	0
44	Reg Asset-Transmission Assets	9,311,558	1,628,844	570,096
45	Sec 263A Adj Fuel Supply Inventory	266,466	(779,755)	643,718
46	SFAS 109 - Accumulated DFIT Liab - Midland Abandonment	539,919	0	0
47	Total Electric Other	489,552,658	132,707,208	137,158,817

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ACCUMULATED DEFERRED INCOME TAXES - OTHER (Account 283) (Continued)

3. Provide in the space below explanations for pages 276A and 276B. Include amounts relating to insignificant items listed under Other.
4. Fill in all columns for all items as appropriate.
5. Use footnotes as required.

CHANGES DURING YEAR		ADJUSTMENTS				Balance at End of Year	Line No.
		CREDITS		DEBITS			
Amounts Debited to Acct. 410.2 (e)	Amounts Credited to Acct. 411.2 (f)	Account Debited (g)	Amount (h)	Account Credited (i)	Amount (j)	(k)	
							21
						(2,151,834)	22
				190.018	1	159,848	23
						12,873,656	24
						18,966,417	25
				282.111	1,514,771	0	26
						14,008,597	27
				190.162	243,994	0	28
						0	29
						0	30
						108,859	31
						(459,601)	32
						2,406,048	33
		283.007	6,667				34
		190.xxx/282.xxx	73,500,001	282.xxx	338,107	94,526,810	35
						62,104,060	36
		282.130	4,889,252			5,575,976	37
						0	38
		190.247/282.xxx	172,588,298	190.xxx/282.xxx	67,616,533	171,051,983	39
						52,412,744	40
						44,443,869	41
		282.130	18,952,795			176,744,497	42
						22,799,509	43
				192.102	1,628,844	8,741,462	44
						(1,157,007)	45
				286.103	403,050	136,869	46
			269,937,013		71,745,300	683,292,762	47

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report December 31, 2006
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ACCUMULATED DEFERRED INCOME TAXES - OTHER (Account 283) (Continued)

1. Report the information called for below concerning the respondent's accounting for deferred income taxes relating to amounts recorded in Account 283.
2. For Other (Specify), include deferrals relating to other income and deductions.

Line No.	Account (a)	Balance at Beginning of Year (b)	CHANGES DURING YEAR	
			Amounts Debited to Acct. 410.1 (c)	Amounts Credited to Acct. 411.1 (d)
48	Gas Other (Detail of Line 16)			
49	Customer Choice-Deferred Expense	206,637	0	7,462
50	Gas Cost Recovery - Under Recovery 2003	10,728,208	(10,512,902)	0
51	Gas Inventory Adjustment	147,797,797	20,239,276	0
52	Hesson Gas Storage Field Inventory Adj	2,877,469	0	62,345
53	I&D MGP - Environmental Remediation	11,277,384	122,851	0
54	Manufactured Gas Plants Environmental Clean-up	10,246,117	0	0
55	OPEB Regulatory Asset	24,193,774	(2,048,571)	3,814,328
56	Potential Audit Deficiency	534,692	(534,692)	0
57	Pension Costs	33,267,233	384,044	6,979,710
58	Real & Personal Property Taxes (U-5584)	14,765,499	2,260,790	672,739
59	Take or Pay Order 500	27,627,308	(27,627,308)	0
60	Total Gas Other	283,522,118	(17,716,512)	11,536,584
61				
62	Other (Detail of line 18):			
63	Bond Premium, Discount & Expense Amortized	4,066,694		
64	Dow Chemical (U-8448)	1,002,022		
65	FAS 115 - CMS Stock	8,009,331		
66	FAS 115 - Nuclear Decommissioning	48,720,491		
67	FAS 115 - SERP	1,950,041		
68	Gas Cost Recovery - Under Recovery Interest	0		
69	Marysville Deferred Gain - Basis	3,475,747		
70	Midland Abandonment Allocated to Bechtel (U-9096)	(519,247)		
71	Midland Demobilization (U-8448)	6,667		
72	Midland Land (U-9096)	9,425		
73	OPEB Equalization Interest	0		
74	Pension Equalization Interest	0		
75	PSCR Underrecovery Interest	0		
76	Real & Personal Property Taxes (U-5584)	136,783		
77	SERP Plan Assets-Interest Income	719,948		
78	Total Other	67,577,902	0	0

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ACCUMULATED DEFERRED INCOME TAXES - OTHER (Account 283) (Continued)

3. Provide in the space below explanations for pages 276A and 276B. Include amounts relating to insignificant items listed under Other.
4. Fill in all columns for all items as appropriate.
5. Use footnotes as required.

CHANGES DURING YEAR		ADJUSTMENTS				Balance at End of Year (k)	Line No.
Amounts Debited to Acct. 410.2 (e)	Amounts Credited to Acct. 411.2 (f)	Account Debited (g)	Amount (h)	Account Credited (i)	Amount (j)		
						199,175	48
				411.245	215,306	0	49
						168,037,073	50
						2,815,124	51
						11,400,235	52
				190.137	1,971,460	8,274,657	53
		190.xxx/282.112	37,804,902	282.132	115,442	56,020,335	54
						0	55
		190.248/282.xxx	84,179,640	190.xxx/282.132	28,423,297	82,427,910	56
						16,353,550	57
						0	58
0	0		121,984,542		30,725,505	345,528,059	59
							60
							61
							62
(434,263)	291,423					3,341,008	63
0	1,002,022					0	64
0	0	219.002	1,446,037			9,455,368	65
0	0	190.141	9,881,477	190.142/152	7,015,492	51,586,476	66
0	0	219.004	971,207			2,921,248	67
0	215,306	410.826	215,306			0	68
43,580,755	0			123.117/118	47,056,502	0	69
519,247	0					0	70
0	0			283.007	6,667	0	71
0	0					9,425	72
15,677	0					15,677	73
107,300	0					107,300	74
2,132,677	0					2,132,677	75
12,875	30,410					119,248	76
188,185	(83,499)			190.187/188	831,315	160,317	77
46,122,453	1,455,662		12,514,027		54,909,976	69,848,744	78

Name of Respondent Consumers Energy Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 04/23/07	Year of Report December 31, 2006
OTHER REGULATORY LIABILITIES					
<p>1. Reporting below the particulars (details) called for concerning other regulatory liabilities which are created through the ratemaking actions of regulatory agencies (and not includable in other amounts).</p> <p>2. For regulatory liabilities being amortized, show period of amortization in column (a).</p> <p>3. Minor items (amounts less than \$50,000) may be grouped by classes.</p> <p>4. Give the number and name of the account(s) where each amount is recorded.</p>					
Line No.	Description and Purpose of Other Regulatory Liabilities (a)	DEBITS		Credits (d)	Balance at End of Year (e)
		Account Credited (b)	Amount (c)		
1	Clean Air Allowances EPA Auction Sales	1/143/509/158	7,783,910	64,862,552	62,102,235
2	Financial Transmission Rights - MTM	175/421	27,763	16,224	(11,539)
3	AFUDC Deficient from FERC Rate	421	449,499	2,650,332	6,435,454
4	FAS 143 ARO Liability	8/182/403/411	76,833,014	92,025,529	180,174,484
5	SFAS 109 Regulatory Liability	191	50,254,446	133,383,091	564,498,767
6	OPEB Equalization-Gas			25,504	25,504
7	Gain on Sale of METC	182	3,970,000	120,000	0
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
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21					
22					
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25					
26					
27					
28					
29					
30					
31					
32					
33					
34					
35					
36					
37					
38					
39	TOTAL		139,318,632	293,083,232	813,224,905

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report December 31, 2006
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GAIN OR LOSS ON DISPOSITION OF PROPERTY (Account 421.1 and 421. 2)

1. Give a brief description of property creating the gain or loss. Include name of party acquiring the property (when acquired by another utility or associated company) and the date transaction was completed. Identify property by type: Leased, Held for Future Use, or Nonutility.
2. Individual gains or losses relating to property with an original cost of less than \$100,000 may be grouped with the number of such transactions disclosed in column (a).
3. Give the date of Commission approval of journal entries in column (b), when approval is required. Where approval is required but has not been received, give explanation following the item in column (a). (See account 102, Utility Plant Purchased or Sold.)

Line No.	Description of Property (a)	Original Cost of Related Property (b)	Date Journal Entry Approved (When Required) (c)	Account 421.1 (d)	Account 421.2 (e)
1	Gain on disposition of property:				
2					
3	UTILITY LAND SALES -- original cost >				
4	\$100,000				
5	Macomb 170	137,740		264,303	
6	Mason 85.008	235,640		169,000	
7	Mason 85.009	117,818		96,000	
8					
9	UTILITY LAND SALES -- 43 sales with				
10	original cost less than \$100,000	1,059,525		2,368,054	
11					
12	NON-UTILITY LAND SALE				
13	1 with original cost < \$100,000	253		14,356	
14					
15					
16					
17	Total Gain	1,550,976		2,911,713	

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report December 31, 2006
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GAIN OR LOSS ON DISPOSITION OF PROPERTY (Account 421.1 and 421.2) (Continued)

Line No.	Description of Property (a)	Original Cost of Related Property (b)	Date Journal Entry Approved (When Required) (c)	Account 421.1 (d)	Account 421.2 (e)
18	Loss on disposition of property:				
19					
20	UTILITY LAND SALES -- 31 sales under				
21	\$100,000 original cost	3			328,132
22					
23					
24					
25					
26					
27					
28					
29					
30					
31					
32					
33					
34	Total Loss	3			328,132

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report December 31, 2006
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PARTICULARS CONCERNING CERTAIN OTHER INCOME ACCOUNTS

1. Report in this schedule the information specified in the instructions below for the respective other income accounts. Provide a conspicuous subheading for each account and show a total for the account. Additional columns may be added for any account if deemed necessary.

2. Merchandising, Jobbing and Contract Work (Accounts 415 and 416) - Describe the general nature of merchandising, jobbing and contract activities. Show revenues by class of activity, operating expenses classified as to operation, maintenance, depreciation, rents and net income before taxes. Give the bases of any allocations of expenses between utility and merchandising, jobbing and contract work activities.

3. Nonutility Operations (Accounts 417 and 417.1) - Describe each nonutility operation and show revenues, operating expenses classified as to operation, maintenance, depreciation, rents, amortization, and net income before taxes, from the operation. Give the bases of any allocations of expenses between utility and nonutility operations. The book cost of property classified as nonutility operations should be included in Account 121.

4. Nonoperating Rental Income (Account 418) - For each major item of miscellaneous property included in Account 121, Nonutility Property, which is not used in operations for which income is included in Account 417, but which is leased or rented to others, give name of lessee, brief description of property, effective date and expiration date of lease, amount of rent revenues, operating expenses classified as to operation, maintenance, depreciation, rents, amortization, and net income, before taxes, from the rentals. If the property is leased on a basis other than that of a fixed annual rental, state the method of determining the rental. Minor items may be grouped by classes, but the number of items so grouped should be shown. Designate any lessees which are associated companies.

5. Equity in earnings of subsidiary companies (Account 418.1) - Report the utility's equity in the earnings or losses of each subsidiary company for the year.

6. Interest and Dividend Income (Account 419) - Report interest and dividend income, before taxes, identified as to the asset account or group of accounts in which are included the assets from which the interest or dividend income was derived. Income derived from investments, Accounts 123, 124 and 136 may be shown in total. Income from sinking and other funds should be identified with the related special funds. Show also expenses included in Account 419 as required by the Uniform System of Accounts.

7. Miscellaneous Nonoperating Income (Account 421) - Give the nature and source of each miscellaneous nonoperating income, and expense and the amount for the year. Minor items may be grouped by classes.

Line No.	Item (a)	Amount (b)
	REV FROM MERCHANDISING, JOBBING AND CONTRACT WORK-ACCT 415	
1	Gas Fuel Line Installation	510,596
2	Business Opportunities	13,770,296
3	Michigan Electric Transmission Company Revenue	27,696,541
4	Gas Meters Covers	25,257
5	Water Meter Reading	394,643
6	Lab Commercial Services\Calibration and Analytical Testing	1,084,742
7	Gas T&S Operation\Maintenance of Third Party Equipment	475,793
8	Intercompany	610,887
9	Other	77,401
10	Total	44,646,156
11		
12	COSTS AND EXPENSES OF MERCHANDISING, JOBBING AND CONTRACT-416	
13	Gas Fuel Line Installation	(421,271)
14	Business Opportunities	(8,608,806)
15	Michigan Electric Transmission Company Expense	(21,171,234)
16	Gas Meters Covers	(13,556)
17	Water Meter Reading Expense	(283,404)
18	Labor Commercial Services\Calibration Analytic Testing Expense	(1,032,459)
19	Gas T&S Operation\Maintenance of Third Party Equipment Expense	(863,870)
20	Business Services Support - GM/Delphi	(2,965,997)
21	Other	(212,865)
22	Total	(35,573,462)
23		
24	REVENUES AND EXPENSES RELATING TO NONUTILITY OPS-417 AND 417.1	
25	Revenues	2,598,211
26	Expenses	(1,733,830)
27	Total Revenues and Expenses Relating to Nonutility Operations	864,381
28		
29		

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PARTICULARS CONCERNING CERTAIN OTHER INCOME ACCOUNTS (Continued)

Line No.	Item (a)	Amount (b)
29	NONOPERATING RENTAL INCOME-ACCOUNT 418	
30	Revenue From Various Nonutility Property Leases & Other Rental Items	121,943
31	Approximately 11 parties	
32	MCV-(Assoc Co)	
33	Land Lease	600,000
34	Amortization	18,896
35		740,839
36	EQUITY EARNINGS IN SUBSIDIARY COMPANIES-ACCOUNT 418.1	
37	ES Services Co	(50,315)
38	CMS Engineering	(26,848)
39	CMS Midland, INC	(37,160,640)
40	CMS Midland Holdings	(25,182,777)
41	New Midland	(6,530,152)
42	CE Finance I-IV	34,794
43	Campus Holdings	(7,299)
44	CE Nuclear Services	553,656
45	Total	(68,369,581)
46		
47	INTEREST AND DIVIDEND INCOME-ACCOUNT 419	
48	WPS Secured Borrowing-Account 141	2,499,121
49	Investments Included in Accounts 123, 124 & 136	7,546,612
50	Notes and Accounts Receivable	516,474
51	Interest Income-Associated & Subsidiary Companies-Account 146	283,926
52	SERP Interest-Account 128	911,162
53	Gas Margin	426,745
54	GCR Interest Income	405,525
55	PSCR Interest Income	5,967,881
56	Topper IV Trust	483,108
57	JP Morgan Waste Disposal-PCRB	1,622,135
58	Pension/OPEB Equalization	351,363
59	Other	375,525
60	Total Interest And Dividend Income	21,389,577
61		
62	ALLOWANCE FOR OTHER FUNDS USED DURING CONSTRUCTION-419.1	11,810,158
63		
64	MISCELLANEOUS NONOPERATING INCOME-ACCOUNT 421	
65	Gain on Sale of MCV	31,141,019
66	Royalties and Working Interest From Oil and Gas Leases	2,064,566
67	MTM Gain/Loss on FTR's	(650,252)
68	Cost of money-Electric Restructuring	3,760,057
69	AFUDC	(2,200,832)
70	Bill Payment Fees	261,874
71	PA 141: Return on Capital Exp	25,902,854
72	Return on Security Costs	1,374,343
73	Return on Stranded Costs	4,319,982
74	Gain on CMS Stock Held by CE	702,021
75	Other	157,518
76	Total Miscellaneous Nonoperating Income	66,833,150

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PARTICULARS CONCERNING CERTAIN OTHER INCOME ACCOUNTS (Continued)

Line No.	Item (a)	Amount (b)
69	GAIN ON DISPOSITION OF PROPERTY-ACCOUNT 421.1	
70	See page 280a for details	2,911,713
71		
72	LOSS ON DISPOSITION OF PROPERTY-ACCOUNT 421.2	
73	See page 280b for details	(328,132)
74		
75		
76		
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107		
108	Total Other Income	44,924,799

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report 12/31/06
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ELECTRIC OPERATING REVENUES (Account 400)

- Report below operating revenues for each prescribed account.
- Report number of customers, columns (f) and (g), on the basis of meters, in addition to the number of flat rate accounts; except that where separate meter readings are added for billing purposes, one customer should be counted for each group of meters added. The average number of customers means the average of twelve figures at the close of each month.
- If increases or decreases from pervious year (columns (c), (e), and (g)), are not derived from previously reported figures explain any inconsistencies in a footnote.

Line No.	Title of Account (a)	OPERATING REVENUES	
		Amount for Year (b)	Amount for Previous Year (c)
1	Sales of Electricity		
2	(440) Residential Sales	1,237,118,365	1,069,385,896
3	(442) Commercial and Industrial Sales		
4	Small (or Commercial)	1,025,758,519	844,878,127
5	Large (or Industrial)	728,925,394	532,989,619
6	(444) Public Street and Highway Lighting	24,905,103	23,203,135
7	(445) Other Sales to Public Authorities		
8	(446) Sales to Railroads and Railways		
9	(448) Interdepartmental Sales	3,539,735	3,223,810
10	(449) Other Sales		
11			
12	TOTAL Sales to Ultimate Consumers	3,020,247,116	2,473,680,587
13			
14	(447) Sales for Resale	66,604,140	64,205,542
15	TOTAL Sales of Electricity	3,086,851,256 *	2,537,886,129
16			
17	(Less) (449.1) Provision for Rate Refunds	(113,982,332)	(49,573,728)
18	TOTAL Revenue Net of Provision for Refunds	3,200,833,588	2,587,459,857
19	Other Operating Revenues		
20	(450) Forfeited discounts	9,844,442	9,305,327
21	(451) Miscellaneous Service Revenues	3,999,489	1,858,046
22	(453) Sales of Water and Water Power		
23	(454) Rent from Electric Property	21,914,326	21,871,638
24	(455) Interdepartmental Rents		
25	(456) Other Electric Revenues	22,771,716	35,187,803
26			
27			
28			
29			
30	TOTAL Other Operating Revenues	58,529,973	68,222,814
31			
32	TOTAL Electric Operating Revenues	3,259,363,561	2,655,682,671

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ELECTRIC OPERATING REVENUES (Account 400) (Continued)

4. Commercial and Industrial Sales, Account 442, may be classified according to the basis of classification (Small or Commercial, and Large or Industrial) regularly used by the respondent if such basis of classification is not generally greater than 1000 Kw of demand. (See Account 442 of the Uniform System of Accounts. Explain basis of classification in footnote.)
5. See Page 108, Important Changes During Year, for important new territory added and important rate increases or decreases.
6. For line 2, 4, 5, and 6, see page 304 for amounts relating to unbilled revenue by account.
7. Include unmetered sales. Provide details of such sales in a footnote.

MEGAWATT HOURS SOLD		AVERAGE NUMBER OF CUSTOMERS PER MONTH		Line No.
Amount for Year (d)	Amount for Previous Year (e)	Number for Year (f)	Number or Previous Year (g)	
12,975,048	13,286,010	1,570,113	1,558,388	1
				2
				3
12,198,305	11,220,743	211,718	210,333	4
11,143,199	9,684,905	8,642	8,504	5
180,193	181,024	1,997	1,959	6
				7
				8
47,090	49,050			9
				10
				11
36,543,835	34,421,732	1,792,470	1,779,184	12
1,311,515	4,091,499	1	2	13
				14
37,855,350 **	38,513,231	1,792,471	1,779,186	15
				16
				17
37,855,350	38,513,231	1,792,471	1,779,186	18

* Include \$57,977,930 unbilled revenues.

** Includes 301,115 MWH relating to unbilled revenues.

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SALES OF ELECTRICITY BY RATE SCHEDULES

- Report below for each rate schedule in effect during the year the MWh of electricity sold, revenue, avg number of customers, average KWh per customer, and average revenue per KWh, excluding data for Sales for Resale, which is reported on pages 310-311.
- Provide a subheading and total for each prescribed operating revenue account in the sequence followed in "Electric Operating Revenues," page 301. If the sales under any rate schedule are classified in more than one revenue account, list the rate schedule and sales data under each applicable revenue account subheading.
- Where the same customers are served under more than one rate schedule in the same revenue account classification (such as a general residential schedule and an off peak water heating schedule), the entries in column (d) for the special schedule should denote the duplication in number of reported customers.
- The average number of customers should be the number of bills rendered during the year divided by the number of billing periods during the year (12 if all billings are made monthly).
- For any rate schedule having a fuel adjustment clause state in a footnote the estimated additional revenue billed pursuant thereto.
- Report amount of unbilled revenue as of end of year for each applicable revenue account subheading.

Line No.	Number and Title of Rate Schedule (a)	MWh Sold (b)	Revenue (c)	Avg. No. of Customers (d)	KWh of Sales per Customer (e)	Revenue per KWh Sold (f)
1	RESIDENTIAL					
2						
3	A-1 RESIDENTIAL SERVICE	12,269,150	1,146,364,987	1,457,967	8,415	0.0934
4	A-3 TIME-OF DAY FARM & SH	43,473	3,528,758	1,514	28,714	0.0812
5	A-4 ALTERNATE RESIDENCE	303,049	40,946,725	96,782	3,131	0.1351
6	A-5 FARM	281,163	25,334,128	13,851	20,299	0.0901
7	UNBILLED REVENUE	78,212	20,943,771			0.2678
8	RENEWABLE ENERGY					
9	PLANNED LOAD MGMNT					
10	SECURITIZATION SAVINGS RES					
11	PSCR UNDER-RECOVERY					
12	5% RATE REDUCTION					
13	ERIP					
14	SECURITY					
15	DIRECT CREDITS TO 44X ACCTS		(3)			
16						
17	TOTAL RESIDENTIAL	12,975,047	1,237,118,366	1,570,114	8,264	0.0953
18						
19	COMMERCIAL					
20						
21	B-GENERAL SECONDARY	2,502,095	283,197,561	173,541	14,418	0.1132
22	C-GENERAL SECONDARY	4,398,853	370,643,541	24,966	176,194	0.0843
23	B-1 GENERAL PRIMARY SERV	180,041	16,670,947	478	376,655	0.0926
24	D-PRIMARY SERVICE	3,173,019	213,251,003	1,181	2,686,722	0.0672
25	F-PRIMARY HI-LOAD FACTOR	776,601	47,998,802	169	4,595,272	0.0618
26	GH-ELECTRIC HEATING SERV	40,312	3,969,848	1,307	30,843	0.0985
27	H-WATER HEATING SERVICE	5,517	496,170	526	10,489	0.0899
28	R-1 SECONDARY RESALE	736	79,630	9	81,778	0.1082
29	R-2 SECONDARY RESALE	7,902	682,909	23	343,565	0.0864
30	R-3 PRIMARY RESALE SERV	343,566	22,989,563	67	5,127,851	0.0669
31	UR-UNMETERED SERVICE	108,978	6,851,326	403	270,417	0.0629
32	PS-1 SECONDARY PUBLIC	65,864	5,811,942	3,283	20,062	0.0882
33	PS-2 PRIMARY PUBLIC PUMP	64,139	4,801,345	323	198,573	0.0749
34	PS-3 OPT PRIMARY PUBLIC	381,758	22,417,061	118	3,235,237	0.0587
35	L-4 COM OUTDOOR LIGHTING	15,024	2,539,961	5,323	2,822	0.1691
36	UNBILLED REVENUE	115,342	20,129,325			0.1745
37	RENEWABLE ENERGY					
38	PLANNED LOAD MGMNT		(383,912)			
39	SECURITIZATION SAVINGS		(966,312)			
40	SECURITIZATION SAVINGS					
41						
42	Total Billed	36,245,008	2,962,679,561			0.0817
43	Total Unbilled Rev. (See Instr. 6)	298,828	57,567,697			0.1926
44	TOTAL	36,543,836	3,020,247,258	0	0	0.0826

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SALES OF ELECTRICITY BY RATE SCHEDULES (Continued)

- Report below for each rate schedule in effect during the year the MWh of electricity sold, revenue, avg number of customers, average KWh per customer, and average revenue per KWh, excluding data for Sales for Resale, which is reported on pages 310-311.
- Provide a subheading and total for each prescribed operating revenue account in the sequence followed in "Electric Operating Revenues," page 301. If the sales under any rate schedule are classified in more than one revenue account, list the rate schedule and sales data under each applicable revenue account subheading.
- Where the same customers are served under more than one rate schedule in the same revenue account classification (such as a general residential schedule and an off peak water heating schedule), the entries in column (d) for the special schedule should denote the duplication in number of reported customers.
- The average number of customers should be the number of bills rendered during the year divided by the number of billing periods during the year (12 if all billings are made monthly).
- For any rate schedule having a fuel adjustment clause state in a footnote the estimated additional revenue billed pursuant thereto.
- Report amount of unbilled revenue as of end of year for each applicable revenue account subheading.

Line No.	Number and Title of Rate Schedule (a)	MWh Sold (b)	Revenue (c)	Avg. No. of Customers (d)	KWh of Sales per Customer (e)	Revenue per KWh Sold (f)
1	PSCR UNDER-RECOVERY					
2	ERIP					
3	SECURITY					
4	SPECIAL CONTRACT DISC					
5	DIRECTLY CREDITED TO 44X		3,694,290			
6						
7	TOTAL COMMERCIAL	12,179,747	1,024,875,000	211,717	57,528	0.0841
8						
9	INDUSTRIAL					
10						
11	B-GENERAL SECONDARY	317,066	34,277,823	5,523	57,408	0.1081
12	C-GENERAL SECONDARY	632,518	55,606,130	1,525	414,766	0.0879
13	CG-COGEN & SMALL POWER	41,742	2,436,082	9	4,638,000	0.0584
14	B-1 GENERAL PRIMARY SERVICE	198,452	18,335,960	325	610,622	0.0924
15	D-PRIMARY SERVICE	5,555,814	368,810,825	976	5,692,432	0.0664
16	F-PRIMARY HI-LOAD FACTOR	2,202,573	125,565,025	34	64,781,559	0.0570
17	GH-ELECTRIC HEATING SERV	389	38,201	19	20,474	0.0982
18	H-WATER HEATING SERVICE	16	1,543	3	5,333	0.0964
19	I-PRIMARY INTERRUPTIBLE	1,114,440	58,051,875	6	185,740,000	0.0521
20	J-PRIMARY ELECE FURNACE	45,370	2,759,781	10	4,537,000	0.0608
21	J-1 ALTERNATE METAL MELT	361,835	20,343,232	9	40,203,889	0.0562
22	R-3 PRIMARY RESALE SERV	10,195	727,777	1	10,195,000	0.0714
23	L-4 IND OUTDOOR LIGHTING	870	138,959	198	4,394	0.1597
24	SPECIAL CONTRACTS	414,094	18,838,699	2	207,047,000	0.0455
25	E-1 GS LARGE ECON DEV PRIM	161,325	6,775,638	1	161,325,000	0.0420
26	RENEWABLE ENERGY					
27	PLANNED LOAD MGMNT		(1,158,233)			
28	UNBILLED REVENUE	105,060	16,435,818			0.1564
29	SECURITIZATION SAVINGS		(789,143)			
30	PSCR UNDER-RECOVERY					
31	ERIP					
32	SPECIAL CONTRACT DISC		(248,059)			
33	DIRECTLY CREDITED TO 44X		2,860,564			
34						
35	TOTAL INDUSTRIAL	11,161,759	729,808,497	8,641	1,291,721	0.0654
36						
37						
38	PUBLIC STREET & HIGHWAY					
39						
40	L-1 ENERGY ONLY	22,012	1,624,390	326	67,521	0.0738
41						
42						
43						
44						

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report 12/31/06
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SALES OF ELECTRICITY BY RATE SCHEDULES (Continued)

1. Report below for each rate schedule in effect during the year the MWh of electricity sold, revenue, avg number of customers, average KWh per customer, and average revenue per KWh, excluding data for Sales for Resale, which is reported on pages 310-311.
2. Provide a subheading and total for each prescribed operating revenue account in the sequence followed in "Electric Operating Revenues," page 301. If the sales under any rate schedule are classified in more than one revenue account, list the rate schedule and sales data under each applicable revenue account subheading.
3. Where the same customers are served under more than one rate schedule in the same revenue account classification (such as a general residential schedule and an off peak water heating schedule), the entries in column (d) for the special schedule should denote the duplication in number of reported customers.
4. The average number of customers should be the number of bills rendered during the year divided by the number of billing periods during the year (12 if all billings are made monthly).
5. For any rate schedule having a fuel adjustment clause state in a footnote the estimated additional revenue billed pursuant thereto.
6. Report amount of unbilled revenue as of end of year for each applicable revenue account subheading.

Line No.	Number and Title of Rate Schedule (a)	MWh Sold (b)	Revenue (c)	Avg. No. of Customers (d)	KWh of Sales per Customer (e)	Revenue per KWh Sold (f)
1	L-2 CUSTOMER OWNED	731	65,095	35	20,886	0.0890
2	L-3 COMPANY OWNED	133,636	22,233,716	1,635	81,735	0.1664
3	SPECIAL CONTACT GR	23,815	990,111	1	23,815,000	0.0416
4	UNBILLED REVENUE					
5	RENEWABLE ENERGY					
6	PLANNED LOAD MGMNT					
7	SECURITIZATION SAVINGS		(7,639)			
8	SECURITIZATION SAVINGS					
9	PSCR UNDER-RECOVERY					
10	ERIP					
11	SECURITY					
12	DIRECTLY CREDITED TO 44X		(2)			
13						
14	TOTAL STREET LIGHTING	180,194	24,905,671	1,997	90,232	0.1382
15						
16						
17	INTERDEPARTMENTAL SALES					
18						
19	INTERDEPARTMENTAL	46,876	3,481,105			0.0743
20	UNBILLED REVENUE	214	58,630			0.2740
21	RENEWABLE ENERGY					
22	PLANNED LOAD MGMNT					
23	SECURITIZATION SAVINGS					
24	PSCR UNDER-RECOVERY					
25	ERIP					
26	SECURITY					
27	DIRECTLY CREDITED TO 44X		(11)			
28						
29	TOTAL INTERDEPARTMENTAL	47,090	3,539,724			0.0752
30						
31						
32						
33						
34						
35						
36						
37						
38						
39						
40						
41						
42	Total Billed					
43	Total Unbilled Rev. (See Instr. 6)					
44	TOTAL	0	0	0	0	0

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report 12/31/06
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FOOTNOTE DATA

Page Number (a)	Item Number (b)	Column Number (c)	Comments (d)
304	1	C	ESTIMATED REVENUE FROM FUEL ADJUSTMENT CLAUSES
			A-1 88,418,128
			A-3 302,863
			A-4 2,197,648
			A-5 2,026,695
			B 20,240,948
			C 35,722,993
			B-1 2,773,715
			D 62,582,155
			F 22,509,171
			GH 265,452
			H 39,701
			I 69,785
			J 300,373
			J-1 2,609,572
			CG 277,994
			R-1 6,098
			R-2 21,967
			R-3 2,233,024
			UR 728,341
			PS-1 463,030
			PS-2 454,788
			PS-3 2,722,152
			L-1 151,170
			L-2 5,239
			L-3 928,081
			L-4 108,970
			SPECIAL CONTRACT - GR 164,485
			SPECIAL CONTRACTS 1,573,208
			INTERDEPARTMENTAL 330,007
			TOTAL EST REVENUE FROM FUEL ADJUSTMENT CLAUSES PRIOR TO EFFECTS OF UNBILLED SALES 250,227,753
			PROVISION FOR RATE REFUNDS 113,982,331
			ESTIMATED AMOUNT OF UNBILLED REVENUE ATTRIBUTABLE TO FUEL CLAUSE REVENUE 23,899,342
			TOTAL ESTIMATED REVENUE FROM FUEL ADJUSTMENT CLAUSES 388,109,426
304	43	C	TOTAL UNBILLED REVENUE 57,978,083
			UNBILLED REVENUE - WHOLESALE CUSTOMERS (410,386)
			UNBILLED REVENUE EXCLUDING WHOLESALE 57,567,697

Name of Respondent	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report 12/31/06
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CUSTOMER CHOICE SALES OF ELECTRICITY BY RATE SCHEDULES

1. Report below for each rate schedule in effect during the year the MWh of electricity sold, revenue, avg number of customers, average KWh per customer, and average revenue per KWh, excluding data for Sales for Resale, which is reported on pages 310-311.
2. Provide a subheading and total for each prescribed operating revenue account in the sequence followed in "Electric Operating Revenues," page 301. If the sales under any rate schedule are classified in more than one revenue account, list the rate schedule and sales data under each applicable revenue account subheading.
3. Where the same customers are served under more than one rate schedule in the same revenue account classification (such as a general residential schedule and an off peak water heating schedule), the entries in column (d) for the special schedule should denote the duplication in number of reported customers.
4. The average number of customers should be the number of bills rendered during the year divided by the number of billing periods during the year (12 if all billings are made monthly).
5. For any rate schedule having a fuel adjustment clause state in a footnote the estimated additional revenue billed pursuant thereto.
6. Report amount of unbilled revenue as of end of year for each applicable revenue account subheading.

Line No.	Number and Title of Rate Schedule	MWh Sold	Revenue	Avg. No. of Customers	KWh of Sales per Customer	Revenue per KWh Sold
	(a)	(b)	(c)	(d)	(e)	(f)
1						
2	Commercial Secondary					
3	106 Com Time of Use Meter	24,427	\$592,729	122	200,221	\$0.02
4	510 Com Time of Use Meter	17,147	\$510,849	100	171,470	\$0.03
5	511 Com Time of Use Meter	121,109	\$1,999,244	322	376,115	\$0.02
6	513 Com Time of Use Meter	512	\$14,404	4	128,000	\$0.03
7	514 Com Time of Use Meter	13,408	\$203,927	13	1,031,385	\$0.02
8	Total Commercial Secondary	176,603	\$3,321,153	561	314,800	\$0.02
9						
10	Industrial Secondary					
11	108 Industrial Time of Use	5,054	\$117,674	12	421,204	\$0.02
12	520 Industrial Time of Use	6,017	\$169,918	19	316,662	\$0.03
13	521 Industrial Time of Use	13,872	\$226,064	20	693,600	\$0.02
14	522 Industrial Time of Use	5,890	\$90,609	4	1,472,565	\$0.02
15	Total Industrial Secondary	30,833	\$604,265	55	560,605	\$0.02
16						
17	Primary					
18	110 Commercial	71,795	\$737,408	31	2,315,965	\$0.01
19	517 Commercial - VLT3	3,349	\$45,585	1	3,349,101	\$0.01
20	518 Commercial - VLT3	200,981	\$2,728,521	95	2,115,586	\$0.01
21	518 Commercial - VLT2	2,615	\$26,724	0	0	\$0.01
22	518 Commercial - VLT1	2,801	\$22,037	1	2,800,848	\$0.01
23	532 Commercial - VLT3	26,798	\$298,131	6	4,466,310	\$0.01
24	541 Commercial	7,763	\$110,898	9	862,607	\$0.01
25	111 Industrial	167,111	\$1,321,325	19	8,795,311	\$0.01
26	528 Industrial - VLT3	241,616	\$2,948,629	38	6,358,326	\$0.01
27	528 Industrial - VLT2	333,632	\$2,995,660	9	37,070,249	\$0.01
28	533 Industrial - VLT3	30,288	\$259,517	2	15,144,149	\$0.01
29	533 Industrial - VLT2	167,433	\$1,441,254	5	33,486,599	\$0.01
30	533 Industrial - VLT1	147,247	\$957,478	1	147,247,359	\$0.01
31	537 Industrial - VLT3	2,131	\$56,329	1	2,130,755	\$0.03
32	542 Industrial	7,710	\$107,346	7	1,101,392	\$0.01
33	Total Primary	1,413,270	\$14,056,842	225	6,281,201	\$0.01
34						
35	Securtzn Redctn Credit					
36	ROC Commercial - Sec Redctn Cr		(\$189,559)			
37	ROI Industrial - Sec Redctn Cr		(\$344,480)			
38	Total Securtzn Redctn Credit		(\$534,039)			
39						
40	Total VIA Accounts		\$10	(2)		
41						
42						
43	Total Billed	1,620,706	\$17,448,231	839	1,931,712	\$0.01
44	Total Unbilled Rev. (See Instr. 6)	(165,505)	(\$678,112)	0	0	\$0.00
45	TOTAL	1,455,201	\$16,770,119	839	1,734,447	\$0.01

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Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report December 31, 2006
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SALES FOR RESALE (Account 447)

1. Report all sales for resale (i.e., sales to purchasers other than ultimate consumers) transacted on a settlement basis other than power exchanges during the year. Do not report exchanges of electricity (i. e. transactions involving a balancing of debits and credits for energy, capacity, etc.) and any settlements for imbalanced exchanges on this schedule. Power exchanges must be reported on the Purchased Power schedule (pp. 326-327).

2. Enter the name of the purchaser in column (a). Do not abbreviate or truncate the name or use acronyms. Explain in a footnote any ownership interest or affiliation the respondent has with the purchaser.

3. In column (b), enter a Statistical Classification Code based on the original contractual terms and conditions of the service as follows:

RQ - for requirements service. Requirements service is service which the supplier plans to provide on an ongoing basis (i.e. the supplier includes projected load for this service in its system resource planning). In addition, the reliability of requirements service must be the same as, or second only to, the supplier's service to its own ultimate consumers.

LF - for long-term service. "Long-term" means five years or longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions (e.g., the supplier must attempt to buy emergency energy from third parties to maintain deliveries of **LF** service). This category should not be used for long-term firm service which meets the definition of **RQ** service. For all transactions identified as **LF**, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or seller can unilaterally get out of the contract.

IF - for intermediate-term firm service. The same as **LF** service except that "intermediate-term" means longer than one year but less than five years.

SF - for short-term firm service. Use this category for commitment for service is one year or less.

LU - for long-term service from a designated generating unit. "Long-term" means five years or longer. The availability and reliability of service, aside from transmission constraints, must match the availability and reliability of the designated unit.

IU - for intermediate-term service from a designated generating unit. The same as **LU** service except that "intermediate-term" means longer than one year but less than five years.

OS - for other service. Use this category only for

Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff No. (c)	Avg. Monthly Billing Dmnd. (MW) (d)	Actual Demand (MW)	
					Avg. Monthly NCP Demand (e)	Avg. Monthly CP Demand (f)
1	REQUIREMENTS					
2	Alpena	RQ	1		35	35
3	Edison Sault	RQ	1		20	20
4	Unbilled	RQ				
5	INTERRUPTIBLE					
6	Alpena	OS	1		21	
7	Edison Sault	OS	1		0	12
8						0
9	INTERSYSTEM SALES					
10	Campbell 3 (backup)					
11	Michigan Public Power Agency	OS	47,71,72			
12	Wolverine Power Supply Coop	OS	9,48			
13	Third Parties					
14	The Detroit Edison Company	OS	9			
	Subtotal RQ			0	0	0
	Subtotal non-RQ			0	0	0
	Total			0	0	0

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report 12/31/06
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SALES FOR RESALE (Account 447) (Continued)

those services which cannot be placed in the above-defined categories, such as all non-firm service regardless of the length of the contract and service from designated units of less than one year. Describe the nature of the service in a footnote.

AD - for out-of-period adjustment. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting years. Provide an explanation in a footnote for each adjustment.

4. Group requirements **RQ** sales together. Report them starting at line number one. After listing all **RQ** sales, enter "Subtotal - **RQ**" in column (a). The remaining sales may then be listed in any order. Enter "Subtotal-Non-**RQ**" in column (a) after this listing. Enter "Total" in column (a) as the last line of the schedule. Report subtotals and total for columns (g) through (k).

5. In column (c), identify the FERC Rate Schedule or Tariff Number. On separate lines, list all FERC rate schedules or tariffs under which service, as identified in column (b), is provided.

6. For requirements **RQ** sales and any type of service involving demand charges imposed on a monthly (or longer) basis, enter the avg. monthly billing demand in column (d), the avg. monthly non-coincident peak (NCP) demand in column (e), and the avg. monthly coincident peak (CP) demand in column (f).

For all other types of service, enter NA in columns (d), (e) and (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hour (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in columns (e) and (f) must be in megawatts. Footnote any demand not stated on a megawatt basis and explain.

7. Report in column (g) the megawatt hours shown on bills rendered to the purchaser.

8. Report demand charges in column (h), energy charges in column (i), and the total of any other types of charges, including out-of-period adjustments, in column (j).

9. Explain in a footnote all components of the amount shown in column (j). Report in column (k) the total charge shown on bills rendered to the purchaser.

10. The data in columns (g) through (k) must be subtotaled based on the **RQ** / Non-**RQ** grouping (see instruction 4), and then totaled on the last line of the schedule. The "Subtotal-**RQ**" amount in column (g) must be reported as Requirements Sales For Resale on p. 401, line 23. The "Subtotal-Non **RQ**" amount in column (g) must be reported as Non-Requirements Sales for Resale on p. 401, line 24.

10. Footnote entries as required and provide explanations following all required data.

Megawatt hours Sold (g)	REVENUE				Line No.
	Demand Charges (\$) (h)	Energy Charges (\$) (i)	Other Charges (\$) (j)	Total (\$) (h + i + j) (f)	
				0	1
282,770	6,488,650	6,201,562		12,690,212	2
175,200	3,011,600	3,373,114		6,384,714	3
2,287		410,386		410,386	4
				0	5
37,618	534,178	1,888,283		2,422,461	6
				0	7
				0	8
				0	9
				0	10
113,755	1,022,218	3,606,902		4,629,120	11
44,792	402,499	1,419,864		1,822,363	12
				0	13
3,941		258,117		258,117	14
460,257	9,500,250	9,985,062	0	19,485,312	
851,257	1,958,895	44,697,486	462,447	47,118,828	
1,311,514	11,459,145	54,682,548	462,447	66,604,140	

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report December 31, 2006
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SALES FOR RESALE (Account 447)

1. Report all sales for resale (i.e., sales to purchasers other than ultimate consumers) transacted on a settlement basis other than power exchanges during the year. Do not report exchanges of electricity (i. e. transactions involving a balancing of debits and credits for energy, capacity, etc.) and any settlements for imbalanced exchanges on this schedule. Power exchanges must be reported on the Purchased Power schedule (pp. 326-327).

2. Enter the name of the purchaser in column (a). Do not abbreviate or truncate the name or use acronyms. Explain in a footnote any ownership interest or affiliation the respondent has with the purchaser.

3. In column (b), enter a Statistical Classification Code based on the original contractual terms and conditions of the service as follows:

RQ - for requirements service. Requirements service is service which the supplier plans to provide on an ongoing basis (i.e. the supplier includes projected load for this service in its system resource planning). In addition, the reliability of requirements service must be the same as, or second only to, the supplier's service to its own ultimate consumers.

LF - for long-term service. "Long-term" means five years or longer and "firm" means that service cannot be interrupted for economic reasons and is intended

to remain reliable even under adverse conditions (e.g., the supplier must attempt to buy emergency energy from third parties to maintain deliveries of **LF** service). This category should not be used for long-term firm service which meets the definition of **RQ** service. For all transactions identified as **LF**, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or seller can unilaterally get out of the contract.

IF - for intermediate-term firm service. The same as **LF** service except that "intermediate-term" means longer than one year but less than five years.

SF - for short-term firm service. Use this category for commitment for service is one year or less.

LU - for long-term service from a designated generating unit. "Long-term" means five years or longer. The availability and reliability of service, aside from transmission constraints, must match the availability and reliability of the designated unit.

IU - for intermediate-term service from a designated generating unit. The same as **LU** service except that "intermediate-term" means longer than one year but less than five years.

OS - for other service. Use this category only for

Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff No. (c)	Avg. Monthly Billing Dmnd. (MW) (d)	Actual Demand (MW)	
					Avg. Monthly NCP Demand (e)	Avg. Monthly CP Demand (f)
1	AEP Service Corp.	OS	9,23			
2	NIPSCO	OS	9,45			
3	Aquila Merchant Energy	OS	9			
4	FirstEnergy Solutions	OS	2,9,22			
5	PJM		8			
6	Midwest ISO		8			
7						
8	Intersystem Ancillary					
9	Ancillary Services - METCO					
10						
11						
12						
13						
14						

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report 12/31/06
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SALES FOR RESALE (Account 447) (Continued)

those services which cannot be placed in the above-defined categories, such as all non-firm service regardless of the length of the contract and service from designated units of less than one year. Describe the nature of the service in a footnote.

AD - for out-of-period adjustment. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting years. Provide an explanation in a footnote for each adjustment.

4. Group requirements **RQ** sales together. Report them starting at line number one. After listing all **RQ** sales, enter "Subtotal - **RQ**" in column (a). The remaining sales may then be listed in any order. Enter "Subtotal-Non-**RQ**" in column (a) after this listing. Enter "Total" in column (a) as the last line of the schedule. Report subtotals and total for columns (g) through (k).

5. In column (c), identify the FERC Rate Schedule or Tariff Number. On separate lines, list all FERC rate schedules or tariffs under which service, as identified in column (b), is provided.

6. For requirements **RQ** sales and any type of service involving demand charges imposed on a monthly (or longer) basis, enter the avg. monthly billing demand in column (d), the avg. monthly non-coincident peak (NCP) demand in column (e), and the avg. monthly coincident peak (CP) demand in column (f).

For all other types of service, enter NA in columns (d), (e) and (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hour (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in columns (e) and (f) must be in megawatts. Footnote any demand not stated on a megawatt basis and explain.

7. Report in column (g) the megawatt hours shown on bills rendered to the purchaser.

8. Report demand charges in column (h), energy charges in column (i), and the total of any other types of charges, including out-of-period adjustments, in column (j). Explain in a footnote all components of the amount shown in column (j). Report in column (k) the total charge shown on bills rendered to the purchaser.

9. The data in columns (g) through (k) must be subtotaled based on the **RQ** / Non-**RQ** grouping (see instruction 4), and then totaled on the last line of the schedule. The "Subtotal-**RQ**" amount in column (g) must be reported as Requirements Sales For Resale on p. 401, line 23. The "Subtotal-Non **RQ**" amount in column (g) must be reported as Non-Requirements Sales for Resale on p. 401, line 24.

10. Footnote entries as required and provide explanations following all required data.

Megawatt hours Sold (g)	REVENUE				Line No.
	Demand Charges (\$) (h)	Energy Charges (\$) (i)	Other Charges (\$) (j)	Total (\$) (h + i + j) (f)	
337		33,932		33,932	1
492		49,200		49,200	2
5		500		500	3
1,052		105,200		105,200	4
		232		232	5
649,265		37,335,256		37,335,256	6
				0	7
				0	8
			462,447	462,447	9
				0	10
				0	11
				0	12
				0	13
				0	14

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report 12/31/06
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326

Page Number (a)	Item Number (b)	Column Number (c)	Comments (d)
310.1	6	a	MISO energy market transactions were recorded on a net hourly basis in 2006.

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Name of Respondent		This Report Is:	Date of Report	Year of Report
Consumers Energy Company		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) 04/23/07	December 31, 2006
ELECTRIC OPERATION AND MAINTENANCE EXPENSES				
If the amount for previous year is not deprived from previously reported figures, explain in footnotes.				
Line No.	Account (a)	Amt. For Current Year (b)	Amt. For Previous Year (c)	
1	1. POWER PRODUCTION EXPENSES			
2	A. Steam Power Generation			
3	Operation			
4	(500) Operation Supervision and Engineering	17,300,865	16,169,214	
5	(501) Fuel	426,657,133	434,758,492	
6	(502) Steam Expenses	15,190,214	14,086,570	
7	(503) Steam from Other Sources			
8	(Less) (504) Steam Transferred - CR.			
9	(505) Electric Expenses	9,007,639	9,114,451	
10	(506) Miscellaneous Steam Power Expenses	10,693,569	9,341,545	
11	(507) Rents			
12	Allowances	2,693,779	8,207,640	
13	TOTAL Operation (Enter Total of Lines 4 thru 12)	481,543,199	491,677,912	
14	Maintenance			
15	(510) Maintenance Supervision and Engineering	6,696,134	6,314,633	
16	(511) Maintenance of Structures	6,451,803	6,808,673	
17	(512) Maintenance of Boiler Plant	36,707,424	29,233,842	
18	(513) Maintenance of Electric Plant	19,219,808	10,546,778	
19	(514) Maintenance of Miscellaneous Steam Plant	2,262,573	2,525,524	
20	TOTAL Maintenance (Enter Total of Lines 15 thru 19)	71,337,742	55,429,450	
21	TOTAL Power Production Expenses-Steam Power (Total of lines 13 & 20)	552,880,941	547,107,362	
22	B. Nuclear Power Generation			
23	Operation			
24	(517) Operation Supervision and Engineering	11,591,073	10,637,427	
25	(518) Fuel	15,995,644	25,131,764	
26	(519) Coolants and Water	5,407,496	4,907,396	
27	(520) Steam Expenses	10,811,475	10,878,831	
28	(521) Steam from Other Sources			
29	(Less) (522) Steam Transferred - CR			
30	(523) Electric Expenses	5,707,777	5,326,073	
31	(524) Miscellaneous Nuclear Power Expenses	49,209,037	36,850,612	
32	(525) Rents	1,132,720	840,665	
33	TOTAL Operation (Enter Total of lines 24 thru 32)	99,855,222	94,572,768	
34	Maintenance			
35	(528) Maintenance Supervision and Engineering	9,379,089	9,158,893	
36	(529) Maintenance of Structures	734,455	913,639	
37	(530) Maintenance of Reactor Plant Equipment	26,094,418	7,719,016	
38	(531) Maintenance of Electric Plant	8,436,313	3,795,250	
39	(532) Maintenance of Miscellaneous Nuclear Plant	3,837,972	3,170,567	
40	TOTAL Maintenance (Enter Total of Lines 35 thru 39)	48,482,247	24,757,365	
41	TOTAL Power Production Expenses-Nuclear Power (Total of lines 33 & 40)	148,337,469	119,330,133	
42	C. Hydraulic Power Generation			
43	Operation			
44	(535) Operation Supervision and Engineering	902,201	726,517	
45	(536) Water for Power	754,400	1,093,952	
46	(537) Hydraulic Expenses	2,712,912	2,573,488	
47	(538) Electric Expenses	1,679,680	1,585,829	
48	(539) Miscellaneous Hydraulic Power Generation Expenses	1,195,793	1,035,224	
49	(540) Rents	2,142	2,142	
50	TOTAL Operation (Enter Total of Lines 44 thru 49)	7,247,128	7,017,152	

Name of Respondent		This Report Is:	Date of Report	Year of Report
Consumers Energy Company		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) 4/23/2007	December 31, 2006
ELECTRIC OPERATION AND MAINTENANCE EXPENSES (cont'd)				
If the amount for previous year is not deprived from previously reported figures, explain in footnotes.				
Line No.	Account (a)	Amt. For Current Year (b)	Amt. For Previous Year (c)	
51	C. Hydraulic Power Generation (Continued)			
52	Maintenance			
53	(541) Maintenance Supervision and Engineering	415,149	381,146	
54	(542) Maintenance of Structures	497,134	403,331	
55	(543) Maintenance of Reservoirs, Dams, and Waterways	1,112,291	1,312,988	
56	(544) Maintenance of Electric Plant	2,563,004	1,944,462	
57	(545) Maintenance of Miscellaneous Hydraulic Plant	1,120,864	1,067,342	
58	TOTAL Maintenance (Total of Lines 53 thru 57)	5,708,442	5,109,269	
59	TOTAL Pwr. Production Expenses-Hydraulic Pwr. (Total of lines 50 & 58)	12,955,570	12,126,421	
60	D. Other Power Generation			
61	Operation			
62	(546) Operation Supervision and Engineering	157,034	156,974	
63	(547) Fuel	3,467,339	8,572,397	
64	(548) Generation Expenses	237,602	225,642	
65	(549) Miscellaneous Other Power Generation Expenses	56,292	57,834	
66	(550) Rents			
67	TOTAL Operation (Total of Lines 62 thru 66)	3,918,267	9,012,847	
68	Maintenance			
69	(551) Maintenance Supervision and Engineering	167,165	149,029	
70	(552) Maintenance of Structures	18,773	5,766	
71	(553) Maintenance of Generating and Electric Plant	1,658,451	779,652	
72	(554) Maintenance of Miscellaneous Other Power Generation Plant			
73	TOTAL Maintenance (Total of Lines 69 thru 72)	1,844,389	934,447	
74	TOTAL Pwr. Production Expenses-Other Power (Total of Lines 67 & 73)	5,762,656	9,947,294	
75	E. Other Power Supply Expenses			
76	(555) Purchased Power	996,174,630	753,507,480	
77	(556) System Control and Load Dispatching	11,023,800	9,958,114	
78	(557) Other Expenses			
79	Total Other Power Supply Expenses (Total of Lines 76 thru 78)	1,007,198,430	763,465,594	
80	Total Pwr. Production Expenses (Total of lines 21, 41, 59, 74 & 79)	1,727,135,066	1,451,976,804	
81	2. TRANSMISSION EXPENSES			
82	Operation			
83	(560) Operation Supervision and Engineering			
84	(561) Load Dispatching			
85	(562) Station Expenses			
86	(563) Overhead Lines Expenses			
87	(564) Underground Lines Expenses			
88	(565) Transmission of Electricity by Others	138,434,368	60,830,098	
89	(566) Miscellaneous Transmission Expenses			
90	(567) Rents			
91	TOTAL Operation (Total of Lines 83 thru 90)	138,434,368	60,830,098	
92	Maintenance			
93	(568) Maintenance Supervision and Engineering			
94	(569) Maintenance of Structures			
95	(570) Maintenance of Station Equipment			
96	(571) Maintenance of Overhead Lines			
97	(572) Maintenance of Underground Lines			
98	(573) Maintenance of Miscellaneous Transmission Plant			
99	TOTAL Maintenance (Total of Lines 93 thru 98)	0	0	
100	TOTAL Transmission Expenses (Total of Lines 91 & 99)	138,434,368	60,830,098	
101	3. DISTRIBUTION EXPENSES			
102	Operation			
103	(580) Operation Supervision and Engineering	17,633,554	18,252,992	

Name of Respondent Consumers Energy Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 4/23/2007	Year of Report December 31, 2006
ELECTRIC OPERATION AND MAINTENANCE EXPENSES (cont'd)				
If the amount for previous year is not deprived from previously reported figures, explain in footnotes.				
Line No.	Account (a)	Amt. For Current Year (b)	Amt. For Previous Year (c)	
104	3. DISTRIBUTION EXPENSES (Continued)			
105	(581) Load Dispatching			
106	(582) Station Expenses	4,380,750	3,969,218	
107	(583) Overhead Line Expenses	18,031,027	11,865,485	
108	(584) Underground Line Expenses	4,494,026	3,542,426	
109	(585) Street Lighting and Signal System Expenses	1,887,264	1,091,223	
110	(586) Meter Expenses	4,270,650	4,726,294	
111	(587) Customer Installations Expenses	6,837,399	8,789,466	
112	(588) Miscellaneous Expenses	19,160,905	17,634,973	
113	(589) Rents	2,184,778	2,208,311	
114	TOTAL Operation (Total of Lines 103 thru 113)	78,880,353	72,080,388	
115	Maintenance			
116	(590) Maintenance Supervision and Engineering	8,589,228	6,153,710	
117	(591) Maintenance of Structures	931,392	921,089	
118	(592) Maintenance of Station Equipment	5,944,963	5,239,282	
119	(593) Maintenance of Overhead Lines	74,097,500	44,238,911	
120	(594) Maintenance of Underground Lines	3,784,387	3,270,596	
121	(595) Maintenance of Line Transformers	638,342	511,418	
122	(596) Maintenance of Street Lighting and Signal Systems	705,938	570,877	
123	(597) Maintenance of Meters	1,072,918	1,024,980	
124	(598) Maintenance of Miscellaneous Distribution Plant	6,404	3,096	
125	TOTAL Maintenance (Total of Lines 116 thru 124)	95,771,072	61,933,959	
126	TOTAL Distribution Expenses (Total of Lines 114 & 125)	174,651,425	134,014,347	
127	4. CUSTOMER ACCOUNTS EXPENSES			
128	Operation			
129	(901) Supervision	4,280,619	5,926,616	
130	(902) Meter Reading Expenses	9,906,255	9,645,889	
131	(903) Customer Records and Collection Expenses	31,043,629	27,631,861	
132	(904) Uncollectible Accounts	10,817,359	8,751,266	
133	(905) Miscellaneous Customer Accounts Expenses	654,169	653,028	
134	TOTAL Customer Accounts Expenses (Total of Lines 129 thru 133)	56,702,031	52,608,660	
135	5. CUSTOMER SERVICE AND INFORMATIONAL EXPENSES			
136	Operation			
137	(907) Supervision	348,079	303,419	
138	(908) Customer Assistance Expenses	30,752,409	4,679,348	
139	(909) Informational and Instructional Expenses	926,003	482,311	
140	(910) Miscellaneous Customer Service and Informational Expenses			
141	TOTAL Cust. Service and Informational Exp. (Total of Lines 137 thru 140)	32,026,491	5,465,078	
142	6. SALES EXPENSE			
143	Operation			
144	(911) Supervision	109,208	1,181,162	
145	(912) Demonstrating and Selling Expenses	642,729	271,395	
146	(913) Advertising Expenses			
147	(916) Miscellaneous Sales Expenses			
148	Total Sales Expenses (Total of Lines 144 thru 147)	751,937	1,452,557	
149	7. ADMINISTRATIVE AND GENERAL EXPENSES			
150	Operation			
151	(920) Administrative and General Salaries	30,641,372	26,227,927	
152	(921) Office Supplies and Expenses	12,371,905	9,376,798	
153	(Less) (922) Administrative Expenses Transferred - CR	5,782,800	2,657,811	

Name of Respondent Consumers Energy Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 4/23/2007	Year of Report December 31, 2006
ELECTRIC OPERATION AND MAINTENANCE EXPENSES (cont'd)				
If the amount for previous year is not deprived from previously reported figures, explain in footnotes.				
Line No.	Account (a)	Amt. For Current Year (b)	Amt. For Previous Year (c)	
154	7. ADMINISTRATIVE AND GENERAL EXPENSES (Continued)			
155	(923) Outside Services Employed	6,178,034	4,388,918	
156	(924) Property Insurance	5,319,585	8,548,871	
157	(925) Injuries and Damages	12,957,030	13,678,074	
158	(926) Employee Pensions and Benefits	95,761,541	93,023,076	
159	(927) Franchise Requirements			
160	(928) Regulatory Commission Expenses	693,400	378,635	
161	(929) Duplicate Charges - CR.			
162	(930.1) General Advertising Expenses	1,509,669	1,556,975	
163	(930.2) Miscellaneous General Expenses	3,786,452	3,714,070	
164	(931) Rents	865,694	589,531	
165	TOTAL Operation (<i>Total of Lines 151 thru 164</i>)	164,301,882	158,825,064	
166	Maintenance			
167	(935) Maintenance of General Plant	3,600,659	4,082,922	
168	TOTAL Administrative and General Expenses (<i>Total of Lines 165 & 167</i>)	167,902,541	162,907,986	
169	TOTAL Electric Operation and Maintenance Expenses (<i>Enter total of lines 80, 100, 126, 134, 141, 148, and 168</i>)	2,297,603,859	1,869,255,530	

NUMBER OF ELECTRIC DEPARTMENT EMPLOYEES		
<p>1. The data on number of employees should be reported for the payroll period ending nearest to October 31, or any payroll period ending 60 days before or after October 31.</p> <p>2. If the respondent's payroll for the reporting period includes any special construction personnel, include such employees on line 3, and show the number of such special construction employees in a footnote.</p>		<p>3. The number of employees assignable to the electric department from joint functions of combination utilities may be determined by estimate, on the basis of employee equivalents. Show the estimated number of equivalent employees attributed to the electric department from joint functions.</p>
1. Payroll Period Ended (Date)		12/31/2006
2. Total Regular Full-Time Employees		5271
3. Total Part-Time and Temporary Employees		27
4. Total Employees		5298

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 4/23/2007	Year of Report December 31, 2006
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**PURCHASED POWER (Account 555)
(Including power exchanges)**

1. Report all power purchases made during the year. Also report exchanges of electricity (i.e., transactions involving a balancing of debits and credits for energy, capacity, etc.) and any settlements for imbalanced exchanges.
2. Enter the name of the seller or other party in an exchange transaction in column (a). Do not abbreviate or truncate the name or use acronyms. Explain in a footnote any ownership interest or affiliation the respondent has with the seller.
3. In column (b), enter a Statistical Classification Code based on the original contractual terms and conditions of the service as follows:

RQ - for requirements service. Requirements service is service which the supplier plans to provide on an ongoing basis (i.e. the supplier includes projected load for this service in its system resource planning). In addition, the reliability of requirements service must be the same as, or second only to, the supplier's service to its own ultimate consumers.

LF - for long-term service. "Long-term" means five years or longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions (e.g., the supplier must attempt to buy emergency energy from third parties to maintain deliveries of **LF** service). This category should not be used for long-term firm service, which meets the definition of **RQ** service. For all transactions identified as **LF**, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or seller can unilaterally get out of the contract.

IF - for intermediate-term firm service. The same as **LF** service except that "intermediate-term" means longer than one year but less than five years.

SF - for short-term firm service. Use this category for all firm services where the duration of each period of commitment for service is one year or less.

LU - for long-term service from a designated generating unit. "Long-term" means five years or longer. The availability and reliability of service, aside from transmission constraints, must match the availability and reliability of the designated unit.

IU - for intermediate-term service from a designated generating unit. The same as **LU** service except that "intermediate-term" means longer than one year but less than five years.

EX - For exchanges of electricity. Use this category for transactions involving a balancing of debits and credits for energy, capacity, etc. and any settlements for imbalanced exchanges.

Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff No. (c)	Avg. Monthly Billing Demand (d)	Actual Demand (MW)	
					Avg. Monthly NCP Demand (e)	Avg. Monthly CP Demand (f)
1	BAY WINDPOWER	LU				
2	BLACK RIVER	LU				
3	CITY OF BEAVERTON	LU				
4	COMMONWEALTH HUBBARDSTON	LU				
5	COMMONWEALTH IRVING	LU				
6	COMMONWEALTH LABARGE	LU				
7	COMMONWEALTH MIDDLEVILLE	LU				
8	GRAND VALLEY STATE UNIVERSITY	LU				
9	GRANGER - SEYMOUR	LU				
10	GRANGER - SEYMOUR (ENERGY ONLY)	OS				
11	GREAT LAKES TISSUE	LU				
12	GRENFELL HYDRO	LU				
13	MICHIANA HYDRO	LU				
14	MICHIGAN STATE UNIVERSITY	LU				
	Total					

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 4/23/2007	Year of Report December 31, 2006
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PURCHASED POWER (Account 555) (Continued)
(Including power exchanges)

OS - for other service. Use this category only for those services which cannot be placed in the above-defined categories, such as all non-firm service regardless of the length of the contract and service from designated units of less than one year. Describe the nature of the service in a footnote.

AD - for out-of-period adjustment. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting years. Provide an explanation in a footnote for each adjustment.

4. In column (c), identify the FERC Rate Schedule or Number or Tariff, or for non-FERC jurisdictional sellers, include an appropriate designation for the contract. On separate lines, list all FERC rate schedules, tariffs or contract designations under which service, as identified in column (b), is provided.

5. For requirements **RQ** sales and any type of service involving demand charges imposed on a monthly (or longer) basis, enter the monthly average billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly coincident peak (CP) demand in column (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hourly (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in column (e) and (f) must be in megawatts. Footnote any demand not stated on a megawatt basis and explain.

6. Report in column (g) the megawatt hours shown on bills rendered to the respondent. Report in column (h) and (i) the megawatt hours of power exchanges received and delivered, used as the basis for settlement. Do not report net change.

7. Report demand charges in column (j), energy charges in column (k), and the total of any other types of charges, including out-of-period adjustments, in column (l). Explain in a footnote all components of the amount shown in column (l). Report in column (m) the total charge shown on bills received as settlement by the respondent. For power exchanges, report in column (m) the settlement amount for the net receipt of energy. If more energy was delivered than received, enter a negative amount. If the settlement amount (l) includes credits or charges other than incremental generation expenses, or (2) excludes certain credits or charges covered by the agreement, provide an explanatory footnote.

8. The data in column (g) through (m) must be totaled on the last line of the schedule. The total amount in column (g) must be reported as Purchases on page 401, line 10. The total amount in column (h) must be reported as Exchange Received on page 401, line 12. The total amount in column (i) must be reported as Exchange Delivered on page 401, line 13.

9. Footnote entries as required and provide explanations following all required data.

Megawatt hours Purchased (g)	POWER EXCHANGES		COST/SETTLEMENT OF POWER				Line No.
	Megawatt hours Received (h)	Megawatt hours Delivered (i)	Demand Charges (\$) (j)	Energy Charges (\$) (k)	Other Charges (\$) (l)	Total (j + k + l) or Settlement (\$) (m)	
	2,269			-	77,778	56,698	
3,062			66,465	82,898		149,363	2
3,193			98,384	95,827		194,211	3
128			4,934	3,470		8,404	4
1,920			58,590	54,172		112,762	5
4,044			155,755	105,344		261,099	6
1,251			45,976	33,419		79,395	7
25			-	1,118		1,118	8
5,652			244,146	154,190		398,336	9
2,402			-	91,252		91,252	10
12			-	492		492	11
2,309			85,111	60,632		145,743	12
209			10,506	5,435		15,941	13
1,142			(200)	42,150		41,950	14

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 4/23/2007	Year of Report December 31, 2006			
PURCHASED POWER (Account 555) (Including power exchanges)						
<p>1. Report all power purchases made during the year. Also report exchanges of electricity (i.e., transactions involving a balancing of debits and credits for energy, capacity, etc.) and any settlements for imbalanced exchanges.</p> <p>2. Enter the name of the seller or other party in an exchange transaction in column (a). Do not abbreviate or truncate the name or use acronyms. Explain in a footnote any ownership interest or affiliation the respondent has with the seller.</p> <p>3. In column (b), enter a Statistical Classification Code based on the original contractual terms and conditions of the service as follows:</p> <p>RQ - for requirements service. Requirements service is service which the supplier plans to provide on an ongoing basis (i.e. the supplier includes projected load for this service in its system resource planning). In addition, the reliability of requirements service must be the same as, or second only to, the supplier's service to its own ultimate consumers.</p> <p>LF - for long-term service. "Long-term" means five years or longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions (e.g., the supplier must attempt to buy emergency energy from third parties to maintain deliveries of LF service). This category should not be used for long-term firm service, which meets the definition of RQ service. For all transactions identified as LF, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or seller can unilaterally get out of the contract.</p> <p>IF - for intermediate-term firm service. The same as LF service except that "intermediate-term" means longer than one year but less than five years.</p> <p>SF - for short-term firm service. Use this category for all firm services where the duration of each period of commitment for service is one year or less.</p> <p>LU - for long-term service from a designated generating unit. "Long-term" means five years or longer. The availability and reliability of service, aside from transmission constraints, must match the availability and reliability of the designated unit.</p> <p>IU - for intermediate-term service from a designated generating unit. The same as LU service except that "intermediate-term" means longer than one year but less than five years.</p> <p>EX - For exchanges of electricity. Use this category for transactions involving a balancing of debits and credits for energy, capacity, etc. and any settlements for imbalanced exchanges.</p>						
Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff No. (c)	Avg. Monthly Billing Demand (d)	Actual Demand (MW)	
					Avg. Monthly NCP Demand (e)	Avg. Monthly CP Demand (f)
1	NORTH AMERICAN (PEOPLES 4TH)	OS				
2	NORTH AMERICAN (VENICE)	OS				
3	NORTH AMERICAN (WHITE LAKE)	OS				
4	PETER JOHN MOEHS	LU				
5	S D WARREN	LU				
6	STS CASCADES	LU				
7	STS FALLASBURG	LU				
8	STS MORROW	LU				
9	THORNAPPLE	LU				
10	SCENIC VIEW DAIRY	LU				
11	WHITE'S BRIDGE	LU				
12	ZEELAND FARM SERVICES	LU				
13	ADA GENERATION	LU				
14	ADRIAN ENERGY	LU				

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 4/23/2007	Year of Report December 31, 2006
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PURCHASED POWER (Account 555) (Continued)
(Including power exchanges)

OS - for other service. Use this category only for those services which cannot be placed in the above-defined categories, such as all non-firm service regardless of the length of the contract and service from designated units of less than one year. Describe the nature of the service in a footnote.

AD - for out-of-period adjustment. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting years. Provide an explanation in a footnote for each adjustment.

4. In column (c), identify the FERC Rate Schedule or Number or Tariff, or for non-FERC jurisdictional sellers, include an appropriate designation for the contract. On separate lines, list all FERC rate schedules, tariffs or contract designations under which service, as identified in column (b), is provided.

5. For requirements **RQ** sales and any type of service involving demand charges imposed on a monthly (or longer) basis, enter the monthly average billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly coincident peak (CP) demand in column (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hourly (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in column (e) and (f) must be in megawatts. Footnote any demand not stated on a megawatt basis and explain.

6. Report in column (g) the megawatt hours shown on bills rendered to the respondent. Report in column (h) and (i) the megawatt hours of power exchanges received and delivered, used as the basis for settlement. Do not report net change.

7. Report demand charges in column (j), energy charges in column (k), and the total of any other types of charges, including out-of-period adjustments, in column (l). Explain in a footnote all components of the amount shown in column (l). Report in column (m) the total charge shown on bills received as settlement by the respondent. For power exchanges, report in column (m) the settlement amount for the net receipt of energy. If more energy was delivered than received, enter a negative amount. If the settlement amount (l) includes credits or charges other than incremental generation expenses, or (2) excludes certain credits or charges covered by the agreement, provide an explanatory footnote.

8. The data in column (g) through (m) must be totaled on the last line of the schedule. The total amount in column (g) must be reported as Purchases on page 401, line 10. The total amount in column (h) must be reported as Exchange Received on page 401, line 12. The total amount in column (i) must be reported as Exchange Delivered on page 401, line 13.

9. Footnote entries as required and provide explanations following all required data.

Megawatt hours Purchased (g)	POWER EXCHANGES		COST/SETTLEMENT OF POWER				Line No.
	Megawatt hours Received (h)	Megawatt hours Delivered (i)	Demand Charges (\$) (j)	Energy Charges (\$) (k)	Charges (\$) (l)	Other or Settlement (\$) (m)	
	6,613			-	211,694	160,171	
4,657			-	163,136	125,268	288,404	2
4,004			-	141,418	106,398	247,816	3
2			-	126		126	4
1,302			-	53,675		53,675	5
7,425			289,032	223,573		512,605	6
5,515			157,713	168,249		325,962	7
4,325			157,115	129,859		286,974	8
6,324			194,171	189,922		384,093	9
80			-	2,662		2,662	10
3,433			118,370	89,908		208,278	11
9,450			-	335,981	264,634	600,615	12
227,883			15,153,864	6,111,609		21,265,473	13
18,525			804,892	495,523		1,300,415	14

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 4/23/2007	Year of Report December 31, 2006
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PURCHASED POWER (Account 555)
(Including power exchanges)

1. Report all power purchases made during the year. Also report exchanges of electricity (i.e., transactions involving a balancing of debits and credits for energy, capacity, etc.) and any settlements for imbalanced exchanges.
2. Enter the name of the seller or other party in an exchange transaction in column (a). Do not abbreviate or truncate the name or use acronyms. Explain in a footnote any ownership interest or affiliation the respondent has with the seller.
3. In column (b), enter a Statistical Classification Code based on the original contractual terms and conditions of the service as follows:

RQ - for requirements service. Requirements service is service which the supplier plans to provide on an ongoing basis (i.e. the supplier includes projected load for this service in its system resource planning). In addition, the reliability of requirements service must be the same as, or second only to, the supplier's service to its own ultimate consumers.

LF - for long-term service. "Long-term" means five years or longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions (e.g., the supplier must attempt to buy emergency energy from third parties to maintain deliveries of **LF** service). This category should not be used for long-term firm service, which meets the definition of **RQ** service. For all transactions identified as **LF**, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or seller can unilaterally get out of the contract.

IF - for intermediate-term firm service. The same as **LF** service except that "intermediate-term" means longer than one year but less than five years.

SF - for short-term firm service. Use this category for all firm services where the duration of each period of commitment for service is one year or less.

LU - for long-term service from a designated generating unit. "Long-term" means five years or longer. The availability and reliability of service, aside from transmission constraints, must match the availability and reliability of the designated unit.

IU - for intermediate-term service from a designated generating unit. The same as **LU** service except that "intermediate-term" means longer than one year but less than five years.

EX - For exchanges of electricity. Use this category for transactions involving a balancing of debits and credits for energy, capacity, etc. and any settlements for imbalanced exchanges.

Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff No. (c)	Avg. Monthly Billing Demand (d)	Actual Demand (MW)	
					Avg. Monthly NCP Demand (e)	Avg. Monthly CP Demand (f)
1	BIO ENERGY ENERGY PARTNERS	LU				
2	CADILLAC RENEWABLE	LU				
3	FILER CITY	LU				
4	GAS RECOVERY SYSTEMS	LU				
5	GENESEE POWER STATION	LU				
6	GRANGER - GRAND BLANC	LU				
7	GRANGER - LANDFILL #1	LU				
8	GRANGER LANDFILL #2	LU				
9	GRANGER - OTTAWA	LU				
10	GRAYLING	LU				
11	HILLMAN LIMITED	LU				
12	KENT COMPANY	LU				
13	MICHIGAN POWER LIMITED	LU				
14	NORTH AMERICAN RESOURCES	LU				

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 4/23/2007	Year of Report December 31, 2006
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PURCHASED POWER (Account 555) (Continued)
(Including power exchanges)

OS - for other service. Use this category only for those services which cannot be placed in the above-defined categories, such as all non-firm service regardless of the length of the contract and service from designated units of less than one year. Describe the nature of the service in a footnote.

AD - for out-of-period adjustment. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting years. Provide an explanation in a footnote for each adjustment.

4. In column (c), identify the FERC Rate Schedule or Number or Tariff, or for non-FERC jurisdictional sellers, include an appropriate designation for the contract. On separate lines, list all FERC rate schedules, tariffs or contract designations under which service, as identified in column (b), is provided.

5. For requirements **RQ** sales and any type of service involving demand charges imposed on a monthly (or longer) basis, enter the monthly average billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly coincident peak (CP) demand in column (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hourly (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in column (e) and (f) must be in megawatts. Footnote any demand not stated on a megawatt basis and explain.

6. Report in column (g) the megawatt hours shown on bills rendered to the respondent. Report in column (h) and (i) the megawatt hours of power exchanges received and delivered, used as the basis for settlement. Do not report net change.

7. Report demand charges in column (j), energy charges in column (k), and the total of any other types of charges, including out-of-period adjustments, in column (l). Explain in a footnote all components of the amount shown in column (l). Report in column (m) the total charge shown on bills received as settlement by the respondent. For power exchanges, report in column (m) the settlement amount for the net receipt of energy. If more energy was delivered than received, enter a negative amount. If the settlement amount (l) includes credits or charges other than incremental generation expenses, or (2) excludes certain credits or charges covered by the agreement, provide an explanatory footnote.

8. The data in column (g) through (m) must be totaled on the last line of the schedule. The total amount in column (g) must be reported as Purchases on page 401, line 10. The total amount in column (h) must be reported as Exchange Received on page 401, line 12. The total amount in column (i) must be reported as Exchange Delivered on page 401, line 13.

9. Footnote entries as required and provide explanations following all required data.

Megawatt hours Purchased (g)	POWER EXCHANGES		COST/SETTLEMENT OF POWER				Line No.
	Megawatt hours Received (h)	Megawatt hours Delivered (i)	Demand Charges (\$) (j)	Energy Charges (\$) (k)	Other Charges (\$) (l)	Total (j + k + l) or Settlement (\$) (m)	
	13,298			546,161	324,174		
223,469			11,001,720	6,104,138		17,105,858	2
503,963			22,506,025	13,345,962		35,851,987	3
17,564			696,580	519,636		1,216,216	4
243,777			13,062,739	6,703,250		19,765,989	5
33,534			1,417,382	886,114		2,303,496	6
27,453			1,128,402	742,961		1,871,363	7
30,577			1,223,483	853,156		2,076,639	8
39,502			1,690,663	1,061,181		2,751,844	9
242,522			12,003,160	6,722,748		18,725,908	10
108,094			3,814,888	2,888,729		6,703,617	11
95,464			4,669,488	2,552,477		7,221,965	12
1,039,711			39,227,363	27,762,403		66,989,766	13
24,801			1,097,543	672,618		1,770,161	14

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 4/23/2007	Year of Report December 31, 2006
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PURCHASED POWER (Account 555)
(Including power exchanges)

1. Report all power purchases made during the year. Also report exchanges of electricity (i.e., transactions involving a balancing of debits and credits for energy, capacity, etc.) and any settlements for imbalanced exchanges.
2. Enter the name of the seller or other party in an exchange transaction in column (a). Do not abbreviate or truncate the name or use acronyms. Explain in a footnote any ownership interest or affiliation the respondent has with the seller.
3. In column (b), enter a Statistical Classification Code based on the original contractual terms and conditions of the service as follows:

RQ - for requirements service. Requirements service is service which the supplier plans to provide on an ongoing basis (i.e. the supplier includes projected load for this service in its system resource planning). In addition, the reliability of requirements service must be the same as, or second only to, the supplier's service to its own ultimate consumers.

LF - for long-term service. "Long-term" means five years or longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions (e.g., the supplier must attempt to buy emergency energy from third parties to maintain deliveries of **LF** service). This category should not be used for long-term firm service, which meets the definition of **RQ** service. For all transactions identified as **LF**, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or seller can unilaterally get out of the contract.

IF - for intermediate-term firm service. The same as **LF** service except that "intermediate-term" means longer than one year but less than five years.

SF - for short-term firm service. Use this category for all firm services where the duration of each period of commitment for service is one year or less.

LU - for long-term service from a designated generating unit. "Long-term" means five years or longer. The availability and reliability of service, aside from transmission constraints, must match the availability and reliability of the designated unit.

IU - for intermediate-term service from a designated generating unit. The same as **LU** service except that "intermediate-term" means longer than one year but less than five years.

EX - For exchanges of electricity. Use this category for transactions involving a balancing of debits and credits for energy, capacity, etc. and any settlements for imbalanced exchanges.

Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff No. (c)	Avg. Monthly Billing Demand (d)	Actual Demand (MW)	
					Avg. Monthly NCP Demand (e)	Avg. Monthly CP Demand (f)
1	VIKING - LINCOLN	LU				
2	VIKING - McBAIN	LU				
3	WOLERINE POWER COMPANY	OS				
4	MIDLAND COGENERATION	LU				
5						
6	PP OPTION 3RD PARTIES					
7	PJM Interconnection, LLC	OS				
8	Detroit Edison Merchant					
9	DTE Energy Trading	OS				
10	Constellation Power Source	OS				
11	Williams Energy Marketing	OS				
12	Engage Energy America, LLC	OS				
13	Dynegy Power Marketing, Inc.	OS				
14	First Energy Solutions	OS				

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PURCHASED POWER (Account 555) (Continued)
(Including power exchanges)

OS - for other service. Use this category only for those services which cannot be placed in the above-defined categories, such as all non-firm service regardless of the length of the contract and service from designated units of less than one year. Describe the nature of the service in a footnote.

AD - for out-of-period adjustment. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting years. Provide an explanation in a footnote for each adjustment.

4. In column (c), identify the FERC Rate Schedule or Number or Tariff, or for non-FERC jurisdictional sellers, include an appropriate designation for the contract. On separate lines, list all FERC rate schedules, tariffs or contract designations under which service, as identified in column (b), is provided.

5. For requirements **RQ** sales and any type of service involving demand charges imposed on a monthly (or longer) basis, enter the monthly average billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly coincident peak (CP) demand in column (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hourly (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in column (e) and (f) must be in megawatts. Footnote any demand not stated on a megawatt basis and explain.

6. Report in column (g) the megawatt hours shown on bills rendered to the respondent. Report in column (h) and (i) the megawatt hours of power exchanges received and delivered, used as the basis for settlement. Do not report net change.

7. Report demand charges in column (j), energy charges in column (k), and the total of any other types of charges, including out-of-period adjustments, in column (l). Explain in a footnote all components of the amount shown in column (l). Report in column (m) the total charge shown on bills received as settlement by the respondent. For power exchanges, report in column (m) the settlement amount for the net receipt of energy. If more energy was delivered than received, enter a negative amount. If the settlement amount (l) includes credits or charges other than incremental generation expenses, or (2) excludes certain credits or charges covered by the agreement, provide an explanatory footnote.

8. The data in column (g) through (m) must be totaled on the last line of the schedule. The total amount in column (g) must be reported as Purchases on page 401, line 10. The total amount in column (h) must be reported as Exchange Received on page 401, line 12. The total amount in column (i) must be reported as Exchange Delivered on page 401, line 13.

9. Footnote entries as required and provide explanations following all required data.

Megawatt hours Purchased (g)	POWER EXCHANGES		COST/SETTLEMENT OF POWER				Line No.
	Megawatt hours Received (h)	Megawatt hours Delivered (i)	Demand Charges (\$) (j)	Energy Charges (\$) (k)	Other Charges (\$) (l)	Total (j + k + l) or Settlement (\$) (m)	
	145,115			5,717,711	3,884,481		
143,738			5,653,324	3,843,520		9,496,844	2
43,268			371,675	1,173,419		1,545,094	3
5,291,013			315,134,652	191,439,220	(95,775,215)	410,798,657	4
						0	5
			16,682,975			16,682,975	6
			70			70	7
287			28,700			28,700	8
105,067			7,072,551			7,072,551	9
101,650			7,592,069			7,592,069	10
14,280			1,108,967			1,108,967	11
53,001			3,180,060			3,180,060	12
92,160			7,498,938			7,498,938	13
13			1,300			1,300	14

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 4/23/2007	Year of Report December 31, 2006
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**PURCHASED POWER (Account 555)
(Including power exchanges)**

1. Report all power purchases made during the year. Also report exchanges of electricity (i.e., transactions involving a balancing of debits and credits for energy, capacity, etc.) and any settlements for imbalanced exchanges.
2. Enter the name of the seller or other party in an exchange transaction in column (a). Do not abbreviate or truncate the name or use acronyms. Explain in a footnote any ownership interest or affiliation the respondent has with the seller.
3. In column (b), enter a Statistical Classification Code based on the original contractual terms and conditions of the service as follows:

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Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff No. (c)	Avg. Monthly Billing Demand (d)	Actual Demand (MW)	
					Avg. Monthly NCP Demand (e)	Avg. Monthly CP Demand (f)
1	NIPSCO Energy Management	OS				
2	CMS Marketing Service and Trading	OS				
3	Mirant Energy Trading, LLC	OS				
4	MISO					
5	Insurance Reimbursement of replacement power cost	OS				
6						
7						
8						
9						
10						
11						
12						
13						
14						

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PURCHASED POWER (Account 555) (Continued)
(Including power exchanges)

OS - for other service. Use this category only for those services which cannot be placed in the above-defined categories, such as all non-firm service regardless of the length of the contract and service from designated units of less than one year. Describe the nature of the service in a footnote.

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4. In column (c), identify the FERC Rate Schedule or Number or Tariff, or for non-FERC jurisdictional sellers, include an appropriate designation for the contract. On separate lines, list all FERC rate schedules, tariffs or contract designations under which service, as identified in column (b), is provided.

5. For requirements **RQ** sales and any type of service involving demand charges imposed on a monthly (or longer) basis, enter the monthly average billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly coincident peak (CP) demand in column (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hourly (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in column (e) and (f) must be in megawatts. Footnote any demand not stated on a megawatt basis and explain.

6. Report in column (g) the megawatt hours shown on bills rendered to the respondent. Report in column (h) and (i) the megawatt hours of power exchanges received and delivered, used as the basis for settlement. Do not report net change.

7. Report demand charges in column (j), energy charges in column (k), and the total of any other types of charges, including out-of-period adjustments, in column (l). Explain in a footnote all components of the amount shown in column (l). Report in column (m) the total charge shown on bills received as settlement by the respondent. For power exchanges, report in column (m) the settlement amount for the net receipt of energy. If more energy was delivered than received, enter a negative amount. If the settlement amount (l) includes credits or charges other than incremental generation expenses, or (2) excludes certain credits or charges covered by the agreement, provide an explanatory footnote.

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9. Footnote entries as required and provide explanations following all required data.

Megawatt hours Purchased (g)	POWER EXCHANGES		COST/SETTLEMENT OF POWER				Line No.
	Megawatt hours Received (h)	Megawatt hours Delivered (i)	Demand Charges (\$) (j)	Energy Charges (\$) (k)	Other Charges (\$) (l)	Total (j + k + l) or Settlement (\$) (m)	
	3			300			
1,200			7,200			7,200	2
6,480			6,480			6,480	3
7,684,638			309,620,879			309,620,879	4
					(777,294)	(777,294)	5
						0	6
						0	7
						0	8
						0	9
						0	10
						0	11
						0	12
						0	13
16,652,798			811,408,272	280,605,699	(95,839,340)	996,174,631	14

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report 12/31/06
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FOOTNOTE DATA

Page Number (a)	Item Number (b)	Column Number (c)	Comments (d)
326	1	l	Bay Windpower Renewable Energy
326	10	a	Granger- Seymour is under the Green Power (energy only) Contract.
326.1	1,2,3,10&12	a	North American-Peoples, N. American-Venice, N. American-White Lake, Scenic View Dairy & Zeeland Farm Services are under the Green Power Contract.
327.1	1,2,3,10&12	l	Reflects Renewable Energy under the Green Power Contract.
326.2	3,5 & 10	a	An affiliated company has an ownership interest in this company.
326.3	4	a	An affiliated company has an ownership interest in this company.
326.3	6	a	Capacity options were purchased for the year from several providers.
326.4	1	a	An affiliated company has an ownership interest in this company.
326.4	4	a	MISO energy market transactions were recorded on a net hourly basis during 2006.
326.3	4	l	Reflects Hold Harmless (\$75,155,173) and PSCR Offset (\$20,620,043) credits related to Resource Conservation Plan.

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SALES TO RAILROADS AND RAILWAYS AND INTERDEPARTMENTAL SALES (Accounts 446, 448)

- | | |
|---|---|
| <p>1. Report particulars concerning sales included in Accounts 446 and 448.</p> <p>2. For Sales to Railroads and Railways, Account 446, give name of railroad or railway in addition to other required information. If contract covers several points of delivery and small amounts of electricity are delivered at</p> | <p>each point, such sales may be grouped.</p> <p>3. For Interdepartmental Sales, Account 448, give name of other department and basis of charge to other department in addition to other required information.</p> <p>4. Designate associated companies.</p> <p>5. Provide subheading and total for each account.</p> |
|---|---|

Line No.	Item (a)	Point of Delivery (b)	Kilowatt-hours (c)	Revenue (d)	Revenue per kwh (in cents) (e)
1	ACCOUNT 446				
2	None				
3					
4	ACCOUNT 448				
5	Interdepartmental Sales				
6	Gas Department				
7	Combination and Other	Various	47,089,944	3,539,735	7.5
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					

RENT FROM ELECTRICITY PROPERTY AND INTERDEPARTMENTAL RENTS (Accounts 454, 455)

- | | |
|---|---|
| <p>1. Report particulars concerning rents received included in Accounts 454 and 455.</p> <p>2. Minor rents may be grouped by classes.</p> <p>3. If rents are included which were arrived at under an arrangement for apportioning expenses of a joint facility, whereby the amount included in this account</p> | <p>represents profit or return on property, depreciation and taxes, give particulars and the basis of apportionment of such charges to Accounts 454 and 455.</p> <p>4. Designate is lessee is an associated company.</p> <p>5. Provide a subheading and total for each account.</p> |
|---|---|

Line No.	Name of Lessee or Department (a)	Description of Property (b)	Amount of Revenue for Year (c)
16	ACCOUNT 454		
17	SBC Telephone Company	Poles	3,141,107
18	Verizon Telephone Company	Poles	1,907,370
19	Century Telephone Company	Poles	80,979
20	Cable Television Companies and Internet Connectio	Poles	3,234,353
21	Other Miscellaneous Pole Rentals:		
22	5 Various Telephone Companies Operating		
23	in the Company Service Area	Poles	78,251
24	Miscellaneous Rentals, Including Utility		
25	Property Leased to Various Parties		
26	Throughout the Company's Service Area	Various	3,431,366
27	Lease Rev - Mich. Electric Transmission Company	Transmission Rights of Way	10,040,900
28			
29	Total Account 454		21,914,326
30			
31	ACCOUNT 455 - None		
32			

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SALES OF WATER AND WATER POWER (Account 453)				
1. Report below the information called for concerning revenues derived during the year from sales to others of water or water power. 2. In column (c) show the name of the power			development of the respondent supplying the water or water power sold. 3. Designate associated companies.	
Line No.	Name of Purchaser (a)	Purpose for Which Water Was Used (b)	Power Plant Development Supplying Water or Water Power (c)	Amount of Revenue for Year (e)
1				
2				
3				
4				
5				
6				
7				
8				
9				
10	TOTAL			0

MISCELLANEOUS SERVICE REVENUES AND OTHER ELECTRIC REVENUES (Accounts 451, 456)		
1. Report particulars concerning miscellaneous service revenues and other electric revenues derived from electric utility operations during year. Report separately in this schedule the total revenues from operation of fish and wildlife and recreation facilities, regardless of whether such facilities are operated by		company or by contract concessionaires. Provide a subheading and total for each account. For Account 456, list first revenues realized through Research and Development ventures, see Account 456. 2. Designate associated companies. 3. Minor items may be grouped by classes.
Line No.	Name of Company and Description of Service (a)	Amount of Revenue for Year (b)
11	MISCELLANEOUS SERVICE REVENUE-ACCOUNT 451	
12	Fees for reconnecting service previously disconnected and charges for installing and removing temporary services.	3,999,489
13		
14		
15	OTHER ELECTRIC REVENUES-ACCOUNT 456	
16	Retail Open Access	17,304,157
17	Sub Station Maintenance Rev-Non Consumers Equipment	323,969
18	Rate Of Return Billed To Others	2,354,980
19	Network Wholesale Revenue	950,536
20	Sales and Use Tax Discount	421,267
21	Purchase Power Admin Fees	888,247
22	Securitization Reduction Credit	(534,038)
23	Other Electric Revenue	1,062,598
24		
25		
26		
27		
28		
29		
30		
31	TOTAL	26,771,205

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Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 4/23/2007	Year of Report December 31, 2006
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TRANSMISSION OF ELECTRICITY BY OTHERS (Account 565)
(Including transactions referred to as "wheeling")

1. Report all transmission, i.e., wheeling, of electricity provided to respondent by other electric utilities, cooperatives, municipalities, or other public authorities during the year.

2. In column (a) report each company or public authority that provided transmission service. Provide the full name of the company; abbreviated if necessary, but do not truncate name or use acronyms. Explain in a footnote any ownership interest in our affiliation with the transmission service provider.

3. Provide in column (a) subheadings and classify transmission service purchased from other utilities as: "Delivered Power to Wheeler" or "Received Power from Wheeler."

4. Report in columns (b) and (c) the total megawatt hours received and delivered by the provider of the transmission service.

5. In columns (d) through (g), report expenses as shown on bills or vouchers rendered to the respondent. In column (d), provide demand charges. In column (e), provide energy charges related to the amount of energy transferred. In column (f), provide the total of all other charges on bills or vouchers rendered to respondent, including any out or period adjustments. Explain in a footnote all components of the amount shown in column (f). Report in column (g) the total charge shown on bills rendered to the respondent. If no monetary settlement was made, enter zero ("0") in column (g). Provide a footnote explaining the nature of the nonmonetary settlement, including the amount and type of energy or service rendered.

6. Enter "TOTAL" in column (a) as the last line. Provide a total amount in columns (b) through (g) as the last line. Energy provided by the respondent for the wheeler's transmission losses should be reported on the Electric Energy Account, page 401. If the respondent received power from the wheeler, energy provided to account for losses should be reported on line 19, Transmission By Others Losses, on page 401. Otherwise, losses should be reported on line 27, Total Energy Losses, page 401.

7. Footnote entries and provide explanations following all required data.

Line No.	Name of Company or Public Authority [Footnote Affiliations] (a)	TRANSFER OF ENERGY		EXPENSES FOR TRANSMISSION OF ELECTRICITY BY OTHERS			
		Megawatt hours Received (b)	Megawatt hours Delivered (c)	Demand Charges (\$) (c)	Energy Charges (\$) (d)	Other Charges (\$) (e)	Total Cost of Transmission (\$) (f)
1	Mich Elec Tran Co	FNS		91,646,340			91,646,340
2	Midwest ISO			48,134,243			48,134,243
3	PJM Interconnections			(19,186)			(19,186)
4	Recov Tran Costs			(1,327,029)			(1,327,029)
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
15							
	TOTAL			138,434,368			138,434,368

Name of Respondent Consumers Energy Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 04/23/07	Year of Report 12/31/06
FOOTNOTE DATA					
Page Number (a)	Item Number (b)	Column Number (c)	Comments (d)		
332	2	a	Midwest Independent System Operator		
332	2	b	SFP, FNS, LFP		
332	3	b	LFP, SFP, NF		
332	4	a	Represents the expense deferred to account 182 as a regulatory asset under the provisions of Public Act 141.		

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 4/23/2007	Year of Report December 31, 2006
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LEASE RENTALS CHARGED

1. For purposes of this schedule a "lease" is defined as a contract or other agreement by which one party (lessor) conveys an intangible right or land or other tangible property and equipment to another (lessee) for a specified period of one year or more for rent.

2. Report below, for leases with annual charges of \$25,000 or more, but less than \$250,000 the data called for in columns a, b (description only), f, g and j.

3. For leases having annual charges of \$250,000 or more, report the data called for in all the columns below.

4. The annual charges referred to in Instruction 2 and 3 include the basic lease payment and other payments to or on behalf of the lessor such as taxes, depreciation, assumed interest or dividends on the lessor's securities, cost of replacements** and other expenditures with respect to leased property. The expenses paid by lessee are to be itemized in column (e) below.

5. Leases of construction equipment in connection with construction work in progress are not required to be reported herein. Continuous, master or open-end leases for EDP or office equipment, automobile fleets and other equipment that is short-lived and replace under terms of the lease or for the pole rentals shall report only the data called for in columns a, b (description only), f, g and j, unless the lessee has the option to purchase the property.

6. In column (a) report the name of the lessor. List lessors which are associated companies* (describing association) first, followed by non-associated lessors.

7. In column (b) for each leasing arrangement, report in order, classified by generating station, transmission line, distribution system, large substation, or other operating unit or system, followed by any other leasing arrangements not covered under the preceding classifications:

Name of Lessor (a)	Basic Details of Lease (b)	Terminal Dates of Lease, Primary (P) or Renewal (R) (c)
Bankers Leasing Corp.	Vehicles, Office Equipment, EDP Equip., Material Handling Equip., Tools & Garage Equip., Lab & Instrument Equip, Constr. & Maint. Equip. and Communications Equip. (Note 1)	
Merrill Lynch Verizon SBC, Michigan 1016 Sixteenth Street NW Venture Consumsan Company, LLC C/O Kin Prop. Consumsan Company, LLC C/O Kin Prop. Walter Neller Enterprises	Office Furniture (Note4) Joint Pole Rentals Joint Pole Rentals Office Space - Washington DC Lansing Service Center Saginaw Service Center Office Space - Mail Remittance	2013 (P)

** See Electric Plant Instruction 6 & Operating Expense Instruction 3 of the Uniform System of Accounts.

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 4/23/2007	Year of Report December 31, 2006
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LEASE RENTALS CHARGED (Continued)

Description of property, whether lease is a sale and leaseback, whether lessee has option to purchase and conditions of purchase, whether lease is cancelable by either party and the cancellation conditions, the tax treatment used the accounting treatment of the lease payments (levelized charges to expense or other treatment), the basis of any charges apportioned between the lessor and lessee, and the responsibility of the respondent for operation and maintenance expenses and replacement of property. The above information is to be reported with initiation of the lease and thereafter when changed or every five years, which ever occurs first.

8. Report in column (d), as of the date of the current lease term, the original cost of the property leased, estimated if not known, or the fair market of the property if greater than original cost and indicate as shown. If leased property is part of a large unit, such as part of a building, indicate without associating any cost or value with it.

9. Report in column (k) below the estimated remaining annual charges under the current term of the lease. Do not apply a present value to the estimate. Assume that cancelable leases will not be cancelled when estimating the remaining charges.

* See definition on page 226 (B)

A. LEASE RENTALS CHARGED TO ELECTRIC OPERATING EXPENSES

Original Cost (O) or Fair Market Value (F) of Property (d)	Expenses to be Paid by Lessee Itemize (e)	AMOUNT OF RENT - CURRENT TERM				Account Charged (j)	Remaining Annual Charges Under Lease Est. if Not Known (k)
		Current Year		Accumulated to Date			
		Lessor	Other	Lessor	Other		
		(f)	(g)	(h)	(i)	(j)	(k)
		9,162,169				(Note 3)	
4,204,534(O)	O&M, T	837,657		3,018,842		(Note 3)	1,938,899
		582,898				589	
		1,520,201				589	
		51,167				921	
		33,709				(Note 3)	
		46,837				(Note 3)	
		40,471				(Note 3)	

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 4/23/2007	Year of Report December 31, 2006
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A. LEASE RENTALS CHARGED TO ELECTRIC OPERATING EXPENSES (Continued)

Name of Lessor (a)	Basic Details of Lease (b)	Terminal Dates of Lease, Primary (P) or Renewal (R) (c)
Phyleo Realty Co	Storage Area - Jackson	
Douglas & Lois Nagel	Storage - Kentwood	
Great Lakes Motor Coach	Office Space - Belmont	
Derek R. Lone	Storage - Benzonia	
C.E. Financial Services, L.L.C.	Ludington Service Center	
Jack Stover	South Monroe Service Center	
Boji Group, L.L.C.	Office Space - Lansing Regulatory Office	
Altec Capital Services	Vehicles (Note 1)	

B. OTHER LEASE RENTALS CHARGED (Such as to Deferred Debits, Etc.)

General Amer. Transport. Corp.	Railroad Tank Cars (Note 5)	2008 (R)
Coal Supply	Railroad Cars (Note 5)	2008 (P)
Coal Supply II	Railroad Cars (Note 5)	2012 (P)
Fuel Supply Trust (FSTX)	Railroad Cars (Note 5)	2015 (P)
General Amer. Transport. Corp.	Railroad Tank Cars (Note 5)	2008 (R)
Babcock & Brown Rail Leasing	Railroad Cars (Note 5)	2007 (P)
Babcock & Brown Rail Leasing	Railroad Cars (Note 5)	2009 (P)
Mitsui Rail Capital	Railroad Cars (Note 5)	2009 (P)
GATX Rail Corporation	Railroad Cars (Note 5)	2006 (P)
Babcock & Brown Rail Leasing	Railroad Cars (Note 5)	2013 (P)

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 4/23/2007	Year of Report December 31, 2006
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A. LEASE RENTALS CHARGED TO ELECTRIC OPERATING EXPENSES (Continued)

Original Cost (O) or Fair Market Value (F) of Property (d)	Expenses to be Paid by Lessee Itemize (e)	AMOUNT OF RENT - CURRENT TERM				Account Charged (j)	Remaining Annual Charges Under Lease Est. if Not Known (k)
		Current Year		Accumulated to Date			
		Lessor (f)	Other (g)	Lessor (h)	Other (i)		
		190,949				(Note 3)	
		168,445				(Note 3)	
		63,204				(Note 3)	
		55,954				(Note 3)	
		134,496				(Note 3)	
		65,474				(Note 3)	
		31,050				(Note 3)	
		2,955,880				(Note 3)	

B. OTHER LEASE RENTALS CHARGED (Such as to Deferred Debits, Etc.)

1,442,490 (O)	O&M T I	252,000		315,000		151	441,000
9,381,831 (O)	O&M T I	1,090,880		20,599,424		151	1,629,784
9,275,220 (O)	O&M T I	1,330,448		16,077,088		151	7,905,930
38,004,357 (O)	O&M T I	3,997,599		40,436,454		151	35,978,395
1,442,490 (O)	O&M T I	330,000		508,021		151	499,500
13,544,438 (O)	O&M T I	1,512,392		4,103,744		151	125,656
22,814,286 (O)	O&M T I	2,191,860		5,844,960		151	5,114,340
16,014,222 (O)	O&M T I	1,600,688		3,809,738		151	3,985,005
10,799,319 (O)	O&M T I	546,000		2,609,046		151	0
20,407,353 (O)	O&M T I	1,599,291		1,599,291		151	12,294,225

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report 12/31/06
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LEASE RENTALS CHARGED FOOTNOTES

Notes:

- (1) This master lease agreement involves numerous individual leases with various termination dates.
- (2) T = Taxes, I = Insurance Costs, O&M = Operating and Maintenance Costs
- (3) Amounts are charged to clearing accounts and cleared to Electric Operating Expense and Construction accounts monthly.
- (4) The lease is on a sale leaseback contract. The lease term is for ten years. At the end of the lease, the Company has the option to purchase the furniture for its fair market value, return the equipment to the lessor and pay costs associated with the removal of the furniture, or renew the lease at the then current market prices. Also, the Company has the right to purchase the furniture at the end of five years or return it with a penalty of 21.5 percent of the furniture cost.
- (5) Lease payments are charged to fuel inventory accounts and are expensed as used. Payments are treated the same for accounting and tax purposes.

Name of Respondent		This Report Is:	Date of Report	Year of Report
Consumers Energy Company		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) 4/23/2007	December 31, 2006
MISCELLANEOUS GENERAL EXPENSES (Account 930.2) (ELECTRIC)				
Line No.	Description (a)	Amount (b)		
1	Industry Association Dues	707,887		
2	Nuclear Power Research Expenses			
3	Other Experimental and General Research Expenses			
4	Publishing and Distributing Information and Reports to Stockholders; Trustee, Registrar, and Transfer Agent Fees and Expenses, and Other Expenses of Servicing Outstanding Securities of the Respondent			
5	Other Expenses (List items of \$5,000 or more in this column showing the (1) purpose, (2) recipient and (3) amount of such items. Group amounts of less than \$5,00 by classes if the number of items so grouped is shown)			
6				
7	COMPANY COMMUNICATION SERVICES			
8	Learning Center LTD	17,492		
9	CE FIN 45	21,084		
10	Miscellaneous under \$5000 (77 Items)	15,826		
11				
12	EMPLOYEE'S RELOCATION EXPENSE			
13	Cendant Mobility Service	140,435		
14	Company Reimbursed Employee Expenses	156,112		
15	Cartus Corp.	230,072		
16				
17	EXEMPT VACATION LIABILITY			
18	To Accrue Vacation Earned	1,020,017		
19				
20	BOARD OF DIRECTORS FEES	719,639		
21				
22	OTHER			
23	Various Banks-Service Charges	410,982		
24	Company Labor and Expenses-Community Services	265,116		
25	Billing Credits	(161,571)		
26	Trustee Fees-Bonds	88,280		
27	Radio/TV Media	21,926		
28	Other/FIN 45	42,791		
29	WeatherLine Inc.	16,140		
30	Miscellaneous under \$5000 (38 Items)	74,226		
31				
32				
33				
34				
35				
36				
37				
38				
39				
40				
41				
42				
43				
44				
45				
46				
47	TOTAL	3,786,454		

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 4/18/2007	Year of Report December 31, 2006
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**DEPRECIATION AND AMORTIZATION OF ELECTRIC PLANT (Accounts 403, 404, 405)
(Except amortization of acquisition adjustments)**

1. Report in section A for the year the amounts for: (a) Depreciation Expense (Account 403); (b) Amortization of Limited-Term Electric Plant (Account 404); and (c) Amortization of Other Electric Plant (Account 405).
 2. Report in section B the rates used to compute amortization charges for electric plant (Accounts 404, 405). State the basis used to compute the charges and whether any changes have been made in the basis or rates used from the preceding report year.
 3. Report all available information called for in Section C every fifth year beginning with report year 1971, reporting annually only changes to columns (c) through (g) from the complete report of the preceding year.
 Unless composite depreciation accounting for total depreciable plant is followed, list numerically in column (a) each plant subaccount, account or functional classification, as appropriate, to which a rate is applied. Identify at the bottom of Section C the type of plant account included in any subaccounts used.

In column (b) report all depreciable plant balances to which rates are applied showing subtotals by functional classifications and showing a composite total. Indicate at the bottom of Section C the manner in which column (b) balances are obtained. If average balances, state the method of averaging used.
 For columns (c), d, and (e) report available information for each plant subaccount, account or functional classification listed in column (a). If plant mortality studies are prepared to assist in estimating average service lives, show in column (f) the type mortality curve selected as most appropriate for the account and in column (g), if available, the weighted average remaining life of surviving plant.
 If composite depreciation accounting is used, report available information called for in columns (b) through (g) on this basis.
 4. If provisions for depreciation were made during the year in addition to depreciation provided by application of reported rates, state at the bottom of Section C the amounts and nature of the provisions and the plant items to which related.

A. SUMMARY OF DEPRECIATION AND AMORTIZATION CHARGES

Line No.	Functional Classification (a)	Depreciation Expense (Account 403) (b)	Amortization of Limited-Term Electric Plant (Account 404) (c)	Amortization of Other Electric Plant (Acct. 405) (d)	Total (e)
1	Intangible Plant		600,124	1,264,668	1,864,792
2	Steam Production Plant	57,664,500			57,664,500
3	Nuclear Prod Plant-Depreciation	8,209,700			8,209,700
	Nuclear Prod Plant- Decommissioning	5,996,451			0
4	Hydraulic Prod Plant-Conventional	1,737,600			5,996,451
5	Hydraulic Prod Plant-Pumped Storage	5,462,400			1,737,600
					0
6	Other Production Plant	933,900			5,462,400
7	Transmission Plant				0
8	Distribution Plant	126,287,644			933,900
9	General Plant	8,309,667			0
10	Common Plant-Electric	13,439,663	654,610	7,966,618	8,309,667
11	TOTAL	228,041,525	1,254,734	9,231,286	238,527,545

B. BASIS FOR AMORTIZATION CHARGES

1. Amortization of Limited Term Plant is based on the lives of the original building leases.
 2. There has been no change in the rates for accounts 404 and 405.
 3. Amortization of Intangible Plant is based on the estimated life of the intangible plant.
 4. Total Depreciation and Amortization Expense per Page 115, lines 6 and 7 228,041,525
 Total Depreciation and Amortization Expense per line 11, above 238,527,545
 Electric ARO accretion/transition expense recorded in 411.0XX accounts 10,486,020

5. Common Plant Depreciation and Amortization Expenses:

	Account 403	Account 404	Account 406	Total
A. Allocation of Common Depreciation & Amortization Expenses	13,439,663	654,610	7,966,618	22,060,891
B. Allocation of Gas Depreciation Expense	-	-	-	-
Total	13,439,663	654,610	7,966,618	22,060,891

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 4/18/2007	Year of Report December 31, 2006
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DEPRECIATION AND AMORTIZATION OF ELECTRIC PLANT (Continued)

C. Factors Used in Estimating Depreciation and Decommissioning Charges

Line No.	Account No. (a)	Depreciable Plant Base (In Thousands) (b)	Estimated Avg. Service Life (c)	Net Salvage (Percent) (d)	Applied Depr. Rate(s) (e)	Mortality Curve Type (f)	Average Remaining Life (g)
12	Steam						
13	310.2	836	55.00		1.58		
14	311.0	201,021	43.00	(5.70)	2.54		
15	312.0	886,874	38.00	(7.00)	3.04		
16	314.0	239,004	43.00	(6.20)	2.40		
17	315.0	69,967	40.00	(6.10)	2.69		
18	316.0 & 316.1	18,224	26.00	(8.30)	4.74		
19							
20	Total	1,415,926					
21							
22	Campbell #3						
23	310.2	19	39.00		2.37		
24	311.0	199,115	39.00	(5.40)	2.60		
25	312.0	314,228	37.00	(5.70)	2.88		
26	314.0	61,790	38.00	(5.50)	2.72		
27	315.0	49,186	39.00	(5.40)	2.61		
28	316.0 & 316.1	5,499	33.00	(6.60)	3.22		
29							
30	Total	629,837					
31							
32	Hydro						
33	330.3	41	105.00		2.47		
34	331.0 & 331.3	5,041	71.00		2.15		
35	332.0 & 332.1	48,136	76.00	(30.00)	2.70		
36	333.0	5,478	85.00		2.16		
37	334.0	5,366	68.00		2.40		
38	335.0	1,832	45.00		2.64		
39	336.0	64	54.00		2.18		
40							
41	Total	65,958					
42							
43	Ludington Pumped Storage						
44	331.0 & 331.3	16,870	55.00	(47.00)	3.23		
45	332.0	95,535	55.00	(47.00)	3.27		
46	333.0	41,647	55.00	(47.00)	3.91		
47	334.0	2,884	55.00	(47.00)	3.25		
48	335.0	1,882	55.00	(47.00)	3.57		
49	336.0	1,535	55.00	(47.00)	3.22		
50							
51	Total	160,353					
52							
53							
54							
55							
56							
57							
58							

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 4/18/2007	Year of Report December 31, 2006
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DEPRECIATION AND AMORTIZATION OF ELECTRIC PLANT (Continued)

C. Factors Used in Estimating Depreciation and Decommissioning Charges

Line No.	Account No. (a)	Depreciable Plant Base (In Thousands) (b)	Estimated Avg. Service Life (c)	Net Salvage (Percent) (d)	Applied Depr. Rate(s) (e)	Mortality Curve Type (f)	Average Remaining Life (g)
12	Other						
13	341.0	909	32.00	(5.00)	3.76		
14	342.0	400	35.00	(5.00)	2.75		
15	344.0	39,871	36.00	(5.00)	1.79		
16	345.0	2,549	28.00	(5.00)	5.32		
17	346.0	378	18.00	5.00	9.42		
18							
19	Total	44,107					
20							
21	Distribution Prod						
22	361.2	1,191	60.00	(15.00)	2.01	R4	
23	362.2	24,786	50.00	(12.00)	2.33	R2	
24							
25	Total	25,977					
26							
27	Distribution - HV						
28	360.4	42,882	75.00		1.38	R3	
29	361.1	12,125	60.00	(15.00)	2.01	R4	
30	362.1	212,588	50.00	(12.00)	2.33	R2	
31	364.1	3,153	75.00	(90.00)	2.62	R3	
32	364.2	160	75.00		1.38	R3	
33	364.3	108,819	60.00	(45.00)	2.50	R2.5	
34	364.4	13,619	70.00		1.51	R5	
35	365.2	90,615	60.00	(40.00)	2.44	R3	
36	366.1	855	55.00	(20.00)	2.29	S3	
37	367.1	3,394	40.00	(10.00)	2.81	R2	
38	367.2	5	50.00		2.10	R2	
39							
40	Total	488,215					
41							
42	Distribution						
43	360.2	16,926	60.00		1.50	R2	
44	361.0	31,682	50.00	(15.00)	2.17	S0.5	
45	362.0	418,703	38.00	(2.00)	2.55	S-.5	
46	364.0	691,250	50.00	(132.00)	4.39	R2	
47	365.0	697,266	55.00	(30.00)	2.26	R1.5	
48	366.0	66,390	50.00	(30.00)	2.46	S0.5	
49	367.0	395,656	45.00	(25.00)	2.64	L2	
50	368.0	620,044	40.00	(25.00)	2.92	S2	
51	369.1	158,454	45.00	(87.00)	3.95	R1	
52	369.2	366,427	40.00	(25.00)	3.01	R3	
53	370.0	166,402	29.00	(19.00)	3.85	R1	
54	371.0	6,774	12.00	(6.00)	8.41	L1	
55	373.0	86,849	30.00	(90.00)	6.01	R0.5	
56							
57	Total	3,722,823					
58							

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 4/18/2007	Year of Report December 31, 2006
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DEPRECIATION AND AMORTIZATION OF ELECTRIC PLANT (Continued)

C. Factors Used in Estimating Depreciation and Decommissioning Charges

Line No.	Account No. (a)	Depreciable Plant Base (In Thousands) (b)	Estimated Avg. Service Life (c)	Net Salvage (Percent) (d)	Applied Depr. Rate(s) (e)	Mortality Curve Type (f)	Average Remaining Life (g)
12	General						
13	389.2	190	50.00		11.76	S4	
14	390.0 & 390.1	42,457	40.00	(15.00)	5.20	R2	
15	391.0 & 391.1	1,681	27.00	10.00	5.93	S-0.5	
16	391.2 & 391.3	14,488	7.00		24.60	R4	
17	393.0 & 393.1	85	35.00	5.00	8.37	S1.5	
18	394.0 & 394.1	5,594	26.00	10.00	5.67	L2	
19	395.0 & 395.1	4,992	25.00		5.55	S2	
20	396.0	1,836	12.00	20.00	17.50	L1	
21	397.0 & 397.1	37,862	20.00	(10.00)	9.21	L2	
22	398.0 & 398.1	1,455	24.00		5.37	L2	
23							
24	Total	110,640					
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Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/18/07	Year of Report 12/31/06
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FOOTNOTE DATA

Page Number (a)	Item Number (b)	Column Number (c)	Comments (d)
337	12	A	Non-Ludington depreciation rates in column (e) pursuant to MPSC Order No. U-10754 (effective December 5, 1996.) Ludington depreciation rates pursuant to MPSC Order No. U-11724 (effective March 3, 2000.)
336	8	B	Includes \$841,244 addition to depreciation expense related to a true-up of a regulatory asset based on order 10(d)4 from the MPSC.

Name of Respondent	This Report Is:	Date of Report	Year of Report
Consumers Energy Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) 4/23/2007	December 31, 2006
PARTICULARS CONCERNING CERTAIN INCOME DEDUCTIONS AND INTEREST CHARGES ACCOUNTS			
Report the information specified below, in the order given, for the respective income deduction and interest charges accounts. Provide a subheading for each account and a total for the account. Additional columns may be added if deemed appropriate with respect to any account.		Activities; and 426.5, Other Deductions, of the Uniform System of Accounts. Amounts of less than 5% of each account total for the year (or \$1,000, whichever is greater) may be grouped by classes within the above accounts.	
(a) <i>Miscellaneous Amortization</i> (Account 425)-Describe the nature of items included in this account, the contra account charged, the total of amortization charges for the year, and the period of amortization.		(c) <i>Interest on Debt to Associated Companies</i> (Account 430) -- For each associated company to which interest on debt was incurred during the year, indicate the amount and interest rate respectively for (a) advances on notes, (b) advances on open account, (c) notes payable, (d) accounts payable, and (e) other debt, and total interest. Explain the nature of other debt on which interest was incurred during the year.	
(b) <i>Miscellaneous Income Deductions</i> -- Report the nature, payee, and amount of other income deductions for the year as required by Accounts 426.1, Donations; 426.2, Life Insurance; 426.3, Penalties; 426.4, Expenditures for Certain Civic, Political and Related		(d) <i>Other Interest Expense</i> (Account 431) -- Report particulars (details) including the amount and interest rate for other interest charges incurred during the year.	
Line No.	Item (a)	Amount (b)	
1	ACCOUNT 425 - MISCELLANEOUS AMORTIZATION - NONE		
2			
3	ACCOUNT 426 - MISCELLANEOUS INCOME DEDUCTIONS		
4	426.1 - Donations		
5	CE Foundation	5,000,000	x
6	Salvation Army	3,000,000	
7	United Way Organizations	1,850	
8	Other Donations	80,650	
9	Educational Institutions	39,575	
10	Various Chambers of Commerce	20,850	
11	Youth Programs	30,719	
12	Cultural	16,715	
13	Improvements	187,799	
14	Hospitals	6,350	
15			
16	Total - 426.1	8,384,508	
17			
18			
19	426.3 - Penalties and Other Deductions		
20	ASP - Code of Conduct Fines	(450)	
21	Utility Outage Credits	4,662	
22			
23	Total - 426.3	4,212	
24			
25	426.4 - Expenditures of Civic & Political Activities		
26	Governmental Affairs Activity	2,485,920	
27			
28	Total 426.4	2,485,920	
29			
30	426.5 - Other Deductions		
31	CMS Energy Costs		
32	Promotional Practices	29,483	
33	Loss on supplemental Retirement Plan Assets	(73,417)	
34	Accretion Expense - Electric Call Options	500,803	
35	MCV PPA Contract Loss	45,156,891	
36	Economic Development activity	544,530	
37	Other Deductions	140,658	
38	MCV Renewal Contribution - RCP	2,500,000	
39	MCV Miscellaneous Fees	(221,757)	
40			
41			
42			
43	Total 426.5	48,577,191	

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EXPENDITURES FOR CERTAIN CIVIC, POLITICAL AND RELATED ACTIVITIES
(Account 426.4)

1. Report below all expenditures incurred by the respondent during the year for the purpose of influencing public opinion with respect to the election or appointment of public officials, referenda, legislation or ordinances (either with respect to the possible adoption of new referenda, legislation or ordinances or repeal or modification of existing referenda, legislation or ordinances); approval, modification, or revocation of franchises; or for the purpose of influencing the decisions of public officials which are accounted for as Other Income Deductions, Expenditures for Certain Civic, Political and Related Activities, Account 426.4.

2. Advertising expenditures in this Account shall be classified according to subheadings, as follows: (a) radio, television, and motion picture advertising; (b) newspaper, magazine, and pamphlet advertising; (c) letters or inserts in customer's bills; (d) inserts in reports to stockholders; (e) newspaper and magazine editorial services; and (f) other advertising.

3. Expenditures within the definition of paragraph (1), other than advertising shall be reported according to captions or descriptions clearly indicating the nature and purpose of the activity.

4. If respondent has not incurred any expenditures contemplated by the instruction of Account 426.4, so state.

5. Minor amount may be grouped by classes if the number of items so grouped is shown.

NOTE: The classification of expenses as nonoperating and their inclusion in this amount is for accounting purposes. It does not preclude Commission consideration of proof to the contrary for ratemaking or other purposes.

Line No.	Item (a)	Amount (b)
1		
2	Associations/Industry Dues	207,328
3	Lobbying	163,198
4	Governmental Affairs Activity	2,115,394
5		
6	Total Account 426.4	2,485,920
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Name of Respondent Consumers Energy Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 4/23/2007	Year of Report December 31, 2006	
REGULATORY COMMISSION EXPENSES					
1. Report particulars (details) of regulatory commission expenses incurred during the current year (or incurred in previous years, if being amortized) relating to formal cases before a regulatory body, or			cases in which such a body was a party. 2. Report in columns (b) and (c), only the current year's expenses that are not deferred and the current year's amortization of amounts deferred in previous.		
Line No.	Description (Furnish name of regulatory commission or body, the docket or case number, and a description of the case.) (a)	Assessed by Regulatory Commission (b)	Expenses of Utility (c)	Total Expenses for current year (b) + (c) (d)	Deferred at Beginning of Year (e)
1	MICHIGAN PUBLIC SERVICE COMMISSION				
2	Legal Publishing		112,117	112,117	
3					
4	Minor Items		81,761	81,761	
5					
6					
7	MICHIGAN DEPARTMENT OF MANAGEMENT AND BUDGET				
8					
9	Payment Intervenor Funding	430,997		430,997	
10					
11	REGULATORY COMMISSION EXPENSE BILLED TO OTHERS		813	813	
12					
13					
14	STATE OF MICHIGAN MEMBERSHIP FEES		17,500	17,500	
15					
16	REGULATORY FEES - GENERATION		302,593	302,593	
17					
18					
19					
20					
21					
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23					
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43					
44	TOTAL	430,997	514,784	945,781	0

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REGULATORY COMMISSION EXPENSES (Continued)

years
3. Show in column (k) any expenses incurred in prior years which are being amortized. List in column (a) the period of amortization.

4. List in column (f), (g), and (h) expenses incurred during year which were charged currently to income, plant, or other accounts.

5. Minor items (less than \$25,000) may be grouped.

EXPENSES INCURRED DURING YEAR			AMORTIZED DURING YEAR			Line No.	
CHARGED CURRENTLY TO			Deferred (i)	Contra Account (j)	Amount (k)		Deferred at End of Year (l)
Department (f)	Account No. (g)	Amount (h)					
Electric	928	90,862					1
Gas	928	21,255					2
Electric	928	61,824					3
Gas	928	19,937					4
							5
							6
							7
							8
Electric	928	219,808					9
Gas	928	211,189					10
							11
Electric	928	813					12
							13
Electric	928	17,500					14
							15
Electric	928	302,593					16
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		945,781	0		0	0	44

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A resubmission	Date of Report (Mo, Da, Yr) 4/23/2007	Year of Report 12/31/06
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DISTRIBUTION OF SALARIES AND WAGES

Report below the distribution of total salaries and wages for the year. Segregate amounts originally charged to clearing accounts to Utility Departments, Construction, Plant Removals, and Other Accounts, and enter such amounts in the appropriate lines and

columns provided. In determining this segregation of salaries and wages originally charged to clearing accounts, a method of approximation giving substantially correct results may be used.

Line No.	Classification (a)	Direct Payroll Distribution (b)	Allocation of Payroll Charged for Clearing Accounts (c)	Total (d)
1	ELECTRIC			
2	Operation			
3	Production	55,432,509		
4	Transmission			
5	Distribution	35,997,919		
6	Customer Accounts	23,113,854		
7	Customer Service and Informational	4,175,983		
8	Sales	322,609		
9	Administrative and General	24,905,252		
10	TOTAL Operation <i>(Enter Total of lines 3 thru 9)</i>	143,948,126		
11	Maintenance			
12	Production	21,933,238		
13	Transmission			
14	Distribution	26,401,513		
15	Administrative and General	0		
16	TOTAL Maint. <i>(Total of lines 12 thru 15)</i>	48,334,751		
17	Total Operation and Maintenance			
18	Production <i>(Enter Total of lines 3 and 12)</i>	77,365,747		
19	Transmission <i>(Enter Total of lines 4 and 13)</i>	0		
20	Distribution <i>(Enter Total of lines 5 and 14)</i>	62,399,432		
21	Customer Accounts <i>(Transcribe from line 6)</i>	23,113,854		
22	Customer Svc. And Informational <i>(Transcribe from line 7)</i>	4,175,983		
23	Sales <i>(Transcribe from line 8)</i>	322,609		
24	Administrative and General <i>(Enter Total of lines 9 & 15)</i>	24,905,252		
25	TOTAL Oper. And Maint. <i>(Total of lines 18 thru 24)</i>	192,282,877	67,419,378	259,702,255
26	GAS			
27	Operation			
28	Production-Manufactured Gas			
29	Production-Nat. Gas (Including Expl. And Dev.)			
30	Other Gas Supply			
31	Storage, LNG Terminating and Processing	2,188,024		
32	Transmission	6,177,239		
33	Distribution	36,604,463		
34	Customer Accounts	21,367,088		
35	Customer Service and Informational	664,701		
36	Sales	154,700		
37	Administrative and General	14,432,010		
38	TOTAL Operation <i>(Enter Total of lines 28 thru 37)</i>	81,588,225		

Name of Respondent	This Report Is:	Date of Report	Year of Report	
Consumers Energy Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A resubmission	(Mo, Da, Yr) 04/23/07	12/31/06	
DISTRIBUTION OF SALARIES AND WAGES (Continued)				
Report below the distribution of total salaries and wages for the year. Segregate amounts originally charged to clearing accounts to Utility Departments, Construction, Plant Removals, and Other Accounts, and enter such amounts in the appropriate lines and		columns provided. In determining this segregation of salaries and wages originally charged to clearing accounts, a method of approximation giving substantially correct results may be used.		
Line No.	Classification (a)	Direct Payroll Distribution (b)	Allocation of Payroll Charged for Clearing Accounts (c)	Total (d)
GAS (Continued)				
39	Maintenance			
40	Production-Manufactured Gas			
41	Production-Natural Gas			
42	Other Gas Supply			
43	Storage, LNG Terminaling and Processing	1,695,237		
44	Transmission	1,001,772		
45	Distribution	15,422,018		
46	Administrative and General	0		
47	TOTAL Maint. (Enter Total of lines 40 thru 46)	18,119,027		
48	Total Operation and Maintenance			
49	Production-Manufactured Gas (Total of lines 28 and 40)	0		
50	Production-Nat. Gas (Including Expl. & Dev.) (Total of lines 29 and 41)	0		
51	Other Gas Supply (Enter Total of lines 30 and 42)	0		
52	Storage, LNG Terminaling and Processing (Total of lines 31 and 43)	3,883,261		
53	Transmission (Lines 32 and 44)	7,179,011		
54	Distribution (Lines 33 and 45)	52,026,481		
55	Customer Accounts (Line 34)	21,367,088		
56	Customer Service and Informational (Line 35)	664,701		
57	Sales (Line 36)	154,700		
58	Administrative and General (Lines 37 and 46)	14,432,010		
59	TOTAL Operation & Maint. (total of lines 49 thru 58)	99,707,252	39,903,567	139,610,819
60	OTHER UTILITY DEPARTMENTS			
61	Operation and Maintenance			
62	TOTAL All Utility Dept. (Total of lines 25, 59 & 61)	291,990,129	107,322,945	399,313,074
63	UTILITY PLANT			
64	Construction (By Utility Departments)			
65	Electric Plant	23,717,266	64,581,130	88,298,396
66	Gas Plant	12,500,303	24,035,543	36,535,846
67	Other	7,397,135	4,079,462	11,476,597
68	TOTAL Construction (Total of lines 65 thru 67)	43,614,704	92,696,135	136,310,839
69	Plant Removal (By Utility Departments)			
70	Electric Plant	7,113,932	5,576,630	12,690,562
71	Gas Plant	1,496,184	2,336,006	3,832,190
72	Other			
73	TOTAL Plant Removal (Total of lines 70 thru 72)	8,610,116	7,912,636	16,522,752
74	Other Accounts (Specify):			
69	Labor Billed to Others (143)	112,002	3,289,764	3,401,766
70	Labor Billed to Assoc Companies (146)	10,513,709	2,384,892	12,898,601
71	Stores expense (163)	9,785,981	(9,961,325)	(175,344)
72	Clearing Accounts (184)	211,765,344	(211,523,196)	242,148
73	Injuries & Damages (228)	3,860,109	239,157	4,099,266
74	Job Work (416)	2,559,491	7,074,359	9,633,850
75	Other Income Deductions (426)	725,878	197,572	923,450
76	Other Miscellaneous	304,093	367,061	671,154
77	TOTAL Other Accounts	239,626,607	(207,931,716)	31,694,891
78	TOTAL SALARIES AND WAGES	583,841,556	0	583,841,556

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COMMON UTILITY PLANT AND EXPENSES

<p>1. Describe the property carried in the utility's accounts as common utility plant and show the book cost of such plant at end of year classified by accounts as provided by Plant Instruction 13, Common Utility Plant, of the Uniform System of Accounts. Also show the allocation of such plant costs to the respective departments using the common utility plant and explain the basis of allocation used, giving the allocation factors.</p> <p>2. Furnish the accumulated provisions for depreciation and amortization at end of year, showing the amounts and classifications of such accumulated provisions, and amounts allocated to utility departments using the common utility plant to which such accumulated</p>	<p>provisions relate, including explanation of basis of allocation and factors used.</p> <p>3. Give for the year the expenses of operation, maintenance, rents, depreciation, and amortization for common utility plant classified by accounts as provided by the Uniform System of Accounts. Show the allocation of such expenses to the departments using the common utility plant to which such expenses are related. Explain the basis of allocation used and give the factors of allocation.</p> <p>4. Give date of approval by the Commission for use of the common utility plant classification and reference to order of the Commission or other authorization.</p>
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1. Common Utility Plant in Service and Allocation of Common Utility Plant by Departments

Acct No. General Plant Account	Electric	Gas	Total
303.0 Misc Intangible Plant	91,714,607	75,495,251	167,209,858
389.1 Land	2,764,426	1,315,908	4,080,334
389.2 Right of Way	40,764	21,009	61,773
390.0 Structures & Improvements	79,589,142	66,956,875	146,546,017
390.1 Structures & Improvements - Leased	8,606,147	6,985,467	15,591,614
391.0 Office Furniture & Equipment	5,062,844	4,821,610	9,884,454
391.1 Office Furniture & Equipment - Mass	1,098,808	1,046,453	2,145,261
391.2 Computer Equipment	26,354,865	21,694,114	48,048,979
391.3 Computer Equipment - Mass	13,172,692	10,843,155	24,015,847
392.0 Transportation Equipment	2,149,075	2,046,676	4,195,751
392.3 Equipment Installed on Leased Vehicles	6,930	6,600	13,530
393.0 Stores Equipment	131,964	125,677	257,641
393.1 Stores Equipment - Mass	98,111	93,436	191,547
394.0 Tools, Shop & Garage Equipment	2,019,778	1,923,540	3,943,318
394.1 Tools, Shop & Garage Equipment - Mass	1,427,028	1,359,033	2,786,061
395.0 Laboratory Equipment	846,657	806,316	1,652,973
395.1 Laboratory Equipment - Mass	2,153,795	2,051,171	4,204,966
396.0 Power Operated Equipment	1,108,670	1,055,845	2,164,515
397.0 Communication Equipment	27,248,050	17,064,928	44,312,978
397.1 Communication Equipment - Mass	3,620,956	1,834,870	5,455,826
398.0 Miscellaneous Equipment	1,208,995	1,151,389	2,360,384
398.1 Miscellaneous Equipment - Mass	815,019	776,185	1,591,204
Total	271,239,323	219,475,508	490,714,831

NOTE: Accounts 303, 389, 390, and 391 were allocated per Functional Use Surveys and the Customer Basis Percentages as of December 31, 2006 submitted to the Property Accounting Department. Account 397 is allocated on the Radio Base Station Survey and the Customer Basis Percentages.

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/18/07	Year of Report 12/31/06
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COMMON UTILITY PLANT AND EXPENSES (Continued)

2. Accumulated Provision for Depreciation and Amortization of Common Utility Plant & Changes During 2006:

Balance at Beginning of Year	277,153,842
Depreciation Accrual for 2006	
Account 403 Electric (A)	13,439,663
Account 404 Electric	654,610
Account 405 Electric	7,966,618
Account 403 Gas (A)	10,785,749
Account 404 Gas	531,076
Account 405 Gas	<u>6,602,808</u>
Total Depreciation Accrual	39,980,524
Net Charge for Plant Retired:	
Book Costs of Plant Retired	11,281,076
Cost of Removal	681,162
Salvage	<u>(70,798)</u>
Total Net Charges	11,891,440
Net Additions (Reduction) Resulting from Transfers and/or Adjustments of Property Between Departments	<u>85,392</u>
Balance at End of the Year	<u><u>305,328,318</u></u>

Estimated Allocation of Common Utility Accumulated Provision for Depreciation at December 31, 2006: (B)

Electric	169,042,566
Gas	<u>136,285,752</u>
Total	<u><u>305,328,318</u></u>

3. Expenses applicable to common utility property are not maintained as such. These expenses are generally allocated via clearing accounts on the basis of floor space occupied, hourly use of transportation and other equipment and on the basis of Electric and Gas utilization.

(A) Account 403 expenses allocated based on December 31, 2005 Common Utility allocation of original cost by department

(B) Based on December 31, 2006 Common Utility Allocation of original cost by department.

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CHARGES FOR OUTSIDE PROFESSIONAL AND OTHER CONSULTATIVE SERVICES

1. Report the information specified below for all charges made during the year included in any account (including plant accounts) for outside consultative and other professional services. (These services include rate, management, construction, engineering research, financial, valuation, legal, accounting, purchasing, advertising, labor relations, and public relations, rendered the respondent under written or oral arrangement, for which aggregate payments were made during the year to any corporation, partnership, organization of any kind, or individual (other than for services as an employee or for payments made for medical and related services) amounting to more than \$25,000, including payments for legislative services, except those which should be reported in Account

426.4, Expenditures for Certain civic, Political and Related Activities.)
(a) Name and address of person or organization rendering services,
(b) description of services received during year and project or case to which services relate,
(c) basis of charges,
(d) total charges for the year, detailing utility department and account charged.

2. For any services which are of a continuing nature, give the date and term of contract and date of Commission authorization, if contract received Commission approval.

3. Designate with an asterisk associated companies.

Line No.	Name / Address	Service	Basis of Charges	Acct #	Amount
1	Acro Services Corporation				
2	17187 N Laurel Park Drive	Technical	Fee &		
3	Livonia, MI 48152	Services	Expenses	Various	7,321,443
4	Administrative Controls				
5	525 Avis Drive				
6	Suite #2	Consulting	Fee &		
7	Ann Arbor, MI 48108	Services	Expenses	184	577,968
8	AG&E Inc.	Consulting/			
9	405-A Parkway Drive	Technical	Fee &		
10	Greensboro, NC 2740 1116	Services	Expenses	543E	528,930
11	AGP & Associates	Professional			
12	6105 Jefferson Avenue	Advertising	Fee &		
13	Midland, MI 48640	Services	Expenses	912G	345,295
14	Air Improvement Resources				
15	47298 Sunnybrook Lane Suite 103	Consulting	Fee &		
16	Novi, MI 48374	Services	Expenses	184	38,101
17	American Appraisal Associates Inc				
18	18530 Mack Ave	Consulting	Fees &		
19	Gross Point Farms MI 48236	Services	Expenses	539	37,866
20	American Electrical Testing				
21	480 Neponset St	Consulting	Fees &		
22	Canton MI 02021	Services	Expenses	107E	85,000
23	Aon Risk Services Inc of Mich				
24	75 Remittance Dr Suite 1943	Consulting	Fees &		
25	Chicago IL 60675	Services	Expenses	923	56,185
26	Apcompower Inc				
27	P O Box 392	Consulting	Fee &		
28	Bath, MI 48808	Services	Expenses	107E	81,411
29	Arcadis G&M Inc				
30	41511 Eleven Mile Road				
31	Dept 547	Consulting	Fee &		
32	Novi, MI 48374	Services	Expenses	184	901,004
33	Automation Resource Corp				
34	5349 E Hidden Lake	Training	Fee &	184E, 502E, 556E,	
35	E Lansing MI 48823	Services	Expenses	588E, 880G, 903E&G, 908E, 921 E&G, 926E&G	80,675
36	Babcock & Wilcox	Engineering/			
37	20 S Vanburen Ave	Consulting	Fee &		
38	Barberton, OH 44203	Services	Expenses	107E&G	2,022,637
39	Barr Engineering Company	Consulting/			
40	8300 Norman Center Drive	Technical	Fee &		
41	Minneapolis, MN 55437 1026	Services	Expenses	184, 543E	461,709
42	Black & Veatch				
43	2200 Commonwealth Blvd	Engineering	Fee &		
44	Ann Arbor, MI 48105	Services	Expenses	107E, 500E	1,645,246
45	Blasland, Bouck & Lee, Inc.				
46	6723 Towpath Road				
47	P.O. Box 66	Professional	Fee &		
48	Syracuse, NY 13214-0066	Services	Expenses	107E	442,589
49	BNG America				
50	1235 Jefferson Hwy Suite 700	Consulting	Fees &		
51	Arlington VA 22202	Services	Expenses	184	81,225
52	BP&R Construction				
53	456 Century Lane	Consulting	Fees &		
54	Holland MI 49423	Services	Expenses	184	610,399
55					

Name of Respondent		This Report Is:	Date of Report	Year of Report	
Consumers Energy Company		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) 04/23/07	December 31, 2006	
CHARGES FOR OUTSIDE PROFESSIONAL AND OTHER CONSULTATIVE SERVICES (Continued)					
Line No.	Name / Address	Service	Basis of Charges	Acct #	Amount
56	BP&R Engineering Inc				
57	1161 6 Mile Road	Engineering	Fee &		
58	Comstock Park, MI 49321	Services	Expenses	107E, 184	786,062
59	Buford Goff & Associates				
60	1331 Elmwood Ave	Engineering	Fee &		
61	Columbia, SC 29201	Services	Expenses	184	183,892
62	Center for Adv Studies in Bus				
63	University of Wisconsin--Madison				
64	Grainger Hall 975 University	Training	Fees &	184E&G, 163, 556E,	
65	Madison WI 53706 1323	Services	Expenses	903G, 908E, 921G 930E	95,026
66	Chemithon Enterprises, Inc.				
67	5430 W. Marginal Way SW	Technical	Fee &		
68	Seattle, WA 98106-1598	Consultant	Expenses	512	143,739
69	* CMS Energy				
70	330 Town Ctr Dr Fairlane Pl	Management	Fee &		
71	Dearborn, MI 48126	Services	Expenses	186, 426, 920, 923	6,600,288
72	* CMS Enterprises				
73	One Energy Plaza	Professional	Fee &	146, 184, 426,	
74	Jackson, MI 49201	Services	Expenses	920E&G, 921E&G, 923E&G	747,633
75	* CMS Enterprises - Datamart				
76	One Energy Plaza	Professional	Fee &		
77	Jackson, MI 49201	Services	Expenses	879, 912	460,929
78	Commonwealth Cultural				
79	2530 Spring Arbor Rd	Professional	Fees &		
80	Jackson MI 49203	Services	Expenses	302, 537	54,535
81	Commonwealth Associates Inc				
82	P O Box 1124	Consulting	Fee &		
83	Jackson, MI 49204	Services	Expenses	184E, 539E	41,903
84	Concentric Energy Advisors				
85	313 Boston Post Road West				
86	Suite 210	Consulting	Fees &		
87	Marborough MA 01752	Services	Expenses	186E	3,312,161
88	Conestoga-Rovers & Associates Inc				
89	2055 Niagra Falls Blvd	Consulting	Fees &		
90	Niagra Falls NY 10304	Services	Expenses	186E	58,316
91	Cornerstone Partners LLC				
92	1227 Hennepin Ave Suite 5C	Professional	Fees &		
93	Minneapolis MN 55403	Services	Expenses	107E	42,276
94	Corporate Vision Concepts				
95	20096 76th Street	Technical	Fee &		
96	South Haven, MI 49090	Services	Expenses	506	133,981
97	Crawford & Winiarski				
98	525 Griswold St Suite 1500	Consulting	Fees &		
99	Detroit MI 48226-3668	Services	Expenses	228E&G	87,884
100	Cummins & Barnard Inc				
101	5405 Data Court				
102	Suite 100	Consulting	Fee &		
103	Duluth, MN 55802	Services	Expenses	107E, 184E	892,024
104	DJ Research LLC				
105	5518 Greening Lane	Legal	Fee &		
106	Madison WI 53705-1220	Services	Expenses	228	29,484
107	Decision Support Professional Inc				
108	2555 Capeside Drive	Consulting	Fee &		
109	Okemos MI 48864 2827	Services	Expenses	107E,500E	40,948
110	Deloitte Consulting				
111	600 Renaissance Center	Consulting	Fee &		
112	Detroit MI 48243	Services	Expenses	107E, 165, 184,303	18,245,724
113	Devine Tarbell & Associates inc				
114	970 Baxter Blvd	Consulting	Fee &		
115	Portland ME 04103	Services	Expenses	544	191,574
116	Dewitt Communications				
117	PO Box 4952	Consulting	Fee &		
118	East Lansing MI 48826	Services	Expenses	426	45,732
119	DJI & Associates				
120	2324 Brooklyn Road	Engineering	Fee &		
121	Jackson MI 49203	Services	Expenses	107E	313,424
122	Earl J Poleski CPA				
123	6810 Spring Arbor Road	Professional			
124	Suite D	Consulting	Fee &		
125	Jackson MI 49201	Services	Expenses	146, 923E&G	43,137

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report December 31, 2006
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CHARGES FOR OUTSIDE PROFESSIONAL AND OTHER CONSULTATIVE SERVICES (Continued)

Line No.	Name / Address	Service	Basis of Charges	Acct #	Amount
126	Elexco Land Services				
127	106 Huron BLDV Suite A	Consulting	Fee &		
128	Marysville, MI 48040	Services	Expenses	184	160,365
129	Empirix Inc				
130	20 Crosby Dr	Consulting	Fee &		
131	Bedford MA 01730	Services	Expenses	184	44,500
132	Envirologic Technologies, Inc.	Professional			
133	2960 Interstate Parkway	Consulting	Fee &		
134	Kalamazoo, MI 49048	Services	Expenses	108E	114,606
135	Environmental Consulting & Technology	Technical/			
136	220 Bagley Ave, Suite 600	Consulting	Fee &		
137	Detroit, MI 48226	Services	Expenses	184	118,420
138	Environmental Resources Mgmt Inc				
139	3352 128th Ave	Consulting	Fee &		
140	Holland MI 49424-9263	Services	Expenses	107E,108E	118,847
141	Environmental Solution Professional LLC				
142	1240 Eagle Point Road	Consulting	Fee &		
143	Clark Lake, MI 49234	Services	Expenses	107E, 184, 833G	118,597
144	EPRI				
145	13014 Collections Center Dr	Consulting	Fee &		
146	Chicago IL 60693	Services	Expenses	184, 500E	109,200
147	EPRI Solutions				
148	942 Corridor Park Blvd	Consulting	Fee &		
149	Knoxville TN 37932 3723	Services	Expenses	500E	45,704
150	Ernst & Young LLC	Consulting/			
151	8484 Westpark Drive	Audit	Fee &		
152	McLean, VA 22102	Services	Expenses	146E, 186E,242, 426 923E&G	3,362,903
153	* ES Services	Professional/			
154	212 West Michigan Ave	Engineering	Fee &		
155	Jackson, MI 49201	Services	Expenses	107E, 184E	1,712,288
156	ESI International				
157	4301 Fairfax Dr				
158	Suite 800	Consulting	Fee &		
159	Arlington VA 22203	Services	Expenses	184	25,202
160	Exponent Inc				
161	Dpt 002				
162	PO Box 200283	Legal	Fee &		
163	Dallas TX 75320 0283	Services	Expenses	228	70,092
164	Fossil Energy Research				
165	23342 C South Pointe	Engineering	Fee &		
166	Laguna Hills, CA 92653	Services	Expenses	107E	65,806
167	Gap International				
168	700 Old Maple Road	Consulting	Fees &		
169	Springfield PA 19064	Services	Expenses	184G, 442E, 920E&G	105,123
170	Global Energy Decisions Inc				
171	2379 Gateway Oaks Dr				
172	Ste 200	Consulting	Fees &		
173	Sacramento CA 95833	Services	Expenses	920, 921	43,325
174	Golf Project Management Inc				
175	1776 Park Trail NE	Professional	Fee &		
176	Grand Rapids, MI 49526	Services	Expenses	184E	184,210
177	Gourdie Fraser & Associates	Professional/			
178	124 West State St P O Box 927	Consulting/Survey	Fee &		
179	Traverse City, MI 498685 0927	Services	Expenses	184	55,415
180	Governmental Consultant Services Inc				
181	530 West Ionia St	Consulting	Fees &		
182	Lansing MI 48933	Services	Expenses	426	96,000
183	Great Lakes Environmental Center Inc				
184	739 Hastings St	Consulting	Fee &		
185	Traverse City, MI 49686	Services	Expenses	107E,537E	161,725
186	Henningson, Durham, Richardson Archi-				
187	tecture and Engineering				
188	One Blue Hill Plaza FI-12	Consulting	Fee &		
189	Pearl River NY 10965-3104	Services	Expenses	537E	82,250
190	Hewitt Associates				
191	100 Half Day Road	Actuarial	Fee &		
192	Lincolnshire, IL 60015	Services	Expenses	146, 184, 186E, 920, 921,923E&G, 926E&G	659,228
193	Hewlett-Packard Co				
194	8000 Foothills Blvd	Consulting	Fee &		
195	Roseville CA 95747	Services	Expenses	184	282,997

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Consumers Energy Company		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) 04/23/07	December 31, 2006	
CHARGES FOR OUTSIDE PROFESSIONAL AND OTHER CONSULTATIVE SERVICES (Continued)					
Line No.	Name / Address	Service	Basis of Charges	Acct #	Amount
196	Hoelter Research				
197	26773 Greenville	Consulting	Fee &		
198	Perrysburg OH 43551	Services	Expenses	920E&G, 921E&G	157,000
199	Holland Cost & Scheduling of NC Inc				
200	2101 Providence Rd	Consulting	Fee &		
201	Charlotte NC 28211	Services	Expenses	184	180,268
202	Howrey Simon Arnold & White				
203	550 S Hope St Ste 1400	Legal	Fee &		
204	Los Angeles CA 90071 2627	Services	Expenses	253	509,500
205	Jacobs & Clevenger				
206	401 N Wabash Suite 620	Consulting	Fee &		
207	Chicago, IL 60601-1692	Services	Expenses	416G,879G, 923E	1,180,964
208	Jan X-Ray Services, Inc.				
209	8500 E. Michigan Ave.	Technical	Fee &		
210	Parma, MI 49269	Consulting	Expenses	107G, 184	583,325
211	JMW3 LLC				
212	2410 Heronwood Drive	Professional	Fee &		
213	Bloomfield, MI 48302	Consulting	Expenses	146, 920, 921	136,847
214	Kema Consulting Inc				
215	One Burlington Business Center				
216	67 S Bedford St Suite201	Consulting	Fee &		
217	Burlington MA 01803-5177	Services	Expenses	107, 556E, 583	280,255
218	Kleinschmidt & Associates	Technical/			
219	75 Main Street P O Box 576	Consulting	Fee &		
220	Pittsfield, ME 04967	Services	Expenses	107E, 537E, 544E	138,157
221	Lacey & Jones LLP				
222	600 S Adams Road Suite 300	Legal	Fee &		
223	Birmingham, MI 48009	Services	Expenses	228E&G	140,000
224	Lakehead Constructors Inc				
225	2916 Hill Ave	Engineering	Fee &		
226	Superior WI 54880	Services	Expenses	107E, 108	7,689,732
227	Larkin Enterprises Inc				
228	17 Carriage Lane	Professional	Fee &		
229	Hampden, ME 49202	Services	Expenses	184	708,774
230	LeBouef Lamb Greene & Macrae				
231	125 W 55th St	Legal	Fees &		
232	New York NY 10019	Services	Expenses	186E	2,385,911
233	Loadspring Solutions Inc.				
234	15 Union Street #401	Technical	Fee &		
235	Lawrence, MA 01840	Services	Expenses	184	47,224
236	Loomis Ewert Parsley Davis & Gotting				
237	124 W Allegan Ste 700	Legal	Fees &		
238	Lansing MI 48933	Services	Expenses	134, 923E	53,347
239	Mannik & Smith Group				
240	1800 Indian Wood Circle	Engineering	Fees &		
241	Maumee OH 43537	Services	Expenses	107, 537E	107,238
242	Mar/Tec				
243	5437 Trager Road P O Box 3331	Consulting	Fee &		
244	Traverse City, MI 49685	Services	Expenses	184	852,948
245	Material Testing Consultants				
246	693 Plymouth NE	Consulting	Fee &		
247	Grand Rapids, MI 49505	Services	Expenses	107E, 543E	99,730
248	Maximus Professional Services				
249	998 Old Eagle School Rd Ste 1215	Consulting	Fee &		
250	Wayne PA 19087	Services	Expenses	184, 253	257,226
251	Mayer Brown Rowe & Maw LLP				
252	190 S LaSalle Street	Legal	Fee &		
253	Chicago, IL 60603	Services	Expenses	181, 923	44,920
254	Mc Alvey & Associates				
255	120 West Ottawa Street	Consulting	Fee &		
256	Lansing, MI 48933	Services	Expenses	920, 921	36,000
257	Mead & Hunt Inc				
258	6501 Watts Rd Suite 101	Consulting	Fee &		
259	Madison WI 53718	Services	Expenses	539E	55,539
260	Medstat Systems Inc				
261	777 E Eisenhower Parkway Suite 500	Consulting	Fee &		
262	Ann Arbor MI 48108	Services	Expenses	923 E&G	49,000
263	Meridian Houston Partners LLC				
264	6363 Woodway Ste 440	Consulting	Fee &		
265	Houston TX 77057	Services	Expenses	146, 920E&G, 921E&G	98,205

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CHARGES FOR OUTSIDE PROFESSIONAL AND OTHER CONSULTATIVE SERVICES (Continued)					
Line No.	Name / Address	Service	Basis of Charges	Acct #	Amount
266	Merjent Inc				
267	615 1st Ave NE Ste 425	Consulting	Fee &		
268	Minneapolis MN 55413	Services	Expenses	107	129,881
269	Mid American Inspection SVCS				
270	1206 Effie Road P O Box 1427	Technical	Fee &		
271	Gaylord, MI 49734	Services	Expenses	184	113,064
272	Mid-American Dynamics Inc				
273	4513 Lincoln Ave Ste 200	Technical	Fee &		
274	Lisle IL 60532	Services	Expenses	107E	276,574
275	Midwestern Audit Services				
276	900 Wilshire, Ste. 350	Collection	Fee &		
277	Troy, MI 48084-1694	Services	Expenses	144, 587E, 903G	436,703
278	Miner & Miner				
279	4701 Royal Vista Circle	Consulting	Fee &		
280	Fort Collins Co 80528	Services	Expenses	107, 391E	446,986
281	Mitsui Babcock Energy Services Limited				
282	P O Box 888194	Engineering	Fee &		
283	Atlanta, GA 30356	Services	Expenses	107E	1,751,694
284	Morrow & Company, Inc.				
285	909 Third Avenue				
286	Accounting Dept - 20th Floor	Professional	Fee &		
287	New York, NY 10022	Services	Expenses	184, 920, 921	62,073
288	NCO Financial Systems				
289	One Jackson Square, Suite 650	Collection	Fee &		
290	Jackson, MI 49202	Services	Expenses	144, 903G, 587E	2,713,744
291	New England Pension Consultant				
292	One Main St	Consulting	Fee &		
293	Cambridge MA 02142	Services	Expenses	146, 920 921	57,097
294	Newkirk Electric Associates				
295	1875 Roberts St	Technical	Fee &		
296	Muskegon MI 49442	Services	Expenses	184E	90,270
297	Nexus Energy Software				
298	233 Needham Street	Technical	Fee &		
299	Newton, MA 02164	Services	Expenses	903G, 909E	303,286
300	Niku Corporation				
301	Niku Education Services				
302	305 Main Street	Professional	Fee &		
303	Redwood City, CA 94063	Services	Expenses	184	36,510
304	Novak Engineering Inc				
305	2919 Wildwood Ave	Engineering	Fee &		
306	Jackson, MI 19202	Services	Expenses	107E	26,469
307	Nuclear Management Company				
308	700 1st Street	Management	Fee &		
309	Hudson, WI 54016	Services	Expenses	232, 926	161,191,037
310	Occupational Athletics Inc				
311	4309 Linglestown Rd Ste 20	Consulting	Fee &		
312	Harrisburg PA 17112	Services	Expenses	880G	29,313
313	Parsons Energy & Chemicals Group Inc				
314	2675 Morgantown Road	Professional	Fee &		
315	Reading PA 19607	Services	Expenses	108	184,566
316	Phasor Labs				
317	5420 Glenway Circle	Legal	Fee &		
318	Oregon WI 53575	Services	Expenses	228E	54,038
319	Pierce Atwood LLP				
320	One Monument Square	Legal	Fee &		
321	Portland ME 04107	Services	Expenses	146, 184	29,025
322	Price Waterhouse Cooper LLP				
323	400 Renaissance Center	Consulting	Fee &		
324	Detroit, MI 48243	Services	Expense	146, 923E&G	1,900,000
325	Risk Management, Inc.				
326	Board of Trade Building				
327	141 W. Jackson Blvd., Ste. 1800A	Consulting	Fee &		
328	Chicago, IL 60093	Services	Expenses	851G, 920E&G, 921E&G	84,000
329	Robert Half International Inc				
330	5720 Stoneridge Drive Suite 3	Professional	Fee &		
331	Pleasanton, CA 94588	Services	Expenses	184	262,252
332	Roose Services				
333	2373 Musser Road	Consulting	Fee &		
334	Mancelona MI 49659	Services	Expenses	107, 816, 832	65,925
335					

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CHARGES FOR OUTSIDE PROFESSIONAL AND OTHER CONSULTATIVE SERVICES (Continued)

Line No.	Name / Address	Service	Basis of Charges	Acct #	Amount
336	SAP America				
337	On Site Training Dept				
338	3999 West Chester Pike	Professional	Fee &	107E, 146, 184,	
339	Newtown Square PA 19073	Services	Expenses	920E&G, 921E&G	59,635
340	SAP Canada Inc				
341	4120 Yonge St Ste 600	Professional	Fee &		
342	Toronto Ontario Canada M2P 2B8	Services	Expenses	107E, 184	48,664
343	Sargent & Lundy				
344	55 East Monroe Street	Professional	Fee &		
345	Chicago, IL 60603	Services	Expenses	184	414,653
346	Shaw Environmental Inc				
347	14155 Farmington Road	Professional	Fee &		
348	Livonia MI 48154	Services	Expenses	107E, 512E	55,815
349	Sheridan Surveying Company				
350	4629 Page Avenue	Survey	Fee &		
351	Michigan Center, MI 49503	Services	Expenses	184	221,051
352	Sidley Austin LLP				
353	One South Dearborn	Legal	Fee &		
354	Chicago IL 60603	Services	Expenses	426	593,508
355	Sigma Technologies				
356	27421 Holiday Lane	Consulting	Fee &		
357	Perrysburg OH 43551	Services	Expenses	184	1,580,801
358	Soil and Materials Engineers				
359	43980 Plymouth Oak BLVD	Consulting	Fee &	107E, 184, 242G, 511E	
360	Plymouth, MI 48170	Services	Expenses	834G, 853G, 925E	610,014
361	South Bend Medical Foundation				
362	530 N Lafayette Blvd	Professional	Fee &		
363	South Bend, IN 46601	Services	Expenses	926E&G	31,473
364	SSOE Inc				
365	1001 Madison Ave	Engineering	Fee &		
366	Toledo, OH 43624	Services	Expenses	107E, 108E	598,980
367	Stanton Cathodic Survey & Data Collection				
368	6417 Sugar Creek Dr South	Professional	Fee &	107E, 416G, 456E,	
369	Mobile AL 36695	Services	Expenses	817G, 856G	28,150
370	Steven I Simon & Associates				
371	2005 Palmer Ave #105	Consulting	Fee &		
372	Larchmont NY 10538	Services	Expenses	926E&G	413,710
373	STS Consultants				
374	7402 Westshire Drive Suite 100	Consulting/ Engineering	Fee &		
375	Lansing, MI 48917	Services	Expenses	108E, 184, 818G,	477,555
376	Sullivan Ward Bone Tyler & Asher PC				
377	25800 Northwestern Hwy, Box 22	Legal	Fee &		
378	Southfield, MI 48037	Services	Expenses	228E&G	174,361
379	Sungard Investor Accounting				
380	951 Mariners Island Blvd #500	Professional	Fee &		
381	San Mateo CA 94404	Services	Expenses	184, 920E&G, 921E&G	55,745
382	Time Management				
383	W23256815 Millbrook Circle	Professional	Fee &		
384	Big Bend WI 53103	Services	Expenses	184E	106,656
385	TQS Research Inc				
386	2660 Holcomb Bridge Rd #208	Consulting	Fee &		
387	Alpharetta GA 30022	Services	Expenses	921E	108,000
388	US Inspection Services				
389	277 South St	Consulting	Fee &		
390	Rochester MI 48307	Services	Expenses	184	52,185
391	URS Corporation Great Lakes				
392	3950 Sparks Dr SE	Consulting	Fee &		
393	Grand Rapids MI 49546	Services	Expenses	107E	252,302
394	V Michael Lane DVM				
395	12783 Riverside Road	Consulting	Fee &		
396	Caldwell ID 83605	Services	Expenses	228E	44,386
397	Warner Norcross & Judd				
398	2000 Town Center, Suite 2700	Legal	Fee &		
399	Southfield, MI 48075	Services	Expenses	228E&G, 426	582,874
400	Watson Wyatt & Company				
401	One Northern Plaza Suite 500	Consulting	Fee &		
402	Southfield, MI 48034	Services	Expenses	146, 923E&G	253,053
403	Wiener Associates Inc				
404	721 North Capital Ste 1	Consulting	Fee &		
405	Lansing MI 48906-5198	Services	Expenses	146	40,000

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CHARGES FOR OUTSIDE PROFESSIONAL AND OTHER CONSULTATIVE SERVICES (Continued)

Line No.	Name / Address	Service	Basis of Charges	Acct #	Amount
336	Wilcox Professional Services LLC				
337	One Madison Ave	Technical	Fee &		
338	Cadillac MI 49601	Services	Expenses	539E	29,420
339					
340				TOTAL	248,474,766
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Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report December 31, 2006
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SUMMARY OF COSTS BILLED TO ASSOCIATED COMPANIES

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|---|---|
| <p>1. In column (a) report the name of the associated company.</p> <p>2. In column (b) describe the affiliation (percentage ownership, etc.).</p> <p>3. In column (c) describe the nature of the goods and</p> | <p>services provided (administrative and general expenses, dividends declared, etc.).</p> <p>4. In columns (d) and (e) report the amount classified to operating income and the account(s) in which reported.</p> |
|---|---|

Line No.	Company (a)	Affiliation (b)	Description: Nature of Goods and Services (c)	Account Number (d)	Amount Classified to Operating Income (e)
1	CMS Antrim Gas LLC	CMS Enterprises Sub, 100%	Professional Svcs, Emp Benefits	(1)	57,478
2	CMS Bay Area Pipeline LLC	CMS Enterprises Sub, 100%	Professional Svcs	(1)	13,099
3	CMS Capital LLC	CMS Energy Sub, 100%	Professional Svcs	(1)	82,964
4	CMS Electric & Gas LLC	CMS Enterprises Sub, 100%	Professional Svcs, Emp Benefits	(1)	4,435
5	CMS Energy Corporation	Parent Company	Professional Svcs, Emp Benefits	(1)	1,739,684
6	CMS Energy Resource Management Co.	CMS Enterprises Sub, 100%	Professional Svcs, Emp Benefits	(1)	589,469
7	CMS Engineering Company	Consumers Sub, 100%	Professional Svcs	(1)	13,715
8	CMS Enterprises Company	CMS Energy Sub, 100%	Professional Svcs, Emp Benefits	(1)	2,510,488
9	CMS Gas Transmission Company	CMS Enterprises Sub, 100%	Professional Svcs, Emp Benefits	(1)	110,749
10	CMS Generation Company	CMS Enterprises Sub, 100%	Professional Svcs, Emp Benefits	(1)	601,801
11	CMS Generation Filer City Operating LLC	CMS Enterprises Sub, 100%	Professional Svcs, Emp Benefits	(1)	22,122
12	CMS Generation Operating Company	CMS Enterprises Sub, 100%	Professional Svcs, Emp Benefits	(1)	94,362
13	CMS Generation Operating Co. II, Inc.	CMS Enterprises Sub, 100%	Professional Svcs, Emp Benefits	(1)	93,116
14	CMS Grand Lacs LLC	CMS Enterprises Sub, 100%	Professional Svcs	(1)	23,245
15	CMS International Operating Company	CMS Enterprises Sub, 100%	Emp Benefits	(1)	-
16	CMS International Ventures LLC	CMS Enterprises Sub, 98.5%	Professional Svcs, Emp Benefits	(1)	172,658
17	CMS Land Company	CMS Energy Sub, 100%	Professional Svcs, Emp Benefits	(1)	309,083
18	CMS Midland Holdings Company	Consumers Sub, 100%	Professional Svcs	(1)	16,123
19	CMS Midland, Inc.	Consumers Sub, 100%	Professional Svcs	(1)	67,862
20	CMS Resource Development Company	CMS Enterprises Sub, 100%	Professional Svcs, Emp Benefits	(1)	17,184
21	CMS Texas LLC	CMS Enterprises Sub, 100%	Professional Svcs, Emp Benefits	(1)	5,325
22	Consumers Campus Holdings LLC	Consumers Sub, 100%	Professional Svcs	(1)	5,161
23	Consumers Nuclear Services LLC	Consumers Sub, 100%	Professional Svcs	(1)	80,434
24	Dearborn Generation Operating LLC	CMS Enterprises Sub, 100%	Professional Svcs, Emp Benefits	(1)	54,313
25	Dearborn Industrial Generation LLC	CMS Energy Sub, 100%	Professional Svcs	(1)	-
26	EnerBank USA	CMS Capital Sub, 100%	Professional Svcs, Emp Benefits	(1)	67,076
27			Office Lease		
28	ES Services Company	Consumers Sub, 100%	Professional Svcs	(1)	723,495
29	Genesee Power Station LP	CMS Enterprises, 50%	Professional Svcs	(1)	-
30			Transformer Lease		
31	Grayling Generating Station LP	CMS Enterprises, 50%	Professional Svcs	(1)	-
32	Jackson Pipeline Company	CMS Enterprises Sub, 75%	Professional Svcs	(1)	10,825
33	Jorf Lasfar Energy Company SCA	CMS Enterprises, 50%	Professional Svcs	(1)	14,298
34	MCV GP II LLC	Consumers Sub, 100%	Professional Svcs,	(1)	17,643
35	MEC Development Corporation	Consumers Sub, 100%	Professional Svcs	(1)	1,309
36	Midland Cogeneration Venture LP	Consumers, 49%	Professional Svcs,	(1), 489,495	8,321,847
37			Gas Transportation & Storage,		
38			Property Lease		
39	New Bern Energy Recovery, Inc.	CMS Enterprises Sub, 100%	Professional Svcs, Emp Benefits	(1)	1,022
40	New Midland, Inc	Consumers Sub, 100%	Professional Svcs	(1)	46,632
41	T.E.S. Filer City Station LP	CMS Enterprises, 50%	Professional Svcs	(1)	2,247
42					
43	NOTES:				
44	(1) Accounts 920, 921, 923-926, 930, 931, 935, 408, 456, 495				
TOTAL					15,891,264

Name of Respondent		This Report Is:		Date of Report	Year of Report	
Consumers Energy Company		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		(Mo, Da, Yr) 04/23/07	December 31, 2006	
SUMMARY OF COSTS BILLED TO ASSOCIATED COMPANIES (Continued)						
5. In columns (f) and (g) report the amount classified to non-operating income and the account(s) in which reported.				reported.		
6. In columns (h) and (i) report the amount classified to the balance sheet and the account(s) in which				7. In column (j) report the total.		
				8. In column (k) indicate the pricing method (cost, per contract terms, etc.)		
Account Number	Amount Classified to Non-Operating Income	Account Number	Amount Classified to Balance Sheet	Total	Pricing Method	Line No.
(f)	(g)	(h)	(i)	(j)	(k)	
419	2,390	146	293,935	353,803	Full Cost	1
419	296	146	145,551	158,946	Full Cost	2
419	10,935	146	378,951	472,850	Full Cost	3
419	515	146	40,458	45,408	Full Cost	4
419	68,630	146,184	13,530,170	15,338,484	Full Cost	5
419	15,294	146	1,424,255	2,029,018	Full Cost	6
419	487	146	27,084	41,286	Full Cost	7
419	82,113	146	9,673,845	12,266,446	Full Cost	8
419	4,217	146	555,185	670,151	Full Cost	9
419	30,381	146	2,255,459	2,887,641	Full Cost	10
419	3,245	146	384,406	409,773	Full Cost	11
419	8,203	146	931,655	1,034,220	Full Cost	12
419	4,082	146	419,417	516,615	Full Cost	13
419	421	146	303,374	327,040	Full Cost	14
419	700	146	60,144	60,844	Full Cost	15
419	9,721	146	709,823	892,202	Full Cost	16
419	5,019	146	430,156	744,258	Full Cost	17
419	392	146	18,352	34,867	Full Cost	18
419	1,442	146	67,307	136,611	Full Cost	19
419	3,684	146	334,126	354,994	Full Cost	20
419	363	146	26,705	32,393	Full Cost	21
419	125	146	5,933	11,219	Full Cost	22
419	2,048	146	92,127	174,609	Full Cost	23
419	7,931	146	648,378	710,622	Full Cost	24
419	-	146	8,110	8,110	Full Cost	25
419	(1)	146	678,834	745,909	Full Cost	26
						27
419	18,293	146	887,204	1,628,992	Full Cost	28
419	-	146	92,139	92,139	Full Cost	29
						30
419	-	146	12,475	12,475	Full Cost	31
419	244	146	77,728	88,797	Full Cost	32
419	677	146	45,873	60,848	Full Cost	33
419	416	146	17,935	35,994	Full Cost	34
419	32	146	1,598	2,939	Full Cost	35
418, 419	601,374	146	279,291	9,202,512	Full Cost	36
						37
						38
419	206	146	17,282	18,510	Full Cost	39
419	1,056	146	43,328	91,016	Full Cost	40
419	65	146	3,430	5,742	Full Cost	41
						42
						43
						44
	884,996		34,922,023	51,698,283		

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report December 31, 2006
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SUMMARY OF COSTS BILLED FROM ASSOCIATED COMPANIES

- | | |
|---|---|
| <p>1. In column (a) report the name of the associated company.</p> <p>2. In column (b) describe the affiliation (percentage ownership, etc.).</p> <p>3. In column (c) describe the nature of the goods and</p> | <p>services provided (administrative and general expenses, dividends declared, etc.).</p> <p>4. In columns (d) and (e) report the amount classified to operating income and the account(s) in which reported.</p> |
|---|---|

Line No.	Company (a)	Affiliation (b)	Description: Nature of Goods and Services (c)	Account Number (d)	Amount Classified to Operating Income (e)
1	CMS Bay Area Pipeline LLC	CMS Enterprises Sub, 100%	Gas Transportation	501	3,886,927
2					
3	CMS Energy Corporation	Parent Company	Corporate Costs,	920,923	6,534,733
4			External Auditing Services,		
5			Restricted Stock		
6					
7	CMS Energy Resource Management Co.	CMS Enterprises Sub, 100%	Energy Purchase	555	7,200
8					
9	CMS Enterprises Company	CMS Energy Sub, 100%	Administrative Services	556,879,903	1,065,135
10				912,921,923	
11				930	
12					
13	CMS Generation Company	CMS Enterprises Sub, 100%	Administrative Services		-
14					
15	ES Services Company	Consumers Sub, 100%	Engineering Services		-
16					
17	Genesee Power Station LP	CMS Enterprises, 50%	Energy Purchases	555	19,260,645
18					
19	Grayling Generating Station LP	CMS Enterprises, 50%	Energy Purchases	555	18,544,898
20					
21	Midland Cogeneration Venture LP	Consumers, 49%	Energy Purchases	555	396,534,396
22					
23	T.E.S. Filer City Station LP	CMS Enterprises, 50%	Energy Purchases	555	35,878,944
24					
25					
26					
27					
28					
29					
30					
TOTAL					481,712,878

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report December 31, 2006
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SUMMARY OF COSTS BILLED TO ASSOCIATED COMPANIES (Continued)

5. In columns (f) and (g) report the amount classified to non-operating income and the account(s) in which reported.
6. In columns (h) and (i) report the amount classified to the balance sheet and the account(s) in which reported.
7. In column (j) report the total.
8. In column (k) indicate the pricing method (cost, per contract terms, etc.)

Account Number (f)	Amount Classified to Non-Operating Income (g)	Account Number (h)	Amount Classified to Balance Sheet (i)	Total (j)	Pricing Method (k)	Line No.
	-		-	3,886,927	Full Cost	1
						2
426	6,852	184	58,703	6,600,288	Full Cost	3
						4
						5
						6
	-		-	7,200	Full Cost	7
						8
426	49,824	146,184,186 228	75,884	1,190,843	Full Cost	9
						10
						11
						12
	-	184	7,841	7,841	Full Cost	13
						14
416	1,712,288		-	1,712,288	Full Cost	15
						16
	-		-	19,260,645	Full Cost	17
						18
	-		-	18,544,898	Full Cost	19
						20
	-		-	396,534,396	Full Cost	21
						22
	-		-	35,878,944	Full Cost	23
						24
						25
						26
						27
						28
						29
						30
	1,768,964		142,428	483,624,270		

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report 12/31/06
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ELECTRIC ENERGY ACCOUNT

Report below the information called for concerning the disposition of electric energy generated, purchased, exchanged and wheeled during the year.

Line No.	Item (a)	MWH's (b)	Line No.	Item (a)	MWH's (b)
1	SOURCES OF ENERGY		18	Net Transmission for other (line 16	
2	Generation (Excluding Station Use):			minus line 17)	0
3	Steam	17,937,303	19	Transmission by others losses	0
4	Nuclear	5,903,861	20	TOTAL (Total of lines 9, 10, 14, 18 & 19)	40,569,082
5	Hydro-Conventional	484,534	21	DISPOSITION OF ENERGY	
6	Hydro-Pumped Storage	1,066,484	22	Sales to Ultimate Consumers	
7	Other	16,467		(Including Interdepartmental Sales)	36,543,834
8	LESS Energy for Pumping	1,492,364	23	Requirements Sales for Resale	
9	Net Generation (Total of lines 3 thru 8)	23,916,285		(See instruction 4, page 311.)	458,550
10	Purchases	16,652,797	24	Non-Requirements Sales For Resale	
11	Power Exchanges:			(See instruction 4, page 311.)	852,965
12	Received		25	Energy furnished without charge	
13	Delivered		26	Energy used by the company (Electric	
14	NET Exchanges (line 12 minus 13)	0		Dept. only, excluding station use)	17,180
15	Transmission for other (Wheeling)		27	Total Energy Losses	2,696,553
16	Received		28	TOTAL (Enter total of lines 22 thru	
17	Delivered			27) (MUST equal line 20)	40,569,082

MONTHLY PEAKS AND OUTPUT

- | | |
|---|---|
| <p>1. If the respondent has two or more power systems which are not physically integrated, furnish the required information for each non-integrated system</p> <p>2. Report in column (b) the system's energy output for each month such that the total on line 41 matches the total on line 20.</p> <p>3. Report in column (c) a monthly breakdown on the Non-Requirements Sales for Resale reported on line 24. Include in the monthly amounts any energy losses associated with the sales so that the total on line 41 exceeds the</p> | <p>amount on line 24 by the amount of losses incurred (or estimated) in making the non-requirements Sales for Resale.</p> <p>4. Report in column (d) the system's monthly maximum megawatt load (60-minute integration) associated with the net energy for the system defined as the difference between columns (b) and (c).</p> <p>5. Report in columns (e) and (f) the specified information for each monthly peak load reported in column (d).</p> |
|---|---|

NAME of SYSTEM:

Line No.	Month (a)	Total Monthly Energy (b)	Monthly Non-Requirements Sales for Resale & Associated Losses (c)	MONTHLY PEAK		
				Megawatts (See Instruction 4) (d)	Day of Month (e)	Hour (f)
29	January	3,504,967	220,717	5438	18	1900
30	February	3,228,411	216,958	5423	20	2000
31	March	2,945,192	(326,961)	5349	14	2000
32	April	2,884,196	13,428	4977	3	1200
33	May	3,242,062	56,738	6940	30	1600
34	June	3,563,313	183,136	6590	17	1800
35	July	4,036,869	68,048	8497	31	1700
36	August	3,921,423	96,453	8657	1	1700
37	September	3,231,742	179,504	5707	8	1400
38	October	3,240,017	31,346	5272	3	2100
39	November	3,195,532	98,095	5607	30	1900
40	December	3,575,358	73,595	6037	4	1900
41	TOTAL	40,569,082	911,057			

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Name of Respondent Consumers Energy Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 04/23/07		Year of Report 12/31/06	
STEAM-ELECTRIC GENERATION PLANT STATISTICS (Large Plants)							
1. Report data for Plant in Service only. 2. Large plants are steam plants with installed capacity (name plate rating) of 25,000 Kw or more, and nuclear plants 3. Indicate by footnote any plant leased or operated as a joint facility. 4. If net peak demand for 60 minutes is not available, give data which is available, specifying period. 5. If any employees attend more than one plant, report on line 11 the approximate number of employees assignable to each plant.				6. If gas is used and purchased on a term basis, report the Btu content of the gas and the quantity of fuel burned converted to Mcf. 7. Quantities of fuel burned (line 38) and average cost per unit of fuel burned (line 41) must be consistent with charges to expense accounts 501 and 547 (line 42) as shown on line 21. 8. If more than one fuel is burned in a plant, furnish only the composite heat rate for all fuels burned. 9. Items under Cost of PLant4 are based on U.S. of A. accounts. Production expenses do not include Purchased Power, System			
Line No.	Item (a)	Plant Name: Campbell 1 & 2 (b)		Plant Name: Cobb 4-5 (c)			
1	Kind of plant (steam, int. combustion. Gas turbine or nuclear)	Steam		Steam			
2	Plant Constrctn. Type (Conventional/Outdr. Boiler/Full Outdoor/Etc.)	Conventional		Conventional			
3	Year originally constructed	1962		1956			
4	Year last unit was installed	1967		1957			
5	Total Installed cpcty. (max. generator name plate ratings in MW)	669.12		312.5			
6	Net Peak Demand on Plant-MW (60 minutes)	679		392			
7	Plant hours connected to load	8760		8348			
8	Net continuous plant capability (megawatts)	0		0			
9	When not limited by condenser water	620		320			
10	When limited by condenser water	615		312			
11	Average number of employees	145		103			
12	Net generation, exclusive of plant use-KWh	4358221200		1843766100			
13	Cost of plant: Land and Land Rights	1949688		113291			
14	Structures and Improvements	78208129		19597346			
15	Equipments costs	316201181		133615863			
16	Asset Retirement Costs	0		0			
17	Total cost	396358998		153326500			
18	Cost per KW of Installed capacity (line 5)	592.3586		490.6448			
19	Production Expenses: Oper., Supv., & Engr.	3158933		2627148			
20	Fuel	95977237		38467036			
21	Coolants and Water (Nuclear Plants only)	0		0			
22	Steam expenses	2387951		2363714			
23	Steam from other sources	0		0			
24	Steam transferred (credit)	0		0			
25	Electric expenses	1632897		1020364			
26	Misc. steam (or nuclear) power expenses	2032233		1271964			
27	Rents	0		0			
28	Allowances	524279		172179			
29	Maintenance Supervision and Engineering	1391949		970062			
30	Maintenance of structures	954622		1041841			
31	Maintenance of boiler (or reactor) plant	6700585		5604905			
32	Maintenance of electric plant	3145938		1673357			
33	Maintenance of Misc. steam (or nuclear) plant	308582		84043			
34	Total Production Expenses	118215206		55296613			
35	Expenses per net KWh	0.0271		0.03			
36	Fuel: Kind (coal, gas, oil, or nuclear)	Coal	Oil	Coal	Gas		
37	Unit: (coal-tons of 2,000 lb) (oil-barrels of 42 gals.) (Gas-Mcf) (Nuclear-indicate)	Tons	Barrels	Tons	Mcf		
38	Quantity (units) of fuel burned	2168553	12043	982157	207314		
39	Avg. Heat cont. of fuel burned (Btu per lb. Of coal, per gal. of oil, or per Mcf of gas) (give unit if nuclear)	20057889	5838000	18892422	1018000		
40	Avg. cost of fuel per unit, as delvrd. F.o.b. plant during year	40.433	86.449	35.81	9.899		
41	Avg. cost of fuel per unit burned	41.857	86.449	35.45	9.899		
42	Avg. cost of fuel burned per million Btu	2.087	14.808	1.876	9.724		
43	Avg. cost of fuel burned per KWh net gen.	0.021	0	0.019	0		
44	Avg. Btu per KWh net generation	9996	0	10178	0		

Name of Respondent Consumers Energy Company	This Report Is: (1) [X] An Original (2) [] A Resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report December 31, 2006
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STEAM-ELECTRIC GENERATION PLANT STATISTICS (Large Plants) (Continued)

Control and Load Dispatching, and Other Expenses classified as other Power Supply Expenses.

10. For IC and GT plants, report Operating Expenses, Acct. Nos. 548 and 549 on line 26 "Electric Expenses," and Maintenance Acct. Nos. 553 and 554 on line 32, "Maintenance of Electric Plant." Indicate plants designed for peak load svc. Designate automatically operated plants.

11. For a plant equipped with combinations of fossil fuel steam, nuclear steam, hydro, internal combustion or gas-turbine equipment, report each as a separate plant. However, if a gas-turbine unit functions in a combined cycle operation with a conventional steam unit, include the gas-turbine with the steam plant.

12. If a nuclear power generating plant, briefly explain by footnote (a) accounting method for cost of power generated including any excess costs attributed to research and development; (b) types of cost units used for the various components of fuel cost; and (c) any other informative data concerning plant type, fuel used, fuel enrichment by type and quantity for the report period, and other physical and operating characteristics of plant.

Plant Name: Whiting (d)		Plant Name: Karn 1 & 2 (e)		Plant Name: Karn 3 & 4 (f)		Line No.		
Steam		Steam		Steam		1		
Conventional		Conventional		Conventional		2		
1952		1959		1975		3		
1953		1961		1977		4		
345.31		544		1402.25		5		
338		525		1201		6		
8637.5		8742.6		868.6		7		
0		0		0		8		
328		515		1276		9		
328		515		1276		10		
116		131		102		11		
2378253000		3586689000		179198000		12		
474999		178947		50886		13		
20745272		24663673		34351350		14		
108627011		297563714		242202795		15		
0		0		0		16		
129847282		322406334		276605031		17		
376.0311		592.6587		197.258		18		
1889179		3239659		1865027		19		
51385639		82816193		28225722		20		
0		0		0		21		
2845526		2253154		1497051		22		
0		0		0		23		
0		0		0		24		
810003		1687948		1008853		25		
1072190		1909833		1026350		26		
0		0		0		27		
302935		126781		51047		28		
1191266		1328777		500133		29		
1032701		1009040		687732		30		
4837653		7150229		1815831		31		
1096112		1117891		6623262		32		
86062		273972		427105		33		
66549266		102913477		43728113		34		
0.028		0.0287		0.244		35		
Coal	Oil	Coal	Oil	Gas	Gas	Oil		36
								37
Tons	Barrels	Tons	Barrels	Mcf	Mcf	Barrels		38
1318624	8697	1775187	19893	58419	2447533	140549		39
19034812	5880000	20107258	5796000	1025000	1017540	6366717		40
36.189	88.103	44.1	85.016	10.681	8.926	46.27		41
36.544	88.103	43.674	85.016	10.681	8.926	42.554		42
1.92	14.984	2.172	14.668	10.42	8.772	6.684		43
0.02	0	0.0216	0	0	0	0.158		44
10575	0	10001	0	0	0	18891		

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report 12/31/06
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STEAM-ELECTRIC GENERATION PLANT STATISTICS (Large Plants) (Continued)

- | | |
|--|---|
| <p>1. Report data for Plant in Service only.</p> <p>2. Large plants are steam plants with installed capacity (name plate rating) of 25,000 Kw or more, and nuclear plants</p> <p>3. Indicate by footnote any plant leased or operated as a joint facility.</p> <p>4. If net peak demand for 60 minutes is not available, give data which is available, specifying period.</p> <p>5. If any employees attend more than one plant, report on line 11 the approximate number of employees assignable to each plant.</p> | <p>6. If gas is used and purchased on a therm basis, report the Btu content of the gas and the quantity of fuel burned converted to Mcf.</p> <p>7. Quantities of fuel burned (line 38) and average cost per unit of fuel burned (line 41) must be consistent with charges to expense accounts 501 and 547 (line 42) as shown on line 21.</p> <p>8. If more than one fuel is burned in a plant, furnish only the composite heat rate for all fuels burned.</p> <p>9. Items under Cost of PLant4 are based on U.S. of A. accounts. Production expenses do not include Purchased Power, System</p> |
|--|---|

Line No.	Item (a)	Plant Name: Weadock 7 & 8 (b)			Plant Name: BCCobb 1-3 (c)		
1	Kind of plant (steam, int. combustion, Gas turbine or nuclear)	Steam			Steam		
2	Plant Constrcn. Type (Conventional/Outdr. Boiler/Full Outdoor/Etc.)	Conventional			Conventional		
3	Year originally constructed	1955			1948		
4	Year last unit was installed	1958			1950		
5	Total Installed cpcty. (max. generator name plate ratings in MW)	312.5			207		
6	Net Peak Demand on Plant-MW (60 minutes)	313			183		
7	Plant hours connected to load	8680.9			254.9		
8	Net continuous plant capability (megawatts)	0			0		
9	When not limited by condenser water	310			183		
10	When limited by condenser water	306			183		
11	Average number of employees	123			18		
12	Net generation, exclusive of plant use-KWh	1864625000			14394200		
13	Cost of plant: Land and Land Rights	144060			0		
14	Structures and Improvements	23391940			62857		
15	Equipments costs	90819228			24895866		
16	Asset Retirement Costs	0			0		
17	Total cost	114355228			24958723		
18	Cost per KW of installed capacity (line 5)	365.9367			120.5735		
19	Production Expenses: Oper., Supv., & Engr.	1842124			293583		
20	Fuel	39467571			1622955		
21	Coolants and Water (Nuclear Plants only)	0			0		
22	Steam expenses	1808419			362045		
23	Steam from other sources	0			0		
24	Steam transferred (credit)	0			0		
25	Electric expenses	1368003			165958		
26	Misc. steam (or nuclear) power expenses	1625405			55901		
27	Rents	0			0		
28	Allowances	269043			1674		
29	Maintenance Supervision and Engineering	321582			122920		
30	Maintenance of structures	1167287			38004		
31	Maintenance of boiler (or reactor) plant	3557432			213812		
32	Maintenance of electric plant	2025757			97108		
33	Maintenance of Misc. steam (or nuclear) plant	371663			14994		
34	Total Production Expenses	53824286			2988954		
35	Expenses per net KWh	0.0289			0.2076		
36	Fuel: Kind (coal, gas, oil, or nuclear)	Coal	Oil	Gas	Gas		
37	Unit: (coal-tons of 2,000 lb) (oil-barrels of 42 gals.)						
	(Gas-Mcf) (Nuclear-indicate)	Tons	Barrels	Mcf	Mcf		
38	Quantity (units) of fuel burned	944079	9258	104240	205103		
39	Avg. Heat cont. of fuel burned (Btu per lb. Of coal, per gal. of oil, or per Mcf of gas) (give unit if nuclear)	19608029	5745768	1000000	1018000		
40	Avg. cost of fuel per unit, as delvrd. F.o.b. plant during year	39.033	89.582	10.785	7.936		
41	Avg. cost of fuel per unit burned	37.914	89.582	10.785	7.936		
42	Avg. cost of fuel burned per million Btu	1.934	15.591	10.785	7.796		
43	Avg. cost of fuel burned per KWh net gen.	0.019	0	0	0.113		
44	Avg. Btu per KWh net generation	10012	0	0	14506		

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report December 31, 2006
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STEAM-ELECTRIC GENERATION PLANT STATISTICS (Large Plants) (Continued)

Control and Load Dispatching, and Other Expenses classified as other Power Supply Expenses.

10. For IC and GT plants, report Operating Expenses, Acct. Nos. 548 and 549 on line 26 "Electric Expenses," and Maintenance Acct. Nos. 553 and 554 on line 32, "Maintenance of Electric Plant." Indicate plants designed for peak load svc. Designate automatically operated plants.

11. For a plant equipped with combinations of fossil fuel steam, nuclear steam, hydro, internal combustion or gas-turbine equipment, report each as a separate plant. However, if a gas-turbine unit

functions in a combined cycle operation with a conventional steam unit, include the gas-turbine with the steam plant.

12. If a nuclear power generating plant, briefly explain by footnote (a) accounting method for cost of power generated including any excess costs attributed to research and development; (b) types of cost units used for the various components of fuel cost; and (c) any other informative data concerning plant type, fuel used, fuel enrichment by type and quantity for the report period, and other physical and operating characteristics of plant.

Plant Name: Campbell 3 (Total) (d)	Plant Name: Campbell 3 (CPCo) (e)	Plant Name _____ (f)	Line No.	
Steam	Steam		1	
Conventional	Conventional		2	
1980	1980		3	
1980	1980		4	
871.25	812.96		5	
853	796		6	
5928.5	5928.5		7	
0	0		8	
820	765.1		9	
820	765.1		10	
165	0		11	
4034166000	3712156700		12	
1748580	1748580		13	
212913173	199114698		14	
458970234	430704179		15	
0	0		16	
673631987	631567457		17	
773.1788	776.8707		18	
0	2385210		19	
0	88694781		20	
0	0		21	
0	1672354		22	
0	0		23	
0	0		24	
0	1313612		25	
0	1699693		26	
0	0		27	
0	1242494		28	
0	869445		29	
0	520577		30	
0	6826976		31	
0	3440384		32	
0	696153		33	
0	109361679		34	
0	0.0295		35	
	Coal	Oil		36
	Tons	Barrels		37
	1696000	12367		38
	21166820	5838000		39
	50.05	85.705		40
	51.513	85.705		41
	2.433	14.681		42
	0.024	0		43
	9690	0		44

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report 12/31/06
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STEAM-ELECTRIC GENERATION PLANT STATISTICS (Large Plants) (Continued)

- | | |
|--|--|
| <p>1. Report data for Plant in Service only.</p> <p>2. Large plants are steam plants with installed capacity (name plate rating) of 25,000 Kw or more, and nuclear plants</p> <p>3. Indicate by footnote any plant leased or operated as a joint facility.</p> <p>4. If net peak demand for 60 minutes is not available, give data which is available, specifying period.</p> <p>5. If any employees attend more than one plant, report on line 11 the approximate number of employees assignable to each plant.</p> | <p>6. If gas is used and purchased on a therm basis, report the Btu content of the gas and the quantity of fuel burned converted to Mcf.</p> <p>7. Quantities of fuel burned (line 38) and average cost per unit of fuel burned (line 41) must be consistent with charges to expense accounts 501 and 547 (line 42) as shown on line 21.</p> <p>8. If more than one fuel is burned in a plant, furnish only the composite heat rate for all fuels burned.</p> <p>9. Items under Cost of Plant are based on U.S. of A. accounts. Production expenses do not include Purchased Power, System</p> |
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Line No.	Item (a)	Plant Name: Weadock		Plant Name: Thetford	
		(b)		(c)	
1	Kind of plant (steam, int. combustion. Gas turbine or nuclear)	Gas Turbine Peaker		Gas Turbine Peaker	
2	Plant Constrcn. Type (Conventional/Outdr. Boiler/Full Outdoor/Etc.)	Conventional		Conventional	
3	Year originally constructed	1968		1970	
4	Year last unit was installed	1969		1971	
5	Total Installed cpcy. (max. generator name plate ratings in MW)	18.59		222.07	
6	Net Peak Demand on Plant-MW (60 minutes)	28		156	
7	Plant hours connected to load	60		97	
8	Net continuous plant capability (megawatts)	0		0	
9	When not limited by condenser water	17		234	
10	When limited by condenser water	17		234	
11	Average number of employees	0		6	
12	Net generation, exclusive of plant use-KWh	710100		5945640	
13	Cost of plant: Land and Land Rights	0		126313	
14	Structures and Improvements	4512		508380	
15	Equipments costs	1608149		25404968	
16	Asset Retirement Costs	0		0	
17	Total cost	1612661		26039661	
18	Cost per KW of installed capacity (line 5)	86.7488		117.2588	
19	Production Expenses: Oper., Supv., & Engr.	7098		60570	
20	Fuel	74569		1193729	
21	Coolants and Water (Nuclear Plants only)	0		0	
22	Steam expenses	0		0	
23	Steam from other sources	0		0	
24	Steam transferred (credit)	0		0	
25	Electric expenses	645		83264	
26	Misc. steam (or nuclear) power expenses	1166		21732	
27	Rents	0		0	
28	Allowances	0		3347	
29	Maintenance Supervision and Engineering	5532		61236	
30	Maintenance of structures	0		0	
31	Maintenance of boiler (or reactor) plant	0		0	
32	Maintenance of electric plant	9444		261388	
33	Maintenance of Misc. steam (or nuclear) plant	0		0	
34	Total Production Expenses	98454		1685266	
35	Expenses per net KWh	0.1386		0.2834	
36	Fuel: Kind (coal, gas, oil, or nuclear)	Gas		Gas	
37	Unit: (coal-tons of 2,000 lb) (oil-barrels of 42 gals.) (Gas-Mcf) (Nuclear-indicate)	Mcf		Mcf	
38	Quantity (units) of fuel burned	10163		123819	
39	Avg. Heat cont. of fuel burned (Btu per lb. Of coal, per gal. of oil, or per Mcf of gas) (give unit if nuclear)	1020073		1000024	
40	Avg. cost of fuel per unit, as delvrd. F.o.b. plant during year	7.337		9.641	
41	Avg. cost of fuel per unit burned	7.337		9.641	
42	Avg. cost of fuel burned per million Btu	7.193		9.641	
43	Avg. cost of fuel burned per KWh net gen.	0.105		0.201	
44	Avg. Btu per KWh net generation	14599		20826	

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report December 31, 2006
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STEAM-ELECTRIC GENERATION PLANT STATISTICS (Large Plants) (Continued)

Control and Load Dispatching, and Other Expenses classified as other Power Supply Expenses.

10. For IC and GT plants, report Operating Expenses, Acct. Nos. 548 and 549 on line 26 "Electric Expenses," and Maintenance Acct. Nos. 553 and 554 on line 32, "Maintenance of Electric Plant." Indicate plants designed for peak load svc. Designate automatically operated plants.

11. For a plant equipped with combinations of fossil fuel steam, nuclear steam, hydro, internal combustion or gas-turbine equipment, report each as a separate plant. However, if a gas-turbine unit functions in a combined cycle operation with a conventional steam unit, include the gas-turbine with the steam plant.

12. If a nuclear power generating plant, briefly explain by footnote (a) accounting method for cost of power generated including any excess costs attributed to research and development; (b) types of cost units used for the various components of fuel cost; and (c) any other informative data concerning plant type, fuel used, fuel enrichment by type and quantity for the report period, and other physical and operating characteristics of plant.

Plant Name: Whiting (d)		Plant Name: Morrow (e)		Plant Name: Gaylord (f)		Line No.
Gas Turbine Peaker		Gas Turbine Peaker		Gas Turbine Peaker		1
Conventional		Conventional		Conventional		2
1968		1968		1966		3
1968		1969		1968		4
18.59		36		82.59		5
11		25		85		6
29		68		150		7
0		0		0		8
17		34		85		9
17		34		85		10
0		0		6		11
252000		871800		6816000		12
0		0		1252		13
42801		12154		256330		14
1625237		3459428		6870124		15
0		0		0		16
1668038		3471582		7127706		17
89.7277		96.4328		86.3023		18
2519		8715		59457		19
34251		153495		1615443		20
0		0		0		21
0		0		0		22
0		0		0		23
0		0		0		24
39759		20702		70186		25
414		4107		25158		26
0		0		0		27
0		0		0		28
1963		6792		76654		29
0		99		6071		30
0		0		0		31
64679		39928		158984		32
0		0		0		33
143585		233838		2011953		34
0.5698		0.2682		0.2952		35
Oil		Gas		Gas		36
Barrels		Mcf		Mcf		37
764		16033		112690		38
5836876		1022391		1000000		39
44.814		9.574		14.335		40
44.814		9.574		14.335		41
7.676		9.364		14.335		42
0.136		0.176		0.237		43
17706		18802		16533		44

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STEAM-ELECTRIC GENERATION PLANT STATISTICS (Large Plants) (Continued)

- | | |
|--|---|
| <p>1. Report data for Plant in Service only.</p> <p>2. Large plants are steam plants with installed capacity (name plate rating) of 25,000 Kw or more, and nuclear plants</p> <p>3. Indicate by footnote any plant leased or operated as a joint facility.</p> <p>4. If net peak demand for 60 minutes is not available, give data which is available, specifying period.</p> <p>5. If any employees attend more than one plant, report on line 11 the approximate number of employees assignable to each plant.</p> | <p>6. If gas is used and purchased on a therm basis, report the Btu content of the gas and the quantity of fuel burned converted to Mcf.</p> <p>7. Quantities of fuel burned (line 38) and average cost per unit of fuel burned (line 41) must be consistent with charges to expense accounts 501 and 547 (line 42) as shown on line 21.</p> <p>8. If more than one fuel is burned in a plant, furnish only the composite heat rate for all fuels burned.</p> <p>9. Items under Cost of PLant4 are based on U.S. of A. accounts. Production expenses do not include Purchased Power, System</p> |
|--|---|

Line No.	Item (a)	Plant Name: Straits (b)	Plant Name: Campbell (c)
1	Kind of plant (steam, int. combustion. Gas turbine or nuclear)	Gas Turbine Peaker	Gas Turbine Peaker
2	Plant Constrctn. Type (Conventional/Outdr. Boiler/Full Outdoor/Etc.)	Conventional	Conventional
3	Year originally constructed	1969	1968
4	Year last unit was installed	1969	1968
5	Total Installed cpcty. (max. generator name plate ratings in MW)	21.25	18.59
6	Net Peak Demand on Plant-MW (60 minutes)	20	15
7	Plant hours connected to load	121	31
8	Net continuous plant capability (megawatts)	0	0
9	When not limited by condenser water	21	17
10	When limited by condenser water	21	17
11	Average number of employees	0	0
12	Net generation, exclusive of plant use-KWh	1482800	385200
13	Cost of plant: Land and Land Rights	4694	0
14	Structures and Improvements	50816	33688
15	Equipments costs	2022861	1678085
16	Asset Retirement Costs	0	0
17	Total cost	2078371	1711773
18	Cost per KW of Installed capacity (line 5)	97.8057	92.0803
19	Production Expenses: Oper., Supv., & Engr.	14824	3851
20	Fuel	364975	30877
21	Coolants and Water (Nuclear Plants only)	0	0
22	Steam expenses	0	0
23	Steam from other sources	0	0
24	Steam transferred (credit)	0	0
25	Electric expenses	15131	7915
26	Misc. steam (or nuclear) power expenses	3083	633
27	Rents	0	0
28	Allowances	0	0
29	Maintenance Supervision and Engineering	11987	3001
30	Maintenance of structures	7015	5588
31	Maintenance of boiler (or reactor) plant	0	0
32	Maintenance of electric plant	149849	974178
33	Maintenance of Misc. steam (or nuclear) plant	0	0
34	Total Production Expenses	566864	1026043
35	Expenses per net KWh	0.3823	2.6637
36	Fuel: Kind (coal, gas, oil, or nuclear)	Gas	Oil
37	Unit: (coal-tons of 2,000 lb) (oil-barrels of 42 gals.) (Gas-Mcf) (Nuclear-indicate)	Mcf	Barrels
38	Quantity (units) of fuel burned	27370	986
39	Avg. Heat cont. of fuel burned (Btu per lb. Of coal, per gal. of oil, or per Mcf of gas) (give unit if nuclear)	1000000	5837211
40	Avg. cost of fuel per unit, as delvrd. F.o.b. plant during year	13.335	31.29
41	Avg. cost of fuel per unit burned	13.335	31.29
42	Avg. cost of fuel burned per million Btu	13.335	5.362
43	Avg. cost of fuel burned per KWh net gen.	0.246	0.08
44	Avg. Btu per KWh net generation	18458	14948

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STEAM-ELECTRIC GENERATION PLANT STATISTICS (Large Plants) (Continued)

Control and Load Dispatching, and Other Expenses classified as other Power Supply Expenses.

10. For IC and GT plants, report Operating Expenses, Acct. Nos. 548 and 549 on line 26 "Electric Expenses," and Maintenance Acct. Nos. 553 and 554 on line 32, "Maintenance of Electric Plant." Indicate plants designed for peak load svc. Designate automatically operated plants.

11. For a plant equipped with combinations of fossil fuel steam, nuclear steam, hydro, internal combustion or gas-turbine equipment, report each as a separate plant. However, if a gas-turbine unit functions in a combined cycle operation with a conventional steam unit, include the gas-turbine with the steam plant.

12. If a nuclear power generating plant, briefly explain by footnote (a) accounting method for cost of power generated including any excess costs attributed to research and development; (b) types of cost units used for the various components of fuel cost; and (c) any other informative data concerning plant type, fuel used, fuel enrichment by type and quantity for the report period, and other physical and operating characteristics of plant.

Plant Name: Palisades (d)	Plant Name: Big Rock (e)	Plant Name _____ (f)	Line No.
Nuclear	Nuclear		1
Conventional	Conventional		2
1970	1962		3
1970	1962		4
811.75	75		5
816	0		6
7500	0		7
798	0		8
813	0		9
778	0		10
473	104		11
5903861000	0		12
2566108	0		13
197281402	0		14
675053859	0		15
0	0		16
874901369	0		17
1077.7966	0		18
10773336	0		19
15995644	0		20
5407496	0		21
10811475	0		22
0	0		23
0	0		24
5707777	0		25
47957499	0		26
1132720	0		27
0	0		28
9234268	0		29
734455	0		30
26094418	0		31
8436313	0		32
3837972	0		33
146123373	0		34
0.0248	0		35
Nuclear			36
			37
KG of 823			38
64518900			39
1431			40
19477			41
0.248			42
0.003			43
10904			44

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report 12/31/06
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FOOTNOTE DATA

Page Number (a)	Item Number (b)	Column Number (c)	Comments (d)
402	20	b	JHC 1 & 2 includes ash, fuel handling and other non-fuel clause expenses in the amount of \$4,169,119.
402	20	c	BCC 4 & 5 includes ash, fuel handling and other non-fuel clause expenses in the amount of \$1,597,051.
403	20	d	JRW includes ash, fuel handling and other non-fuel clause expenses in the amount of \$2,394,401.
403	20	e	K 1 & 2 includes ash, fuel handling and other non-fuel clause expenses in the amount of \$2,980,444.
403	20	f	K 3 & 4 includes ash, fuel handling and other non-fuel clause expenses in the amount of \$833,895.
402	28	b,c	Expenses from Account 509.100 only.
403	28	d,e,f	Expenses from Account 509.100 only.
403	1	d	J H Campbell Unit 3 is jointly owned by Consumers Energy Company, Michigan Public Power Agency and Wolverine Power Supply Cooperative, Inc. Consumers Energy Company is the operator of Campbell 3. Information in Column (d), lines 1 through 18 is for the entire plant. Information in Column (e), lines 5 through 12 reflect Consumers Energy Company's 93.31% undivided interest in the plant. Lines 13 through 35 reflect the costs and expenses of the plant as shown on consumers Energy Company's books. Plant investment reflects the amount in service at December 31, 2006.
402.1	20	b	JCW 7 & 8 includes ash, fuel handling and other non-fuel clause expenses in the amount of \$1,723,214.
403.1	20	e	JHCampbell 3 (Consumers Share) includes ash, fuel handling, and other non-fuel clause expenses in the amount of \$286,359.
402.1	28	b,c	Expenses from Account 509.100 only.
402.2	28	c	Expenses from Account 509.100 only.
403.3		d	<p>RESPONSE TO INSTRUCTION 12</p> <p>A. The Company owned two nuclear power generating plants. The Palisades Plant's operating and costs of generating power were charged to the applicable operation and maintenance accounts as prescribed by the Federal Energy Regulatory Commission. The Big Rock Point Plant was retired August 1997 and is being decommissioned.</p> <p>B. The Company is charging Fuel Expense for the costs of fabrication, material and lease* costs on the basis of recognizing the total amount of such costs over the estimated useful life of fuel. Each accounting period's charges are based on the estimated useful life expired during that period as expressed in megawatt days per metric ton. Fabrication and material are assigned equally to each fuel assembly in each batch of like fuel elements. Perpetual storage was charged to Fuel Expense in the same manner as fabrication and material until April 7, 1983. Since then, perpetual storage is charged to Fuel Expense based on the Department of Energy's contracted rate of one mill/kWh of net generation. This is a result of the Nuclear Waste Policy Act of 1982. Unburned fuel in the Big Rock Point Plant reactor at the time of plant shutdown was charged to fuel expense in 1997.</p> <p>*Note: Starting in November 2001 Fuel is purchased and capitalized on the basis of useful life.</p> <p>C. The Palisades Plant has a pressurized water reactor and uses uranium dioxide for fuel.</p> <p>The Palisades operating license was renewed for an additional 20 years and expires in the year 2031.</p> <p>D. The National Energy Policy Act of 1992 established an additional nuclear fuel expense for decontamination and decommissioning of Department of Energy enrichment facilities. The expense is recovered at the rate of 1/12 the annual fee per month.</p>

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Name of Respondent	This Report Is:	Date of Report	Year of Report
Consumers Energy Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) 04/23/07	December 31, 2006
HYDROELECTRIC GENERATING PLANT STATISTICS (Large Plants)			
<p>1. Large plants are hydro plants of 10,000 Kw or more of installed capacity (name plate ratings). 2. If any plant is leased, operated under a license from the Federal Energy Regulatory Commission, or operated as a joint facility, indicate such facts in a footnote. If licensed project, give project number.</p> <p>3. If net peak demand for 60 minutes is not available, give that which is available, specifying period. 4. If a group of employees attends more than one generating plant, report on line 11 the approximate average number of employees assignable to each plant.</p>			
Line No.	ITEM (a)	FERC Licensed Project No. 2452 Plant name: HARDY (b)	FERC Licensed Project No.2599 Plant name: HODENPYL (c)
1	Kind of Plant (Run-of-River or Storage)	Storage	Run-of-River
2	Type of Plant Construction (Conventional or Outdoor)	Conventional	Conventional
3	Year originally constructed	1931	1925
4	Year last unit was installed	1931	1925
5	Total Installed Capacity (Generator name plate ratings in MW)	30	19
6	Net peak demand on plant-megawatts (60 minutes)	33	13
7	Plant hours connected to load	6,819	8,751
8	Net plant capability (in megawatts)		
9	(a) under the most favorable oper. conditions	32	18
10	(b) under the most adverse oper. conditions	4	2
11	Average number of employees	0	0
12	Net generation, exclusive of plant use-KWh	121,026,500	40,734,500
13	Cost of plant:		
14	Land and Land Rights	330,814	40,721
15	Structures and Improvements	778,683	559,805
16	Reservoirs, Dams, and Waterways	5,604,776	3,519,314
17	Equipment costs	2,101,928	1,844,063
18	Roads, railroads, and bridges	0	0
19	Asset Retirement Costs	0	0
20	TOTAL Cost (Enter total of lines 14 thru 19)	8,816,201	5,963,903
21	Cost per KW of installed capacity (Line 20/5 div 1,000)	293.8734	313.8896
22	Production Expenses:		
23	Operation Supervision and Engineering	71,755	24,151
24	Water for power	30,588	22,095
25	Hydraulic Expenses	107,558	138,925
26	Electric Expenses	102,126	50,517
27	Misc. Hydraulic Power Generation Expenses	72,647	32,011
28	Rents	0	0
29	Maintenance Supervision and Engineering	31,535	16,052
30	Maintenance of Structures	26,807	12,279
31	Maintenance of Reservoirs, Dams and Waterways	54,916	151,291
32	Maintenance of Electric Plant	153,094	70,609
33	Maintenance of Misc. Hydraulic Plant	3,274	31,716
34	Total Production Expenses (Total lines 23 thru 33)	654,300	549,646
35	Expenses per net KWh	0.0054	0.0135

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HYDROELECTRIC GENERATING PLANT STATISTICS (Large Plants) (Continued)

5. The items under Cost of Plant represent accounts or combinations of accounts prescribed by the Uniform System of Accounts. Production Expenses do not include Purchased Power, System Control and Load Dispatching, and Other Expenses classified as "Other Power Supply Expenses."

6. Report as a separate plant any plant equipped with combinations of steam, hydro, internal combustion engine or gas turbine equipment.

FERC Licensed Project No.2580 Plant Name: TIPPY (d)	FERC Licensed Project No. _____ Plant Name: _____ (e)	FERC Licensed Project No. _____ Plant Name: _____ (f)	Line No.
Run-of-River			1
Conventional			2
1,918			3
1,918			4
20.10			5
18			6
8,760			7
			8
21			9
5			10
7			11
63,145,000			12
			13
4,380			14
675,742			15
4,930,360			16
2,053,840			17
0			18
0			19
7,664,322	0	0	20
381.3096			21
			22
37,438			23
24,639			24
257,960			25
179,079			26
55,881			27
0			28
20,901			29
15,436			30
45,048			31
70,491			32
38,903			33
745,776	0	0	34
0.0118			35

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PUMPED STORAGE GENERATING PLANT STATISTICS (Large Plants)

- | | |
|---|---|
| <p>1. Large plants are pumped storage plants of 10,000 Kw or more of installed capacity (name plate ratings).</p> <p>2. If any plant is leased, operating under a license from the Federal Energy Regulatory Commission, or operated as a joint facility, indicate such facts in a footnote. Give project number</p> <p>3. If net peak demand for 60 minutes is not available, give that which is available, specifying period.</p> | <p>4. If a group of employees attends more than one generating plant, report on line 8 the approximate avg. number of employees assignable to each plant.</p> <p>5. The items under Cost of Plant represent accounts or combinations of accounts prescribed by the Uniform System of Accounts. Production Expenses do not include Purchased Power, System Control and Load Dispatching, and Other Expenses.</p> |
|---|---|

Line No.	Item (a)	FERC Licensed Project No.2680 Plant Name: LUDINGTON (Total) (b)
1	Type of Plant Construction (Conventional or Outdoor)	Conventional
2	Year Originally Constructed	1973
3	Year Last Unit was Installed	1973
4	Total Installed Capacity (Generator Name Plate Ratings in MW)	1,978.00
5	Net Peak Demand on Plant-Megawatts (60 minutes)	1,740
6	Plant Hours Connected to Load While Generating	9,939
7	Net Plant Capability (In megawatts)	1,872
8	Average Number of Employees	39
9	Generation Exclusive of Plant Use-KWh	2,595,595,000
10	Energy Used for Plumbing-KWh	3,634,805,000
11	Net Output for Load (line 9 minus line 10)-KWh	(1,039,210,000)
12	Cost of Plant	
13	Land and Land Rights	4,549,195
14	Structures and Improvements	35,406,920
15	Reservoirs, Dams and Waterways	209,907,766
16	Water Wheels, Turbines, and Generators	85,249,578
17	Accessory Electric Equipment	16,419,234
18	Miscellaneous Powerplant Equipment	3,856,393
19	Roads, Railroads, and Bridges	3,398,333
20	Asset Retirement Costs	
21	TOTAL Cost (Enter total of lines 13 thru 20)	358,787,419
22	Cost per KW of Installed Capacity (line 21 ÷ line 4 div 1,000)	181.3157
23	Production Expenses	
24	Operation Supervision and Engineering	
25	Water for Power	
26	Pumped Storage Expenses	
27	Electric Expenses	
28	Miscellaneous Pumped Storage Power Generation Expenses	
29	Rents	
30	Maintenance Supervision and Engineering	
31	Maintenance of Structures	
32	Maintenance of Reservoirs, Dams, and Waterways	
33	Maintenance of Electric Plant	
34	Maintenance of Miscellaneous Pumped Storage Plant	
35	Production Exp. Before Pumping Exp. (Total of lines 24 thru 34)	
36	Pumping Expenses	
37	Total Production Expenses (Enter Total of lines 35 and 36)	
38	Expenses per KWh (Enter result of line 37 ÷ line 9)	

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report December 31, 2006
PUMPED STORAGE GENERATING PLANT STATISTICS (Large Plants) (Continued)			
classified as "Other Power Supply Expenses." 6. Pumping energy (line 10) is that energy measured as input to the plant for pumping purposes. 7. Include on line 35 the cost of energy used in pumping into the storage reservoir. When this item cannot be accurately computed, leave lines 35, 36, and 37 blank and describe at the bottom of the schedule the company's principal sources of pumping power, the		estimated amounts of energy from each station or other source that individually provides more than 10% of the total energy used for pumping, and production expenses per net MWH as reported herein for each source described. Group together stations and other sources which individually provide less than 10% of total pumping energy. If contracts are made with others to purchase power for pumping, give the supplier, contract number, and date of contract.	
FERC Licensed Project No. 2680 Plant Name: LUDINGTON (CPCo %) (c)	FERC Licensed Project No. Plant Name: (d)	FERC Licensed Project No. Plant Name: (e)	Line No.
Conventional			1
1973			2
1973			3
1,009.19			4
887			5
			6
955			7
			8
1,066,484,000			9
1,492,364,000			10
(425,880,000)	0	0	11
			12
2,274,557			13
16,869,969			14
95,534,679			15
41,646,985			16
2,884,624			17
1,881,658			18
1,535,548			19
			20
162,628,020	0	0	21
161.1471			22
			23
614,926			24
612,000			25
1,198,318			26
542,786			27
545,857			28
2,142			29
244,293			30
157,020			31
314,555			32
1,737,642			33
997,229			34
6,966,768	0	0	35
38,185,129			36
45,151,897	0	0	37
0.0423			38

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report 12/31/06
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FOOTNOTE DATA

Page Number (a)	Item Number (b)	Column Number (c)	Comments (d)
408		b	The Ludington Project is jointly owned by joint licensees Consumers Energy Company and The Detroit Edison Company. Consumers Energy Company is the operator of the project. Information in column (b), Lines 1 through 22, is for entire plant. Information on page 409 Column (c), Lines 4 through 11, reflects Consumers Energy Company's 51% undivided interest in the Plant. Lines 13 through 38 reflect the costs and expenses of the Plant as shown on Consumers Energy Company's books. Plant investment reflects the amount inservice at December 31, 2006.

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Name of Respondent Consumers Energy Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 04/23/07		Year of Report 12/31/06	
GENERATING PLANT STATISTICS (Small Plants)							
1. Small generating plants are steam plants of less than 25,000 Kw; internal combustion and gas turbine-plants, conventional hydro plants and pumped storage plants of less than 10,000 Kw installed capacity (name plate rating).				2. Designate any plant leased from others, operated under a license from the Federal Energy Regulatory Commission, or operated as a joint facility, and give a concise statement of the facts in a footnote. If licensed project, give project number in footnote.			
Line No.	Name of Plant (a)	Year Orig. Const. (b)	Installed Capacity- Name Plate Rating (in MW) (c)	Net Peak Demand MW (60 min.) (d)	Net Generation Excluding Plant Use (e)	Cost of Plant (f)	
1	Hydraulic:						
2	Foote - FPC #2436	1918	9.00	9.6	32,043,000	4,266,160	
3	Cooke - FPC #2450	1911	9.00	7.1	27,987,500	3,331,874	
4	Five Channels - FPC #2453	1912	6.00	6.6	25,888,200	3,794,853	
5	Loud - FPC #2449	1913	4.00	4.9	18,884,867	3,210,371	
6	Alcona - FPC #2447	1924	8.00	7.5	29,535,150	3,783,873	
7	Mio - FPC #2448	1916	4.96	4	15,356,900	3,414,931	
8	Croton - FPC #2468	1907	8.85	8.1	47,688,500	8,660,606	
9	Rogers - FPC #2451	1906	6.76	5.2	33,337,000	5,148,420	
10	Webber - FPC #2566	1907	4.30	3.2	15,179,200	6,995,463	
11	Calkins Bridge (Allegan) - FPC #785	1938	2.55	2.6	13,728,000	1,985,094	
12							
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Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report 12/31/06
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GENERATING PLANT STATISTICS (Small Plants) (Continued)

3. List plants appropriately under subheadings for steam, hydro, nuclear, internal combustion and gas turbine plants. For nuclear, see inst. 11, p. 403. steam, hydro, internal combustion or gas turbine equipment, report each as a separate plant. However, if the exhaust heat from the gas turbine is utilized in a steam turbine regenerative feed water cycle, or for preheated combustion air in a boiler, report as one plant.

4. If net peak demand for 60 minutes if not available, give that which is available, specifying period.

5. If any plant is equipped with combinations of

Plant Cost Per MW Inst Capacity (g)	Operation Exc'l Fuel (h)	Production Expenses		Kind of Fuel (k)	Fuel Cost (In cents per million Btu) (l)	Line No.
		Fuel (i)	Maintenance (j)			
474,018	176,206		136,915			1
370,208	321,039		153,879			2
632,476	391,344		149,654			3
802,593	226,155		69,342			4
472,984	230,628		153,049			5
688,474	236,824		94,835			6
978,600	445,799		199,673			7
761,601	159,793		111,114			8
1,626,852	183,014		343,400			9
778,468	152,927		103,491			10
						11
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Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report 12/31/06
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STEAM ELECTRIC GENERATING PLANTS

1. Include on this page steam-electric plants of 25,000 Kw (name plate rating) or more of installed capacity.
 2. Report the information called for concerning generating plants and equipment at year end. Show unit type Installation, boiler, and turbine-generator on same line.
 3. Exclude plant, the book cost of which is located in Account 121, *Nonutility Property*.
 4. Designate any generating plant or portion thereof for which the respondent is not the sole owner. If such property is leased from another company give name of lessor, date and term of lease, and annual rent. For any generating plant, other than a leased plant or portion thereof for which the respondent is not the sole owner but which the respondent operates or share in the of, furnish a succinct statement explaining the arrangement and giving details as to such matters as percent ownership by respondent, name of co-owner, basis of sharing output, expenses or revenues, and how expenses and/or revenues are accounted for and accounts affected. Specify if lessor, co-owner, or other party is an associated company.
 5. Designate any generating plant or portion thereof leased to another company and give name of lessee, date and term of lease and annual rent, and how determined. Specify whether lessee is an associated company.
 6. Designate any plant or equipment owned, not

Line No.	Name of Plant (a)	Location of Plant (b)	BOILERS (Include both ratings for the boiler and the turbine-generator or dual-rated installations)				
			Number and Year Installed (c)	Kind of Fuel And Method of Firing (d)	Rated Pressure (In psig) (e)	Rated Steam Temp. (Indicate reheat boilers as 1050/1000) (f)	Rated Max. Continuous M lbs. Steam per Hour (g)
1	Palisades (Nuclear)	Covert Township	1-1972	Nuclear	2,085*	514**	11,200**
2							
3	J H Campbell	West Olive	1-1962	Coal-Pulverized	2,700	1050/1000	1,925
4							
5			1-1967	Coal-Pulverized	3,800	1000/1000	2,550
6			1-1980 (1)	Coal-Pulverized	2,900	1005/1005	6,000
7							
8	B C Cobb	Muskegon	1-1949 (2)	Gas	950	900	600
9			1-1949 (2)	Gas	950	900	600
10			1-1949 (2)	Gas	950	900	600
11			1-1956	Coal-Pulverized	2,300	1050/1000	1,050
12			1-1957	Coal-Pulverized	2,300	1050/1000	1,050
13							
14	D E Karn	Essexville	1-1959	Coal-Pulverized	2,725	1050/1050	1,750
15							
16			1-1961	Coal-Pulverized	2,700	1050/1000	1,750
17							
18			1-1975	Crude & Residual Oil & Natural Gas	2,250	955/955	4,625
19							
20			1-1977	Crude, Residual & Natural Gas	2,250	955/955	4,625
21							
22							
23	J C Weadock	Essexville	1-1955	Coal-Pulverized	2,300	1050/1000	1,050
24			1-1958	Coal-Pulverized	2,300	1050/1000	1,050
25							
26	J R Whiting	Near Erie	1-1952	Coal-Pulverized	1,650	1000/1000	690
27			1-1952	Coal-Pulverized	1,650	1000/1000	690
28			1-1953	Coal-Pulverized	1,650	1000/1000	850
29							
30	See Note (1)and(2) on Page 413A.1						
31							
32							

* Primary system pressure ** Steam generator output

Name of Respondent Consumers Energy Company	This Report Is: (1) [X] An Original (2) [] A Resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report 12/31/06
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STEAM ELECTRIC GENERATING PLANTS (cont'd)

operated, and not leased to another company. If such plant or equipment was not operated within the past year, explain whether it has been retired in the books of account or what disposition of the plant or equipment and its book cost are contemplated.
7. Report gas-turbines operated in a combined cycle with a conventional steam unit with its associated steam unit.

Turbine-Generators <i>(Report cross-compound turbine generator units on two lines-H.P. section and I.P. section. Designate units with shaft connected boiler feed pumps. Give capacity rating of pumps in terms of full load requirements.)</i>													
Year Installed	TURBINES <i>Include both ratings for boiler and turbine-generator of dual-rated installations</i>				GENERATORS <i>NAME PLATE Rating in Kw</i>							Plant Capacity Maximum Generator Name Plate Rating (Should agree with column (n))	Line No.
	Max. Rating Mega-Watt	Type <i>(Indicate tandem-compound (TC); cross compound (CC) single casing (SC); topping unit (T); and non-condensing (NC) Show back pressures)</i>	Steam Pressure at Throttle psig.	RPM	At Minimum Hydrogen Pressure	At Max. Hydrogen Pressure <i>(Include both ratings for the boiler and the turbine-generator of dual-rated installations)</i>	Hydrogen Pressure <i>(Designate air cooled generators)</i>		Power Factor	Voltage (in MV) <i>(If other than 3 phase, 60 cycle indicate other characteristic)</i>			
							Min.	Max.					
(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)	(p)	(q)	(r)	(s)		
1972	811.7	TC	720	1800		811.7	0.5	75	0.85	22.0	811.7	1	
												2	
1962	265	CC	2400	3600	97.4+	132.5	25.0	45.0	0.85	16.0		3	
					97.4+	132.5	25.0	45.0	0.85	16.0		4	
1967	403.9	TC	3500	3600	325.2	403.9	30.0	60.0	0.85	20.0		5	
1980	871.3	TC	2400	3600	583.7	871.3	30.0	75.0	0.85	18.0	1,540.2	6	
												7	
1949	69	TC	850	3600	60	69	0.5	15.0	0.85	14.4		8	
1949	69	TC	850	3600	60	69	0.5	15.0	0.85	14.4		9	
1949	69	TC	850	3600	60	69	0.5	15.0	0.85	14.4		10	
1956	156.3	TC	2000	3600	125	156.3	0.5	30.0	0.85	18.0		11	
1957	156.3	TC	2000	3600	125	156.3	0.5	30.0	0.85	18.0		12	
												13	
1959	272	CC	2400	3600	108.8	136	25.0	45.0	0.85	16.0		14	
					108.8	136	25.0	45.0	0.85			15	
1961	272	CC	2400	3600	108.8	136	25.0	45.0	0.85	16.0		16	
					108.8	136	25.0	45.0	0.85			17	
1975	692.5	TC	1800	3600	387.8	692.5	15.0	60.0	0.85	26.0		18	
												19	
1977	709.8	TC	1800	3600	518	709.8	45.0	75.0	0.85	26.0	1,946.30	20	
												21	
1955	156.3	TC	2000	3600	125	156.3	0.5	30.0	0.85	18.0		22	
1958	156.3	TC	2000	3600	125	156.3	0.5	30.0	0.85	18.0	312.6	23	
												24	
												25	
1952	106.3	TC	1450	3600	85	106.3	0.5	30.0	0.85	14.4		26	
1952	106.3	TC	1450	3600	85	106.3	0.5	30.0	0.85	14.4		27	
1953	132.8	TC	1450	3600	106.3	132.8	0.5	30.0	0.85	15.5	345.5	28	
												29	
												30	
												31	

+ J H Campbell - Shaft connected boiler feed pumps - 4,320 hp per pump - one each turbine.

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report 12/31/06
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FOOTNOTE DATA

Page Number (a)	Item Number (b)	Column Number (c)	Comments (d)
413 A		C	<p>(1) Respondent, Michigan Public Power Agency and Wolverine Power Supply Cooperative, nonassociated companies, are co-owners, as tenants in common, of the J H Campbell No 3 unit with Respondent having a 93.31% undivided interest, Michigan Public Power Agency a 4.80% undivided interest, Wolverine Power Supply Cooperative a 1.89% undivided interest. Respondent is operator of the plant and is responsible for operation and maintenance. Respondent and the other owners are entitled to the generating capability and energy output of the unit in the percentages indicated above. Respondent and Michigan Public Power Agency also are co-owners, as tenants in common, of substation and certain transmission facilities included in the project. Respondent and Wolverine Power Supply Cooperative also are co-owners, as tenants in common, of certain transmission facilities included in the project.</p> <p>Operation, maintenance and other expenses are shared by Respondent and other owners according to contractual arrangements.</p> <p>Expense accounts affected are steam-electric power generation operation and maintenance accounts, transmission operation and maintenance accounts, certain administrative and general operation accounts and general tax accounts.</p>
413A		C	<p>(2) B.C. Cobb units 1-3 are name plate rated at 69 mw each. With 3 units running, the combined plant output is common header limited to 183mw.</p>

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Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report 12/31/06
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HYDROELECTRIC GENERATING PLANTS

1. Report on this page Hydro plants of 10,000 Kw (name plate rating) or more of installed capacity. the responsibility is not the sole owner. If such property is leased from another company, give name of lessor, date and term of lease, and annual rent. For any generating plant, other than a leased plant, or portion thereof, for which the respondent is not the sole owner but which respondent operates or shares in the operation of, furnish a succinct statement explaining the arrangement and giving particulars

2. Report the information called for concerning generating plants and equipment at year end. Show associated prime movers and generators on the same line.

3. Exclude from this schedule, plant, the book cost of which is included in Account 121, *Nonutility Property*,

4. Designate any plant or portion thereof for which

Line No.	Name of Plant (a)	Location (b)	Name of Stream (c)	Water Wheels <i>(In column (e), indicate whether horizontal or vertical. Also indicate type of runner-Francis (F), fixed propeller (FP), automatically adjustable propeller (AP), Impulse (I). Designate reversible type of units by appropriate footnote)</i>			
				Attended or Unattended (d)	Type of Unit (e)	Year Installed (f)	Gross Static Head with Pond Full (g)
1	Hardy	Newaygo County, Big Prairie Township	Muskegon	Attended*	Vert F	1931	100'
2					Vert F	1931	100'
3					Vert F	1931	100'
4							
5	Hodenpyl	Wexford County, Springville Township	Manistee	Attended*	Vert F	1925	67.5'
6					Vert F	1925	67.5'
7							
8	Tippy	Manistee County, Dickson Township	Manistee	Attended*	Vert F	1918	57.5'
9					Vert F	1918	57.5'
10					Vert F	1918	57.5'
11							
12							
13							
14							
15							
16							
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35							
36							
37		*Part-time attendance					

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report 12/31/06
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HYDROELECTRIC GENERATING PLANTS (Continued)

(details) as to such matters as percent ownership by respondent, name of co-owner, basis of sharing output, expenses, or revenues, and how expenses and/or revenues are accounted for and accounts affected. Specify if lessor, co-owner, or other party is an associated company.
5. Designate any plant or portion thereof leased to another company, and give name of lessee, date and

term of lease and annual rent, and how determined. Specify whether lessee is an associated company.
6. Designate any plant or equipment owned, not operated, and not leased to another company. If such plant or equipment was not operated within the past year, explain whether it has been retired in the books of account or what disposition of the plant or equipment and its book cost are contemplated.

Water Wheels (Continued)			Generators						Total Installed Generating Capacity	Line No.
Design Head	RPM	Maximum Hp. Capacity of Unit at Design Head	Year Installed	Voltage	Phase	Frequency or d.c.	Name Plate Rating of Unit (in MW)	No. of Units in Plant	(Name Plate Ratings in megawatts)	
(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)	(p)	(q)	
99'	163.6	14,800	1931	7.5	3	60	10	1	30	1
99'	163.6	14,800	1931	7.5	3	60	10	1		2
99'	163.6	14,800	1931	7.5	3	60	10	1		3
										4
62'	120	12,000	1925	7.5	3	60	9.5	1	19	5
62'	120	12,000	1925	7.5	3	60	9.5	1		6
										7
57.5'	109.1	7500	1918	7.5	3	60	6.7	1	20	8
57.5'	109.1	7500	1918	7.5	3	60	6.7	1		9
57.5'	109.1	7500	1918	7.5	3	60	6.7	1		10
										11
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Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report 12/31/06
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PUMPED STORAGE GENERATING PLANTS

- | | |
|--|--|
| <p>1. Include in this schedule pumped storage plants of 10,000 Kw (name-plate rating) or more of installed capacity.</p> <p>2. Report the information called for concerning generating plants and equipment at year end. Show associated prime movers and generators on the same line.</p> | <p>3. Exclude from this schedule the book cost of plant included in Account 121, <i>Nonutility Property</i>.</p> <p>4. Designate any plant or portion thereof for which the respondent is not the sole owner. If such property is leased from another company, give name of lessor, date and term of lease, and annual rent. For any</p> |
|--|--|

Line No.	Name of Plant (a)	Location (b)	Name of Stream (c)	Water Wheels of Hydraulic Turbines/Pumps <i>(In column (e), indicate whether horizontal or vertical or inclined. Also indicate type of runner-Francis (F), fixed propeller (FP), automatically adjustable propeller (AP), Impulse (I), or Tubular (T). Designate reversible type units by appropriate footnote)</i>				
				Attended or Unattended (d)	Type of Unit (e)	Year Installed (f)	Gross Static Head with Pond Full (g)	Design Head (h)
1	Ludington (1)	Ludington	Lake Michigan	Attended	Vert F (2)	1973	363.6' (3)	353'
2					Vert F	1973	363.6'	353'
3					Vert F	1973	363.6'	353'
4					Vert F	1973	363.6'	353'
5					Vert F	1973	363.6'	353'
6					Vert F	1973	363.6'	353'
7					Vert F	1973	363.6'	353'
8								
9								

(1) Respondent and the Detroit Edison Company, a nonassociated company, are co-owners, as tenants in common, of the Ludington Pumped Storage Plant with Respondent having a 51% undivided interest and Detroit Edison a 49% undivided interest. A license for Project No 2680 has been issued by the Federal Power Commission to the two companies as joint licensees. The project includes the pumped storage plant, substation and certain transmission facilities. Respondent is operator of the plant and is responsible for operation and maintenance, except that operating agreement specifies that mutual agreement be sought on major operation and maintenance matters pertaining to the plant. Respondent and Detroit Edison are entitled to 51% and 49%, respectively, of the generating capacity and energy output of the plant with pumping energy being supplied in the same percentages.

Operation, maintenance and other expenses of the project are shared by Respondent and Detroit Edison, 51% and 49%, respectively.

Expense accounts affected are hydraulic power generation operation and maintenance accounts, transmission operation and maintenance accounts, certain administrative and general operation accounts and general tax accounts.

(2) All units are reversible pump/turbines.

(3) Gross Static Head pond full with average lake level for 2006 of 578.36'.

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report 12/31/06
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PUMPED STORAGE GENERATING PLANTS (Continued)

generating plant, other than a leased plant, or portion thereof, for which the respondent shares in the operation of, furnish a concise statement explaining the arrangement and giving particulars as to such matters as percent ownership by respondent, name of co-owner, basis of sharing output, expenses, or revenues, and how expenses and/or revenues are accounted for and accounts affected. Specify if lessor, co-owner, or other party is an associated company.

SEPARATE MOTOR-DRIVEN PUMPS

RPM <i>(Designate whether turbine or pump)</i> (i)	Maximum Hp Capacity of Unit at Design Head (j)	Year Installed (k)	Type (l)	RPM (m)	Phase (n)	Frequency or dc (o)	NAME PLATE RATING IN		
							Hp (p)	MV's (q)	Line No.
None									1
									2
									3
									4
									5
									6
									7
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Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report 12/31/06
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PUMPED STORAGE GENERATING PLANTS (Continued)

5. Designate any plant or portion thereof leased to another company and give name of lessee, date and term of lease and annual rent and how determined. Specify whether lessee is an associated company.

6. Designate any plant or equipment, owned, not operated, and not leased to another company. If such plant or equipment was not operated within the past year, explain whether it has been retired in the books of account or what disposition of the plant or equipment and its book cost are contemplated.

Line No.	GENERATORS OR GENERATOR/MOTORS <i>(In column (v) designate whether generator or motor)</i>						Total Installed Generating Capacity (Name Plate Ratings) (In megawatts) (x)
	Year Installed (r)	Voltage (s)	Phase (t)	Frequency or d.c. (u)	Name Plate Rating of Unit (In megawatts) (Designate whether Mva, MW, or HP; indicate power factor) (v)	Number of Units in Plant (w)	
1	1973	20.0	3	60 Hz	Generator	6	1,978.80
2					329.8 MW		
3					0.85 Power Factor		
4							
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
15							
16							
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Name of Respondent Consumers Energy Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report 12/31/06
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INTERNAL-COMBUSTION ENGINE AND GAS-TURBINE GENERATING PLANTS

1. Include on this page internal-combustion engine and gas-turbine plants of 10,000 kilowatts and more.
2. Report the information called for concerning plants and equipment at end of year. Show associated prime movers and generators on the same line.
3. Exclude from this page, plant, the book cost of which is included in Account 121, *Nonutility Property*.
4. Designate any plants or portion thereof for which the respondent is not the sole owner. If such property is leased from another company, give name of lessor, date and term of lease, and annual rent. For any generating plant other than a leased plant, or portion thereof, for which the respondent is not the sole owner but which the respondent operates or shares in the

Line No.	Name of Plant (a)	Location of Plant (b)	Prime Movers <i>In Column (e), indicate basic cycle for gas-turbine as open or closed; indicate basic cycle for internal-combustion as 2 or 4.</i>			
			Internal-Combustion or Gas-Turbine (c)	Year Installed (d)	Cycle (e)	Belted or Direct Connected (f)
1	Gaylord	Gaylord	Gas-Turbine	1966	Open	Direct Connected
2			Gas-Turbine	1968	Open	Direct Connected
3	Campbell	West Olive	Gas-Turbine	1968	Open	Direct Connected
4			Gas-Turbine	1968	Open	Direct Connected
5	Morrow	Comstock	Gas-Turbine	1968	Open	Direct Connected
6			Gas-Turbine	1969	Open	Direct Connected
7	Weadock	Essexville	Gas-Turbine	1968	Open	Direct Connected
8			Gas-Turbine	1968	Open	Direct Connected
9	Whiting	Near Erie	Gas-Turbine	1968	Open	Direct Connected
10			Gas-Turbine	1968	Open	Direct Connected
11	Straits	Mackinaw City	Gas-Turbine	1969	Open	Direct Connected
12			Gas-Turbine	1969	Open	Direct Connected
13	Thetford	North of Flint	Gas-Turbine	1970	Open	Direct Connected
14			Gas-Turbine	1971	Open	Direct Connected
15						
16						
17						
18						
19						
20						
21						
22						
23						
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Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report 12/31/06
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INTERNAL-COMBUSTION ENGINE AND GAS-TURBINE GENERATING PLANTS (Continued)

operation of, furnish a succinct statement explaining the arrangement and giving particulars (details) as to such matters as percent of ownership by respondent, name of co-owner, basis of sharing output, expenses or revenues, and how expenses and/or revenues are accounted for and accounts affected. Specify if lessor, co-owner, or other party is an associated company.
5. Designate any plant or portion thereof leased to another company and give name of lessee, date and term of lease and annual rent and how determined. Specify whether lessee is an associated company.
6. Designate any plant or equipment owned, not operated, and not leased to another company. If such plant or equipment was not operated within the past year, explain whether it has been retired in the books of account or what disposition of the plant or equipment and its book cost are contemplated.

Prime Movers (Continued)	Generators						Total Installed Generating Capacity (Name Plate Ratings in Mw) (n)	Line No.
	Rated Hp of Unit (g)	Year Installed (h)	Voltage (i)	Phase (j)	Frequency of d.c. (k)	Name Plate Rating of Unit (In MW) (l)		
		1966	13.8	3	60	16.0	4	1
		1968	13.8	3	60	18.6	1	2
								3
		1968	13.8	3	60	18.6	1	4
								5
		1968	13.8	3	60	18.0	1	6
		1969	13.8	3	60	18.0	1	7
								8
		1968	13.8	3	60	18.6	1	9
								10
		1968	13.8	3	60	18.6	1	11
								12
		1969	13.8	3	60	21.3	1	13
								14
		1970	13.8	3	60	33.6	4	15
		1971	13.8	3	60	17.6	5	16
								17
								18
								19
								20
								21
								22
								23
								24
								25
								26
								27
								28
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								40

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report 12/31/06
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SUBSTATIONS

- | | |
|---|--|
| <p>1. Report below the information called for concerning substations of the respondent as of the end of the year.</p> <p>2. Substations which serve only one industrial or street railway customer should not be listed below.</p> <p>3. Substations with capacities of less than 10Mva, except those serving customers with energy for resale, may be grouped according to functional character, but the number of such substations must be shown.</p> | <p>4. Indicate in col. (b) the functional character of each substation, designating whether transmission or distribution and whether attended or unattended. At the end of the page, summarize according to function the capacities reported for the individual stations in column (f).</p> <p>5. Show in columns (l), (j), and (k) special equipment such as rotary converters, rectifiers, condensers, etc. and auxiliary equipment for increasing capacity.</p> |
|---|--|

Line No.	Name and Location of Substation (a)	Character of Substation (b)	VOLTAGE (In Mva)		
			Primary (c)	Secondary (d)	Tertiary (e)
1	ABBE - COMINS TWP	Distrib Unattended	138	24.9	
2	ABERDEEN - GRAND RAPIDS	Distrib Unattended	46	12.47	
3	AGNEW - GRAND HAVEN TWP	Distrib Unattended	46	8.32	
4	ALAMO - ALAMO TWP	Distrib Unattended	46	24.9	
5	ALBER - BATTLE CREEK TWP	Distrib Unattended	46	8.32	
6		Distrib Unattended	46	8.32	
7	ALCONA HYDRO - CURTIS TWP	Distrib Unattended	4	24.9	
8			4	24.9	
9			4	24.9	
10			4	24.9	
11			138	46	
12	ALDER CREEK - NEWTON TWP	Distrib Unattended	138	24.9	
13	ALDRICH - FLINT TWP	Distrib Unattended	46	8.32	
14	ALGER - MOFFITT TWP	Distrib Unattended	138	24.9	
15	ALGOMA - ALGOMA TWP	HV Dist Unattended	138	46	4.8
16	ALMA - GREENDALE TWP	HV Dist Unattended	138	46	4.8
17	ALMEDA - FRASER TWP	HV Dist Unattended	138	46	4.8
18	ALPINE - ALPINE TWP	Distrib Unattended	138	12.47	
19	ALTO - LOWELL TWP	Distrib Unattended	46	8.32	
20	AMBER - MARQUETTE TWP	HV Dist Unattended	138	46	4.8
21			138	46	4.8
22	AMPERSEE - KALAMAZOO TWP	Distrib Unattended	46	8.32	
23	APPLE - EGELSTON TWP	Distrib Unattended	46	8.32	
24			46	12.47	
25	APPLETON - BIG RAPIDS TWP	Distrib Unattended	46	12.47	
26	ARTHUR - WRIGHT	Distrib Unattended	138	12.47	
27	ASHMAN CIRCLE - MIDLAND TWP	Distrib Unattended	46	8.32	
28			46	8.32	
29	ASYLUM - FLINT CITY	Distrib Unattended	46	13.8	
30	ATHERTON - BURTON TWP	Distrib Unattended	46	8.32	
31	ATLAS - ATLAS TWP	Distrib Unattended	46	8.32	
32	ATWATER - TEXAS TWP	Distrib Unattended	46	8.32	
33			46	24.9	
34	AUBURN - WILLIAMS TWP	Distrib Unattended	46	8.32	
35	AUSTIN - PORTAGE TWP	Distrib Unattended	46	8.32	
36	BACKUS - BACKUS TWP	Distrib Unattended	138	24.9	
37	BAGLEY - BAGLEY TWP	Distrib Unattended	138	24.9	
38			138	24.9	
39	BALLENGER - FLINT TWP	Distrib Unattended	46	8.32	
40			46	8.32	

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SUBSTATIONS (Continued)

6. Designate substations or major items of equipment leased from others, jointly owned with others, or operated otherwise than by reason of sole ownership by the respondent. For any substation or equipment operated under lease, give name of lessor, date and period of lease, and annual rent. For any substation or equipment operated other than by reason of sole ownership or lease, give name of co-owner or other party, explain basis of sharing expenses or other accounting between the parties, and state amounts and accounts affected in respondent's books of account. Specify in each case whether lessor, co-owner, or other party is an associated company.

Capacity of Substation (In Service) (In Mva) (f)	Number of Transformers in Service (g)	Number of Spare Transformers (h)	CONVERSION APPARATUS AND SPECIAL EQUIPMENT			Line No.
			Type of Equipment (i)	Number of Units (j)	Total Capacity (In Mva) (k)	
13	1					1
13	1					2
13	1					3
13	1					4
13	2					5
						6
50	5					7
-	0					8
-	0					9
-	0					10
-	0					11
10	1					12
13	1					13
13	1					14
30	1					15
50	1	49				16
30	1					17
13	1					18
13	1					19
90	2					20
-	0					21
10	1					22
19	2					23
-	0					24
13	1					25
10	1					26
13	2					27
-	0					28
20	1					29
13	1					30
13	1					31
25	2					32
-	0					33
10	1					34
13	1					35
13	1					36
25	2					37
-	0					38
23	2					39
						40

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report 12/31/06
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SUBSTATIONS (continued)

Line No.	Name and Location of Substation	Character of Substation	VOLTAGE (In Mva)		
			Primary	Secondary	Tertiary
			(c)	(d)	(e)
1	BARD ROAD - SAGE TWP	HV Dist Unattended	138	46	4.8
2	BARNHARD - SAGINAW TWP	Distrib Unattended	46	8.32	
3		Distrib Unattended	46	8.32	
4	BARNUM CREEK - NEWTON	Distrib Unattended	138	8.32	
5	BARRY - HASTINGS TWP	HV Dist Unattended	138	46	4.8
6		HV Dist Unattended	138	46	7.2
7	BASS CREEK - ROBINSON TWP	HV Dist Unattended	138	46	4.8
8	BATAVIA - BATAVIA TWP	HV Dist Unattended	138	46	4.8
9	BATES - WHITE WATER TWP	Distrib Unattended	46	12.47	
10	BATTEESE - HENRIETTA TWP	Distrib Unattended	46	24.9	
11	BAUM STREET - SAGINAW TWP	Distrib Unattended	46	8.32	
12		Distrib Unattended	46	8.32	
13	BAVARIAN - FRANKENMUTH TWP	Distrib Unattended	46	8.32	
14	BAY ROAD - FRANKENLUST TWP	Distrib Unattended	138	24.9	
15		Distrib Unattended	138	24.9	
16	BAYBERRY - BRYON TWP	Distrib Unattended	138	12.47	
17	BEALS ROAD - WYOMING TWP	HV Dist Unattended	138	12.47	
18		HV Dist Unattended	138	12.47	
19		HV Dist Unattended	138	12.47	
20		HV Dist Unattended	138	46	4.8
21		HV Dist Unattended	138	46	4.8
22	BEAVER CREEK - GRAYLING TWP	HV Dist Unattended	138	46	4.8
23	BECKER - EGLESTON TWP	Distrib Unattended	138	12.47	
24	BEECHER - MADISON TWP	HV Dist Unattended	46	8.32	
25		HV Dist Unattended	46	12.47	
26		HV Dist Unattended	138	46	4.8
27		HV Dist Unattended	138	46	4.8
28	BEERS - GAINES TWP	Distrib Unattended	46	8.32	
29	BEGOLE - PINE RIVER TWP	HV Dist Unattended	138	46	7.2
30	BELDING - EUREKA TWP	Distrib Unattended	46	8.32	
31	BELL ROAD - TAYMOUTH TWP	Distrib Unattended	138	24.9	
32	BELLA VISTA - ROCKFORD TWP	Distrib Unattended	46	8.32	
33	BELSAY - BURTON TWP	Distrib Unattended	46	8.32	
34	BENNETT - MERIDIAN TWP	Distrib Unattended	46	8.32	
35	BENNINGTON - BENNINGTON TWP	Distrib Unattended	138	24.9	
36	BEVERIDGE - FLINT TWP	HV Dist Unattended	138	46	4.8
37		HV Dist Unattended	138	46	7.2
38	BIG RAPIDS - BIG RAPIDS TWP	Distrib Unattended	46	12.47	
39	BIL-MAR - OLIVE TWP	Distrib Unattended	138	8.32	
80	BINGHAM - BINGHAM TWP	HV Dist Unattended	138	46	4.8

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SUBSTATIONS (Continued)

Capacity of Substation (In Service) (In Mva) (f)	Number of Transformers in Service (g)	Number of Spare Transformers (h)	CONVERSION APPARATUS AND SPECIAL EQUIPMENT			Line No.
			Type of Equipment (i)	Number of Units (j)	Total Capacity (In Mva) (k)	
30	1					1
25	2					2
-	0					3
20	1					4
88	2					5
-	0					6
40	1					7
40	1					8
13	1					9
13	1					10
19	2					11
-	0					12
13	1					13
60	2					14
-	0					15
20	1					16
20	3					17
-	0					18
-	0					19
167	1					20
-	1					21
30	1					22
13	1					23
13	1					24
90	3					25
-	0					26
-	0					27
20	1					28
38	1					29
13	1					30
13	1					31
13	1					32
13	1					33
20	1					34
13	1					35
200	2					36
-	0					37
13	1					38
20	1					39
40	1					80

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SUBSTATIONS (continued)

Line No.	Name and Location of Substation	Character of Substation	VOLTAGE (In Mva)		
			Primary	Secondary	Tertiary
			(c)	(d)	(e)
1	BISHOP - FLINT	Distrib Unattended	46	8.32	
2	BLACK RIVER - HOLLAND TWP	HV Dist Unattended	138	12.47	
3		HV Dist Unattended	138	46	4.8
4		HV Dist Unattended	138	46	7.2
5	BLACKMAN - BLACKMAN TWP	Distrib Unattended	138	14.4	
6	BLACKSTONE STREET - BLACKMAN TWP	HV Dist Unattended	138	46	13.8
7		HV Dist Unattended	138	46	13.8
8		HV Dist Unattended	138	46	13.8
9		HV Dist Unattended	138	46	4.8
10	BLINTON - GRAND BLANC TWP	Distrib Unattended	138	24.9	
11		Distrib Unattended	138	24.9	
12	BLISSFIELD - BLISSFIELD TWP	Distrib Unattended	46	12.47	
13	BLUE WATER - BINGHAM TWP	Distrib Unattended	138	24.9	
14	BLUEGRASS - CHIPPEWA TWP	Distrib Unattended	138	8.32	
15	BOARDMAN - GARFIELD TWP	HV Dist Unattended	138	46	4.8
16		HV Dist Unattended	138	46	4.8
17	BOMAN - FLUSHING TWP	Distrib Unattended	46	8.32	
18	BOON ROAD - HARING TWP	Distrib Unattended	46	8.32	
19	BOSTON SQUARE - PARIS TWP	Distrib Unattended	46	12.47	
20		Distrib Unattended	46	12.47	
21	BOWEN - PARIS TWP	Distrib Unattended	46	12.47	
22		Distrib Unattended	46	12.47	
23		Distrib Unattended	46	12.47	
24	BREEDSVILLE - COLUMBIA TWP	Distrib Unattended	46	24.9	
25	BRETON - PARIS TWP	Distrib Unattended	46	12.47	
26		Distrib Unattended	46	12.47	
27	BRICKER - OTISCO TWP	Distrib Unattended	138	24.9	
28	BRICKYARD - HOLTON TWP	Distrib Unattended	138	46	7.2
29	BRIDGE STREET - JACKSON TWP	Distrib Unattended	46	8.32	
30		Distrib Unattended	46	8.32	
31	BRIDGEPORT - BRIDGEPORT TWP	Distrib Unattended	46	8.32	
32	BRISTOL - SAGINAW TWP	Distrib Unattended	46	8.32	
33	BROADMOOR - PARIS TWP	Distrib Unattended	138	13.8	
34		Distrib Unattended	138	13.8	
35		Distrib Unattended	138	46	4.8
36	BROADWAY - FRUITPORT TWP	Distrib Unattended	46	12.47	
37		Distrib Unattended	46	12.47	
38	BROUGHWELL - RIVES TWP	Distrib Unattended	138	24.9	
39	BRYE ROAD - AMBER	Distrib Unattended	46	24.9	
120	BUCK CREEK - GAINES TWP	HV Dist Unattended	138	46	7.2

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SUBSTATIONS (Continued)

Capacity of Substation (In Service) (In Mva) (f)	Number of Transformers in Service (g)	Number of Spare Transformers (h)	CONVERSION APPARATUS AND SPECIAL EQUIPMENT			Line No.
			Type of Equipment (i)	Number of Units (j)	Total Capacity (In Mva) (k)	
14	2					1
-	0					2
90	2					3
-	0					4
20	3					5
-	0					6
-	0					7
140	2					8
-	0					9
60	2					10
-	0					11
10	1					12
12	1					13
13	1					14
88	2					15
-	0					16
13	1					17
13	1					18
25	2					19
-	0					20
39	3					21
-	0					22
-	0					23
13	1					24
80	2					25
-	0					26
14	1					27
50	1					28
13	2					29
-	0					30
13	1					31
13	1					32
50	2					33
-	0					34
225	1					35
25	2					36
-	0					37
13	1					38
13	1					39
100	1					40

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SUBSTATIONS (continued)

Line No.	Name and Location of Substation	Character of Substation	VOLTAGE (In Mva)		
			Primary	Secondary	Tertiary
	(a)	(b)	(c)	(d)	(e)
1	BULLOCK - MIDLAND TWP	HV Dist Unattended	46	8.32	
2		HV Dist Unattended	138	46	4.8
3		HV Dist Unattended	138	46	4.8
4	BURLINGAME - WYOMING TWP	Distrib Unattended	46	12.47	
5		Distrib Unattended	46	12.47	
6		Distrib Unattended	46	12.47	
7	BURROWS - SAGINAW TWP	Distrib Unattended	46	8.32	
8		Distrib Unattended	46	8.32	
9	BURTCH ROAD - GRASS LAKE TWP	Distrib Unattended	46	24.9	
10	BYRON CENTER - BYRON TWP	Distrib Unattended	46	8.32	
11		Distrib Unattended	46	8.32	
12	CADILLAC - CLAM LAKE TWP	Distrib Unattended	46	8.32	
13		Distrib Unattended	46	24.9	
14	CADMUS - MADISON TWP	Distrib Unattended	46	12.47	
15	CALEDONIA - CALEDONIA TWP	Distrib Unattended	138	12.47	
16	CALHOUN - ALBION	HV Dist Unattended	138	46	11.5
17	CALKINS - FLINT TWP	Distrib Unattended	46	8.32	
18		Distrib Unattended	46	8.32	
19	CALVIN - PARIS TWP	Distrib Unattended	46	12.47	
20		Distrib Unattended	46	12.47	
21	CAMELOT LAKE - GREENDALE TWP	Distrib Unattended	138	24.9	
22	CANNON - CANNON TWP	HV Dist Unattended	138	46	4.8
23	CARROLL - BLACKMAN TWP	Distrib Unattended	46	8.32	
24	CARY ROAD - COLUMBIA TWP	Distrib Unattended	46	24.9	
25	CASCADE - CASCADE TWP	Distrib Unattended	46	8.32	
26		Distrib Unattended	46	8.32	
27	CASINO - CHIPPEWA TWP	Distrib Unattended	46	8.32	
28	CASS ROAD - GARFIELD TWP	Distrib Unattended	46	12.47	
29	CEDAR SPRINGS - SOLON TWP	Distrib Unattended	138	24.9	
30	CEMENT CITY - COLUMBIA TWP	Distrib Unattended	138	46	4.8
31	CENTER ROAD - BURTON TWP	Distrib Unattended	46	8.32	
32	CENTREVILLE - NOTTAWA TWP	Distrib Unattended	46	24.9	
33	CHAFFEE - GRAND RAPIDS TWP	Distrib Unattended	46	12.47	
34	CHARLOTTE - EATON TWP	Distrib Unattended	46	8.72	
35	CHASE - CHASE TWP	HV Dist Unattended	138	46	2.4
36		HV Dist Unattended	138	46	2.4
37		HV Dist Unattended	138	46	2.4
38	CHAUNCEY - SHERIDAN TWP	Distrib Unattended	46	8.32	
39	CHEBOYGAN - BENTON TWP	Distrib Unattended	46	12.47	
40			46	12.47	

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report 12/31/06
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SUBSTATIONS (Continued)

Capacity of Substation (In Service) (In Mva) (f)	Number of Transformers in Service (g)	Number of Spare Transformers (h)	CONVERSION APPARATUS AND SPECIAL EQUIPMENT			Line No.
			Type of Equipment	Number of Units	Total Capacity (In Mva)	
			(i)	(j)	(k)	
21	3					1
-	0					2
-	0					3
13	3					4
-	0					5
-	0					6
19	2					7
-	0					8
13	1					9
25	3					10
-	0					11
-	0					12
26	1					13
13	1					14
20	1					15
50	1					16
25	2					17
-	0					18
40	2					19
-	0					20
13	1					21
40	1					22
13	1					23
13	1					24
27	2					25
-	0					26
13	1					27
20	1					28
20	1					29
40	1					30
13	1					31
13	1					32
20	1					33
20	1					34
24	3					35
-	0					36
-	0					37
13	1					38
16	2					39
						40

Name of Respondent	This Report Is:	Date of Report	Year of Report
Consumers Energy Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) 04/23/07	12/31/06

SUBSTATIONS (continued)

Line No.	Name and Location of Substation	Character of Substation	VOLTAGE (In Mva)		
			Primary	Secondary	Tertiary
			(c)	(d)	(e)
1	CHEESEMAN - PINE RIVER	Distrib Unattended	138	8.32	
2	CHESANING - CHESANING TWP	Distrib Unattended	46	8.32	
3	CHEYENNE - SAGINAW TWP	Distrib Unattended	46	8.32	
4		Distrib Unattended	46	8.32	
5	CHICAGO - GEORGETOWN TWP	Distrib Unattended	138	24.9	
6	CHURCHILL - LESLIE	HV Dist Unattended	138	46	7.2
7	CLARE - GRANT TWP	Distrib Unattended	138	24.9	
8	CLAREMONT - BRIDGEPORT TWP	HV Dist Unattended	138	46	4.8
9		HV Dist Unattended	138	46	4.8
10	CLAY - GRAND RAPIDS TWP	Distrib Unattended	46	8.32	
11	CLEARWATER - CLEARWATER TWP	HV Dist Unattended	138	46	4.8
12	CLEVELAND - SPRING LAKE TWP	HV Dist Unattended	138	46	4.8
13	CLIO - VENNA TWP	Distrib Unattended	46	8.32	
14		Distrib Unattended	46	8.32	
15	CLUB - DALTON TWP	Distrib Unattended	138	12.47	
16	CLYDE ROAD - IONIA TWP	Distrib Unattended	46	24.9	
17	COBB B C PLANT - MUSKEGON	Gen & HV Dist Attend	138	46	2.4
18		Gen & HV Dist Attend	138	46	2.4
19	COCHRAN - EATON TWP	Distrib Unattended	138	24.9	
20	COLE CREEK - FLUSHING TWP	HV Dist Unattended	138	46	4.8
21	COLEMAN - WARREN TWP	Distrib Unattended	46	8.32	
22	COLLEGE PARK - MADISON TWP	Distrib Unattended	46	12.47	
23	COLONY FARM - KALAMAZOO	Distrib Unattended	138	24.9	
24	COMSTOCK - COMSTOCK TWP	Distrib Unattended	46	8.32	
25		Distrib Unattended	46	8.32	
26	CONVIS - CONVIS TWP	Distrib Unattended	138	24.9	
27	CONWAY - LITTLE TRAVER TWP	Distrib Unattended	46	13.8	
28	COOKE DAM - OSCODA TWP	Distrib Unattended	5	2.4	
29		Distrib Unattended	5	2.4	
30		Distrib Unattended	46	2.4	
31	COLLEY - KALAMAZOO TWP	Distrib Unattended	46	8.32	
32		Distrib Unattended	46	8.32	
33	COOPERSVILLE - POLKTON TWP	Distrib Unattended	46	8.32	
34	CORNELL - CALEDONIA TWP	HV Dist Unattended	138	46	4.8
35	CORUNNA - CALEDONIA TWP	Distrib Unattended	46	8.32	
36	COTTAGE GROVE - KAWKAWLIN TWP	Distrib Unattended	138	24.9	
37	COURT STREET - BURTON TWP	Distrib Unattended	46	8.32	
38	COWAN LAKE - CANNON TWP	Distrib Unattended	138	24.9	
39	CRAWFORD - UNION TWP	Distrib Unattended	46	8.32	
40	CROTON - CROTON TWP	HV Dist Unattended	138	46	4.8

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report 12/31/06
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SUBSTATIONS (Continued)

Capacity of Substation (In Service) (In Mva) (f)	Number of Transformers in Service (g)	Number of Spare Transformers (h)	CONVERSION APPARATUS AND SPECIAL EQUIPMENT			Line No.
			Type of Equipment (i)	Number of Units (j)	Total Capacity (In Mva) (k)	
13	1					1
13	1					2
40	2					3
-	1					4
20	1					5
50	1					6
14	1					7
200	2					8
-	0					9
20	1					10
30	1					11
80	1					12
19	2					13
-	0					14
12	1					15
13	1					16
200	2					17
-	0					18
13	1					19
30	1					20
13	1					21
20	1					22
13	1					23
14	2					24
-	0					25
13	1					26
13	1					27
10	3					28
-	0					29
-	0					30
15	2					31
-	0					32
13	1					33
80	1					34
13	1					35
10	1					36
20	1					37
13	1					38
13	1					39
40	1					40

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report 12/31/06
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SUBSTATIONS (continued)

Line No.	Name and Location of Substation	Character of Substation	VOLTAGE (In Mva)		
			Primary	Secondary	Tertiary
			(c)	(d)	(e)
1	CURTIS - EDENVILLE TWP	Distrib Unattended	46	8.32	
2	CUTLERVILLE - BYRON TWP	Distrib Unattended	46	12.47	
3		Distrib Unattended	46	12.47	
4	DAVENPORT - SAGINAW TWP	Distrib Unattended	46	8.32	
5	DAVID - PORTLAND	HV Dist Unattended	138	46	7.2
6	DAVISON - DAVISON TWP	Distrib Unattended	46	8.32	
7		Distrib Unattended	46	8.32	
8	DEAN ROAD - TYRONE TWP	Distrib Unattended	138	24.9	
9	DEJA - DAY TWP	HV Dist Unattended	138	46	4.8
10	DELANEY - BURTON TWP	HV Dist Unattended	138	46	4.8
11	DELHI - LANSING TWP	HV Dist Unattended	138	46	4.8
12		HV Dist Unattended	138	46	4.8
13	DERBY - STANTON TWP	Distrib Unattended	138	8.32	
14	DEWEY - WALKER TWP	Distrib Unattended	46	12.47	
15		Distrib Unattended	46	12.47	
16	DEWITT - DEWITT TWP	Distrib Unattended	46	8.32	
17		Distrib Unattended	46	8.32	
18	DIMONDALE - WINDSOR TWP	Distrib Unattended	46	8.32	
19	DIXIE - MT MORRIS TWP	Distrib Unattended	46	8.32	
20	DOEHLER JARVIS - PARIS TWP	Distrib Unattended	46	12.47	
21		Distrib Unattended	46	12.47	
22	DORR CORNERS - DORR TWP	Distrib Unattended	138	8.32	
23	DORT - GENESEE TWP	HV Dist Unattended	138	46	4.8
24		HV Dist Unattended	138	46	4.8
25	DOWLING - HUDSON TWP	HV Dist Unattended	138	46	4.8
26	DRAKE ROAD - OSHTEMO TWP	Distrib Unattended	138	8.32	
27		Distrib Unattended	138	8.32	
28	DUFFIELD - CLAYTON TWP	Distrib Unattended	138	24.9	
29	DUNHAM - FLUSHING TWP	Distrib Unattended	46	8.32	
30	DURAND - VERNON TWP	Distrib Unattended	46	8.32	
31	DUTTON - GAINES TWP	Distrib Unattended	138	12.47	
32		Distrib Unattended	138	12.47	
33	EAST BAY - EAST BAY TWP	Distrib Unattended	46	12.47	
34	EAST GENESEE AVENUE - BUENA VISTA TWP	Distrib Unattended	46	8.32	
35		Distrib Unattended	46	8.32	
36	EAST JORDAN - SOUTH ARM TWP	Distrib Unattended	46	12.47	
37	EAST MUSKEGON - MUSKEGON TWP	Distrib Unattended	46	12.47	
38	EAST TAWAS - BALDWIN TWP	Distrib Unattended	138	24.9	
39	EASTON - EASTON TWP	Distrib Unattended	138	24.9	
40	EASTWOOD - KALAMAZOO TWP	Distrib Unattended	46	8.32	

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report 12/31/06
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SUBSTATIONS (Continued)

Capacity of Substation (In Service) (In Mva) (f)	Number of Transformers in Service (g)	Number of Spare Transformers (h)	CONVERSION APPARATUS AND SPECIAL EQUIPMENT			Line No.
			Type of Equipment (i)	Number of Units (j)	Total Capacity (In Mva) (k)	
13	1					1
25	2					2
-	0					3
13	1					4
50	1					5
25	2					6
-	0					7
30	1					8
30	1					9
100	1					10
80	2					11
-	0					12
13	1					13
40	2					14
-	0					15
25	2					16
-	0					17
13	1					18
13	1					19
25	2					20
-	0					21
13	1					22
200	2					23
-	0					24
50	1					25
40	2					26
-	0					27
13	1					28
13	1					29
13	1					30
40	2					31
-	0					32
13	1					33
13	2					34
-	0					35
13	1					36
13	1					37
13	1					38
20	1					39
13	1					40

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report 12/31/06
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SUBSTATIONS (continued)

Line No.	Name and Location of Substation	Character of Substation	VOLTAGE (In Mva)		
			Primary	Secondary	Tertiary
			(c)	(d)	(e)
1	EDDY - BUENA VISTA	Distrib Unattended	46	8.32	
2	EDENVILLE DAM - TOBACCO TWP	HV Dist Unattended	46	24.9	
3		HV Dist Unattended	46	24.9	
4		HV Dist Unattended	46	24.9	
5		HV Dist Unattended	138	46	4.8
6	ELLIS - FRUITPORT TWP	Distrib Unattended	138	12.47	
7	ELLSWORTH - WALKER TWP	Distrib Unattended	46	12.47	
8		Distrib Unattended	46	12.47	
9		Distrib Unattended	46	12.47	
10	ELM STREET - EMMET TWP	HV Dist Unattended	46	8.32	
11		HV Dist Unattended	138	8.32	
12		HV Dist Unattended	138	46	4.8
13	ELMWOOD - ELMWOOD TWP	HV Dist Unattended	138	46	13.8
14	EMERALD - KALAMAZOO TWP	Distrib Unattended	46	8.32	
15	EMMET - BEAR CREEK TWP	HV Dist Unattended	138	46	4.8
16	ENGLISHVILLE - ALGOMA TWP	Distrib Unattended	138	24.9	
17	ESSEXVILLE - HAMPTON TWP	Distrib Unattended	46	8.32	
18	EUREKA - EUREKA TWP	HV Dist Unattended	138	46	4.8
19	EVANSTON - EGELSTON TWP	Distrib Unattended	46	12.47	
20		Distrib Unattended	46	12.47	
21	FAIRBANKS - WALKER TWP	Distrib Unattended	46	12.47	
22		Distrib Unattended	46	12.47	
23	FARR ROAD - MAINSTEE TWP	HV Dist Unattended	138	46	4.8
24	FELCH ROAD - GARFIELD TWP	HV Dist Unattended	138	46	4.8
25	FENNVILLE - CLYDE TWP	Distrib Unattended	46	8.32	
26	FENTON - FENTON TWP	Distrib Unattended	46	8.32	
27	FERGUSON - SUMMIT TWP	Distrib Unattended	46	8.32	
28	FERRIS STREET - GRAND HAVEN TWP	Distrib Unattended	46	8.32	
29	FILLMORE - BLENDON TWP	Distrib Unattended	138	12.47	
30	FINDLEY - BUENA VISTA	Distrib Unattended	46	8.32	
31	FLUSHING - FLUSHING TWP	Distrib Unattended	46	8.32	
32	FOOTE DAM - OSCODA TWP	Distrib Unattended	8	4.8	
33		Distrib Unattended	8	4.8	
34		Distrib Unattended	46	4.8	
35		Distrib Unattended	46	4.8	
36	FORDYCE - UNION TWP	Distrib Unattended	46	8.32	
37	FORT CUSTER - BEDFORD TWP	Distrib Unattended	138	24.9	
38		Distrib Unattended	138	24.9	
39	FOUNTAIN - BATTLE CREEK TWP	Distrib Unattended	46	4.16	
40			46	8.32	

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report 12/31/06
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SUBSTATIONS (Continued)

Capacity of Substation (In Service) (In Mva) (f)	Number of Transformers in Service (g)	Number of Spare Transformers (h)	CONVERSION APPARATUS AND SPECIAL EQUIPMENT			Line No.
			Type of Equipment (i)	Number of Units (j)	Total Capacity (In Mva) (k)	
13	1					1
26	4					2
-	0					3
-	0					4
-	0					5
20	1					6
60	3					7
-	0					8
-	0					9
110	1					10
30	2					11
-	0					12
50	1					13
13	1					14
40	1					15
13	1					16
13	1					17
50	1					18
25	2					19
-	0					20
40	2					21
-	0					22
30	1					23
38	1					24
13	1					25
14	1					26
13	1					27
13	1					28
13	1					29
13	1					30
13	1					31
11	4					32
-	0					33
-	0					34
-	0					35
13	1					36
60	3					37
-	0					38
-	0					39
213	2					40

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report 12/31/06
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SUBSTATIONS (continued)

Line No.	Name and Location of Substation	Character of Substation	VOLTAGE (In Mva)		
			Primary	Secondary	Tertiary
			(c)	(d)	(e)
1		Distrib Unattended	46	13.8	
2	FOUR MILE - WALKER TWP	HV Dist Unattended	138	12.47	0
3		HV Dist Unattended	138	12.47	
4		HV Dist Unattended	138	46	4.8
5		Distrib Unattended	138	46	4.8
6	FOURTEENTH STREET - BURTON TWP	Distrib Unattended	46	8.32	
7		Distrib Unattended	46	8.32	
8	FRANKENMUTH - FRANKENMUTH TWP	Distrib Unattended	46	8.32	
9	FREMONT - SHERIDAN TWP	Distrib Unattended	46	8.32	
10		Distrib Unattended	46	8.32	
11		Distrib Unattended	46	8.32	
12	FULTON - ADA TWP	Distrib Unattended	46	12.47	
13		Distrib Unattended	46	12.47	
14	GALESBURG - CHARLESTON TWP	Distrib Unattended	46	8.32	
15	GAYLORD GEN STATION - LINVINGSTON	Distrib Unattended	138	46	4.8
16	GENESEEVILLE - GENESEE TWP	Distrib Unattended	46	8.32	
17	GETTY - MUSKEGON TWP	Distrib Unattended	46	12.47	
18	GILKEY CREEK - BURTON TWP	Distrib Unattended	46	8.32	
19	GILSON - RICHLAND TWP	Distrib Unattended	46	24.9	
20	GLADWIN - GROUT TWP	Distrib Unattended	46	8.32	
21		Distrib Unattended	46	8.32	
22	GLEANER - TITTABAWASSEE TWP	HV Dist Unattended	138	46	4.8
23	GLEN LAKE - GLEN ARBOR TWP	Distrib Unattended	46	12.47	
24		Distrib Unattended	46	12.47	
25	GLENDALE - KALAMAZOO TWP	Distrib Unattended	46	8.32	
26	GOGUAC - BATTLE CREEK TWP	Distrib Unattended	46	8.32	
27	GOLDEN - MIDLAND TWP	Distrib Unattended	46	8.32	
28	GOODALE - BEDFORD TWP	Distrib Unattended	46	8.32	
29	GRAND BLANC - GRAND BLANC TWP	Distrib Unattended	46	8.32	
30		Distrib Unattended	46	8.32	
31	GRAND LEDGE - ONEIDA TWP	Distrib Unattended	46	8.32	
32	GRAND RIVER - MERIDIAN TWP	Distrib Unattended	46	8.32	
33		Distrib Unattended	46	8.32	
34	GRAND VALLEY - TALLMADGE TWP	Distrib Unattended	46	12.47	
35	GRANDVILLE - WYOMING TWP	Distrib Unattended	46	12.47	
36		Distrib Unattended	46	12.47	
37	GRAYLING - GRAYLING TWP	Distrib Unattended	46	8.32	
38		Distrib Unattended	46	8.32	
39	GREENSPIRE - PORTAGE TWP	Distrib Unattended	46	8.32	
40	GREENVILLE - EUREKA TWP	Distrib Unattended	46	8.32	

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report 12/31/06
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SUBSTATIONS (Continued)

Capacity of Substation (In Service) (In Mva) (f)	Number of Transformers in Service (g)	Number of Spare Transformers (h)	CONVERSION APPARATUS AND SPECIAL EQUIPMENT			Line No.
			Type of Equipment (i)	Number of Units (j)	Total Capacity (In Mva) (k)	
-	0					1
20	2					2
-	0					3
153	2					4
-	0					5
25	2					6
-	0					7
13	1					8
25	3					9
-	0					10
-	0					11
27	2					12
-	0					13
13	1					14
30	1					15
13	1					16
13	1					17
13	1					18
13	1					19
13	2					20
-	0					21
38	1					22
13	2					23
-	0					24
13	1					25
13	1					26
13	1					27
13	1					28
19	2					29
-	0					30
20	1					31
25	2					32
-	0					33
13	1					34
25	2					35
-	0					36
13	2					37
-	0					38
13	1					39
13	1					40

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report 12/31/06
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SUBSTATIONS (continued)

Line No.	Name and Location of Substation	Character of Substation	VOLTAGE (In Mva)		
			Primary	Secondary	Tertiary
			(c)	(d)	(e)
1	GREENWOOD - HORTON TWP	Distrib Unattended	138	24.9	
2	GRODI ROAD - ERIE TWP	Distrib Unattended	138	46	4.8
3	GROUT - GROUT TWP	HV Dist Unattended	138	46	11.5
4	GROVER - ARCADIA TWP	Distrib Unattended	46	8.32	
5	HACKETT - TITABAWASSEE TWP	Distrib Unattended	138	8.32	
6	HAGADORN - MERIDIAN TWP	Distrib Unattended	138	8.32	
7	HAGER PARK - GEORGETOWN TWP	Distrib Unattended	138	12.47	
8	HALSEY - HOLLY TWP	HV Dist Unattended	138	46	4.8
9		HV Dist Unattended	138	46	7.2
10	HAMILTON - HEATH TWP	Distrib Unattended	46	8.32	
11	HAMMOND RD - GARFIELD TWP	Distrib Unattended	46	12.47	
12	HANSEN - WYOMING TWP	Distrib Unattended	46	12.47	
13	HARING - BOON TWP	Distrib Unattended	138	8.32	
14	HARLEM - OLIVE TWP	Distrib Unattended	46	8.32	
15		Distrib Unattended	46	8.32	
16	HARPER ROAD - DELHI TWP	Distrib Unattended	46	24.9	
17		Distrib Unattended	46	24.9	
18	HARRISON - HAYES TWP	Distrib Unattended	46	8.32	
19		Distrib Unattended	46	8.32	
20	HARVEY STREET - GRAND RAPIDS TWP	Distrib Unattended	46	12.47	
21		Distrib Unattended	46	12.47	
22		Distrib Unattended	46	12.47	
23		Distrib Unattended	46	12.47	
24	HASKELITE - WALKER TWP	Distrib Unattended	46	12.47	
25		Distrib Unattended	46	12.47	
26	HASTINGS - HASTINGS TWP	Distrib Unattended	46	8.32	
27		Distrib Unattended	46	8.32	
28	HAYES STREET - GRAND HAVEN TWP	Distrib Unattended	46	8.32	
29	HAZELWOOD- GUN PLAIN	HV Dist Unattended	138	46	4.8
30		HV Dist Unattended	138	46	4.8
31	HEMLOCK - RICHLAND TWP	Distrib Unattended	46	8.32	
32	HEMPHILL - BURTON TWP	HV Dist Unattended	138	46	7.2
33		HV Dist Unattended	138	46	7.2
34	HENDERSHOT - MACON TWP	Distrib Unattended	138	12.47	
35	HICKORY - SPRING LAKE TWP	Distrib Unattended	46	12.47	
36	HIGGINS - HIGGINS TWP	HV Dist Unattended	138	46	
37		HV Dist Unattended	138	46	
38		HV Dist Unattended	138	46	
39		HV Dist Unattended	138	46	4.8
40	HODENPYL DAM - SPRINGVILLE TWP	Distrib Unattended	138	46	4.8

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report 12/31/06
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SUBSTATIONS (Continued)

Capacity of Substation (In Service) (In Mva) (f)	Number of Transformers in Service (g)	Number of Spare Transformers (h)	CONVERSION APPARATUS AND SPECIAL EQUIPMENT			Line No.
			Type of Equipment (i)	Number of Units (j)	Total Capacity (In Mva) (k)	
13	1					1
40	1					2
30	1					3
13	1					4
13	1					5
20	1					6
20	1					7
90	2					8
-	0					9
13	1					10
13	1					11
13	1					12
20	1					13
12	2					14
-	0					15
25	2					16
-	0					17
13	2					18
-	0					19
48	4					20
-	0					21
-	0					22
-	0					23
23	2					24
-	0					25
25	2					26
-	0					27
13	1					28
160	2					29
-	0					30
10	1					31
200	2					32
-	0					33
13	1					34
13	1					35
69	4					36
-	0					37
-	0					38
-	0					39
38	1					40

Name of Respondent	This Report Is:	Date of Report	Year of Report
Consumers Energy Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) 04/23/07	12/31/06

SUBSTATIONS (continued)

Line No.	Name and Location of Substation	Character of Substation	VOLTAGE (In Mva)		
			Primary	Secondary	Tertiary
			(c)	(d)	(e)
1	HOGAN ROAD - ARGENTINE TWP	Distrib Unattended	46	8.32	
2	HOGSBACK - DELHI TWP	Distrib Unattended	46	8.32	
3		Distrib Unattended	46	8.32	
4	HOLLY - HOLLY TWP	Distrib Unattended	46	8.32	
5	HOLTON - HOLTON TWP	Distrib Unattended	46	27.9	
6	HOMESTEAD - JOYFIELD TWP	Distrib Unattended	46	12.47	
7	HONOR - HOMESTEAD TWP	Distrib Unattended	46	12.47	
8	HOSPITAL - GARFIELD TWP	Distrib Unattended	46	12.47	
9	HOTCHKISS - MONITOR TWP	Distrib Unattended	138	24.9	
10	HOUGHTON HEIGHTS - ROSCOMMON TWP	Distrib Unattended	46	24.9	
11	HOWARD CITY - GEORGETOWN TWP	Distrib Unattended	46	24.9	
12		Distrib Unattended	46	24.9	
13	HUDSON - HUDSON TWP	Distrib Unattended	46	8.32	
14	HUDSONVILLE - GEORGETOWN TWP	Distrib Unattended	138	12.47	
15	HUGHES ROAD - MARSHALL	HV Dist Unattended	138	46	4.8
16	HULL STREET - ALGOMA TWP	Distrib Unattended	138	24.9	
17	HUNT ROAD - ADRIAN TWP	Distrib Unattended	46	8.32	
18	HURON - MONITOR TWP	Distrib Unattended	46	8.32	
19	HYDE PARK - DALTON TWP	Distrib Unattended	46	12.47	
20	INGHAM - BLACKMAN TWP	Distrib Unattended	46	8.32	
21		Distrib Unattended	46	8.32	
22	IOSCO - OSCODA TWP	HV Dist Unattended	138	46	4.8
23		HV Dist Unattended	138	46	4.8
24	IRISH ROAD - DAVISON TWP	Distrib Unattended	46	24.9	
25		Distrib Unattended	46	24.9	
26	IRON STREET - BURTON TWP	Distrib Unattended	46	8.32	
27		Distrib Unattended	46	8.32	
28	ISABELLA - UNION TWP	Distrib Unattended	46	8.32	
29		Distrib Unattended	46	8.32	
30	ISLAND ROAD - EATON	HV Dist Unattended	138	46	4.8
31		HV Dist Unattended	138	46	4.8
32	ITHACA - NEWARK TWP	Distrib Unattended	46	8.32	
33	IVANREST - WYOMING TWP	Distrib Unattended	46	12.47	
34		Distrib Unattended	46	12.47	
35	JACKMAN - BEDFORD TWP	Distrib Unattended	46	12.47	
36		Distrib Unattended	46	12.47	
37	JAMES SAVAGE - MIDLAND TWP	Distrib Unattended	46	8.32	
38	JAMESTOWN - JAMESTOWN TWP	Distrib Unattended	138	12.47	
39	JANES - BUENA VISTA TWP	Distrib Unattended	46	8.32	
40	JASPER - JASPER TWP	Distrib Unattended	46	8.32	

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report 12/31/06
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SUBSTATIONS (Continued)

Capacity of Substation (In Service) (In Mva) (f)	Number of Transformers in Service (g)	Number of Spare Transformers (h)	CONVERSION APPARATUS AND SPECIAL EQUIPMENT			Line No.
			Type of Equipment (i)	Number of Units (j)	Total Capacity (In Mva) (k)	
13	1					1
25	2					2
-	0					3
13	1					4
13	1					5
13	1					6
13	1					7
13	1					8
13	1					9
13	1					10
13	2					11
-	0					12
13	1					13
20	1					14
50	1					15
13	1					16
13	1					17
13	1					18
13	1					19
16	2					20
-	0					21
60	2					22
-	0					23
25	2					24
-	0					25
25	2					26
-	0					27
25	2					28
-	0					29
80	2					30
-	0					31
13	1					32
25	2					33
-	0					34
25	2					35
-	0					36
22	1					37
20	1					38
13	1					39
13	1					40

Name of Respondent		This Report Is:	Date of Report	Year of Report	
Consumers Energy Company		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) 04/23/07	12/31/06	
SUBSTATIONS (continued)					
VOLTAGE (In Mva)					
Line No.	Name and Location of Substation	Character of Substation	Primary	Secondary	Tertiary
	(a)	(b)	(c)	(d)	(e)
1	JEFFS ROAD - WHITEFORD TWP	Distrib Unattended	46	12.47	
2	JUDD ROAD - BURTON TWP	Distrib Unattended	46	8.32	
3		Distrib Unattended	46	8.32	
4	KALARAMA - PORTAGE TWP	Distrib Unattended	46	8.32	
5	KALKASKA - KALKASKA TWP	Distrib Unattended	46	12.47	
6	KAWKAWLIN - KAWKAWLIN TWP	Distrib Unattended	46	8.32	
7	KEARSLEY - GENESEE TWP	Distrib Unattended	46	8.32	
8		Distrib Unattended	46	8.32	
9	KEATING - MUSKEGON TWP	Distrib Unattended	46	12.47	
10		Distrib Unattended	46	12.47	
11	KELLOGGSVILLE - WYOMING TWP	Distrib Unattended	46	12.47	
12		Distrib Unattended	46	12.47	
13	KENDALL - KALAMAZOO TWP	Distrib Unattended	46	8.32	
14	KENDRICK - CASCADE TWP	Distrib Unattended	138	12.47	
15		Distrib Unattended	138	12.47	
16	KENT AIRPORT - CASCADE TWP	Distrib Unattended	46	12.47	
17		Distrib Unattended	46	12.47	
18	KENT CITY - TYRONE TWP	Distrib Unattended	46	12.47	
19	KENTWOOD - PARIS TWP	Distrib Unattended	138	12.47	
20		Distrib Unattended	138	12.47	
21	KIESEL - BANGOR TWP	Distrib Unattended	46	8.32	
22	KILGORE - PORTAGE TWP	Distrib Unattended	46	8.32	
23		Distrib Unattended	46	8.32	
24	KINDERHOOK - OVID TWP	Distrib Unattended	46	8.32	
25	KINNEY - WALKER TWP	Distrib Unattended	46	12.47	
26	KIPP ROAD - VEVAY TWP	Distrib Unattended	138	24.9	
27	KNAPP - GRAND RAPIDS	Distrib Unattended	46	12.47	
28	KNIGHT - HAMPTON TWP	Distrib Unattended	46	8.32	
29	KOCHVILLE - FRANKENLUST TWP	Distrib Unattended	46	8.32	
30	KOLASSA - BRONSON TWP	Distrib Unattended	46	24.9	
31	KRAFT AVENUE - CASCADE TWP	Distrib Unattended	138	12.47	
32		Distrib Unattended	138	12.47	
33	LABARGE - CALEDONIA TWP	Distrib Unattended	46	8.32	
34	LAFAYETTE - BEDFORD	HV Dist Unattended	138	46	4.8
35	LAGRAVE - GRAND RAPIDS TWP	Distrib Unattended	46	12.47	
36		Distrib Unattended	46	12.47	
37	LAINSBURG - SCIOTA TWP	Distrib Unattended	46	8.32	
38	LAKE CITY - REEDER TWP	Distrib Unattended	46	24.9	
39		Distrib Unattended	46	24.9	
40	LAKE LANSING - MERIDIAN TWP	Distrib Unattended	46	8.32	

Name of Respondent		This Report Is:		Date of Report		Year of Report	
Consumers Energy Company		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A resubmission		(Mo, Da, Yr) 04/23/07		12/31/06	
SUBSTATIONS (Continued)							
Capacity of Substation (In Service) (In Mva) (f)	Number of Transformers in Service (g)	Number of Spare Transformers (h)	CONVERSION APPARATUS AND SPECIAL EQUIPMENT			Line No.	
			Type of Equipment (i)	Number of Units (j)	Total Capacity (In Mva) (k)		
13	1					1	
25	2					2	
-	0					3	
12	1					4	
10	1					5	
13	1					6	
19	2					7	
-	0					8	
25	2					9	
-	0					10	
25	2					11	
-	0					12	
13	1					13	
40	2					14	
-	0					15	
25	2					16	
-	0	1				17	
13	1					18	
40	2					19	
-	0					20	
13	1					21	
40	2					22	
-	0					23	
10	1					24	
14	1					25	
30	1					26	
20	1					27	
13	1					28	
13	1					29	
13	1					30	
100	2					31	
-	0					32	
14	1					33	
100	1					34	
40	2					35	
-	0					36	
10	1					37	
27	2					38	
-	0					39	
13	1					40	

Name of Respondent	This Report Is:	Date of Report	Year of Report
Consumers Energy Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) 04/23/07	12/31/06

SUBSTATIONS (continued)

Line No.	Name and Location of Substation	Character of Substation	VOLTAGE (In Mva)		
			Primary	Secondary	Tertiary
			(c)	(d)	(e)
1	LAMBERTVILLE - BEDFORD TWP	Distrib Unattended	46	12.47	
2	LAMOREAUX - ALPINE TWP	Distrib Unattended	46	12.47	
3	LANDWER - FERRYSBURG TWP	Distrib Unattended	46	12.47	
4	LARKIN - MIDLAND TWP	Distrib Unattended	46	8.32	
5		Distrib Unattended	46	8.32	
6	LASALLE - LASALLE TWP	Distrib Unattended	46	12.47	
7	LAWNDALE - SAGINAW	HV Dist Unattended	138	46	4.8
8		HV Dist Unattended	138	46	4.8
9	LAYTON - MAPLE GROVE TWP	HV Dist Unattended	138	46	4.8
10	LEE STREET - WYOMING TWP	Distrib Unattended	46	12.47	0
11		Distrib Unattended	46	12.47	
12	LEFFINGWELL - GRAND RAPIDS TWP	Distrib Unattended	46	12.47	
13		Distrib Unattended	46	12.47	
14	LEITH STREET - BURTON TWP	Distrib Unattended	46	8.32	
15		Distrib Unattended	46	8.32	
16		Distrib Unattended	46	8.32	
17	LENNON ROAD - FLINT TWP	Distrib Unattended	46	8.32	
18		Distrib Unattended	46	8.32	
19		Distrib Unattended	46	8.32	
20	LEONARD - WALKER TWP	Distrib Unattended	46	12.47	
21		Distrib Unattended	46	12.47	
22		Distrib Unattended	46	12.47	
23	LETTTS ROAD - LARKIN TWP	Distrib Unattended	138	24.9	
24		Distrib Unattended	138	24.9	
25	LEVEL PARK - BEDFORD TWP	Distrib Unattended	46	8.32	
26	LEVELY - EDENVILLE TWP	Distrib Unattended	46	24.9	
27	LIBERTY - BATTLE CREEK TWP	Distrib Unattended	46	8.32	
28		Distrib Unattended	46	8.32	
29	LINDBERGH - OSHTEMO	HV Dist Unattended	138	46	4.8
30	LINDEN - FENTON TWP	Distrib Unattended	46	8.32	
31	LITCHFIELD - LITCHFIELD TWP	Distrib Unattended	46	8.32	
32	LIVINGSTON - LIVINGSTON	HV Dist Unattended	138	13.8	
33	LOMARD - SHERIDAN TWP	Distrib Unattended	46	8.32	
34	LONG LAKE - FENTON TWP	Distrib Unattended	46	8.32	
35	LOOKING GLASS - WATERTOWN	HV Dist Unattended	138	46	4.8
36	LOVEJOY - BURNS TWP	Distrib Unattended	138	24.9	
37	LOVELL - KALAMAZOO	Distrib Unattended	46	8.32	
38		Distrib Unattended	46	8.32	
39		Distrib Unattended	46	8.32	
40		Distrib Unattended	46	8.32	

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report 12/31/06
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SUBSTATIONS (Continued)

Capacity of Substation (In Service) (In Mva) (f)	Number of Transformers in Service (g)	Number of Spare Transformers (h)	CONVERSION APPARATUS AND SPECIAL EQUIPMENT			Line No.
			Type of Equipment (i)	Number of Units (j)	Total Capacity (In Mva) (k)	
13	1					1
13	1					2
13	1					3
25	2					4
-	0					5
13	1					6
200	2					7
-	0					8
30	1					9
25	2					10
-	0					11
25	2					12
-	0					13
23	3					14
-	0					15
-	0					16
31	3					17
-	0					18
-	0					19
16	3					20
-	0					21
-	0					22
25	2					23
-	0					24
16	1					25
13	1					26
16	2					27
-	0					28
100	1					29
13	1					30
13	1					31
50	1					32
14	1					33
13	1					34
60	1					35
13	1					36
38	4					37
-	0					38
-	0					39
						40

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report 12/31/06
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SUBSTATIONS (continued)

Line No.	Name and Location of Substation	Character of Substation	VOLTAGE (In Mva)		
			Primary	Secondary	Tertiary
			(c)	(d)	(e)
1	MACATAWA - HOLLAND TWP	Distrib Unattended	46	8.32	
2		Distrib Unattended	46	8.32	
3	MACKINAW CITY - MACKINAW TWP	Distrib Unattended	46	24.9	
4	MANCHESTER - MANCHESTER TWP	Distrib Unattended	46	8.32	
5	MANISTEE - FILER TWP	Distrib Unattended	46	12.47	
6	MANLIUS - MANLIUS TWP	HV Dist Unattended	138	46	4.8
7	MAPLE GROVE - FRUITPORT TWP	Distrib Unattended	46	12.47	
8		Distrib Unattended	46	12.47	
9	MARKER LAKE - BOSTON TWP	Distrib Unattended	46	8.32	
10	MARKEY - MARKEY TWP	Distrib Unattended	46	8.32	
11	MARQUETTE - EASTON TWP	HV Dist Unattended	138	46	4.8
12		HV Dist Unattended	138	46	4.8
13	MASON - VEVAY TWP	Distrib Unattended	46	8.32	
14	MAUMEE - ADRIAN TWP	Distrib Unattended	46	8.32	
15	MAYFAIR - MT MORRIS TWP	Distrib Unattended	46	8.32	
16		Distrib Unattended	46	8.32	
17		Distrib Unattended	46	8.32	
18	MCBAIN - RICHLAND TWP	Distrib Unattended	46	24.9	
19		Distrib Unattended	46	24.9	
20	MCCRACKEN - NORTON TWP	Distrib Unattended	46	12.47	
21		Distrib Unattended	46	12.47	
22	MCGULPIN - WAWATAM TWP	Distrib Unattended	138	46	4.8
23		Distrib Unattended	138	46	4.8
24	MEADOWBROOKE - CALENDONIA TWP	Distrib Unattended	138	12.47	
25		Distrib Unattended	138	12.47	
26	MEDCOSTA - GREEN TWP	HV Dist Unattended	138	46	4.8
27		HV Dist Unattended	138	46	4.8
28	MENDON - NOTTAWA TWP	Distrib Unattended	46	8.32	
29		Distrib Unattended	46	8.32	
30		Distrib Unattended	46	24.9	
31	MICHIGAN - CITY OF GRAND RAPIDS	Distrib Unattended	138	12.47	
32	MICHIGAN CENTER - SUMMIT TWP	Distrib Unattended	46	8.32	
33	MICOR - SUMMIT TWP	Distrib Unattended	46	8.32	
34	MIDDLEVILLE - THORNAPPLE TWP	Distrib Unattended	46	8.32	
35	MIDLAND - MIDLAND TWP	Distrib Unattended	46	8.32	
36	MIDWAY - GUN PLAIN TWP	Distrib Unattended	46	8.32	
37	MILES ROAD - SOUTH ARM TWP	HV Dist Unattended	138	46	4.8
38	MILHAM - PORTAGE	HV Dist Unattended	138	46	4.8
39	MILL GROVE - ALLEGAN TWP	Distrib Unattended	46	24.9	
40	MILLER ROAD - FLINT TWP	Distrib Unattended	46	8.32	

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report 12/31/06
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SUBSTATIONS (Continued)

Capacity of Substation (In Service) (In Mva) (f)	Number of Transformers in Service (g)	Number of Spare Transformers (h)	CONVERSION APPARATUS AND SPECIAL EQUIPMENT			Line No.
			Type of Equipment (i)	Number of Units (j)	Total Capacity (In Mva) (k)	
13	2					1
-	0					2
13	1					3
13	1					4
20	1					5
38	1					6
25	2					7
-	0					8
13	1					9
10	1					10
40	2					11
-	0					12
13	1					13
13	1					14
10	1					15
28	2					16
-	0					17
13	2					18
-	0					19
24	2					20
-	0					21
30	2					22
-	0					23
40	2					24
-	0					25
100	2					26
-	0					27
23	3					28
-	0					29
-	0					30
20	1					31
13	1					32
13	1					33
13	1					34
13	1					35
13	1					36
30	1					37
100	1					38
13	1					39
13	1					40

Name of Respondent	This Report Is:	Date of Report	Year of Report
Consumers Energy Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) 04/23/07	12/31/06

SUBSTATIONS (continued)

Line No.	Name and Location of Substation	Character of Substation	VOLTAGE (In Mva)		
			Primary	Secondary	Tertiary
			(c)	(d)	(e)
1	MILLERS POINT - KALAMAZOO TWP	Distrib Unattended	138	8.32	
2		Distrib Unattended	138	8.32	
3	MILTON - BIG RAPIDS TWP	Distrib Unattended	46	12.47	
4	MIO DAM - BIG CREEK TWP	HV Dist Unattended	2	8.3	
5		HV Dist Unattended	2	8.32	
6		HV Dist Unattended	2	12	
7		HV Dist Unattended	138	8.32	
8		HV Dist Unattended	138	8.32	
9	MOLINE - DORR TWP	Distrib Unattended	46	8.32	
10	MONA LAKE - FRUITPORT TWP	Distrib Unattended	46	12.47	
11	MONITOR - MONITOR TWP	HV Dist Unattended	138	46	2.4
12		HV Dist Unattended	138	46	4.8
13	MONTROSE - MONTROSE TWP	Distrib Unattended	46	8.32	
14		Distrib Unattended	46	8.32	
15	MOORE ROAD - FAYETTE TWP	HV Dist Unattended	138	46	4.8
16		HV Dist Unattended	138	46	4.8
17	MORGAN - PENNFIELD TWP	Distrib Unattended	46	8.32	
18	MORLEY - BUENA VISTA TWP	Distrib Unattended	46	8.32	
19	MORRELL - SUMMIT TWP	Distrib Unattended	46	8.32	
20	MORROW - COMSTOCK	HV Dist Unattended	138	46	11.5
21		HV Dist Unattended	138	46	4.8
22		HV Dist Unattended	138	46	4.8
23	MT MORRIS - MT MORRIS TWP	Distrib Unattended	46	8.32	
24	MT PLEASANT - UNION TWP	Distrib Unattended	46	8.32	
25	MULLINS - WALKER TWP	Distrib Unattended	138	12.47	
26	MUSKEGON HEIGHTS - MUSKEGON TWP	Distrib Unattended	138	12.47	
27		Distrib Unattended	138	12.47	
28		Distrib Unattended	138	46	7.2
29		Distrib Unattended	138	46	7.2
30	NATIONAL CITY - SHERMAN TWP	Distrib Unattended	46	11	
31	NEFF ROAD - THETFORD TWP	Distrib Unattended	138	24.9	
32	NIAGARA - SAGINAW TWP	Distrib Unattended	46	12.47	
33	NINETEEN MILE RD - GREEN TWP	Distrib Unattended	138	12.47	
34	NORTH ALLEGAN - ALLEGAN TWP	Distrib Unattended	46	8.32	
35		Distrib Unattended	46	8.32	
36	NORTH BELDING - OTISCO TWP	HV Dist Unattended	138	46	4.8
37	NORTH CORUNNA - CALEDONIA TWP	Distrib Unattended	138	8.32	
38	NORTH KENT - PLAINFIELD TWP	Distrib Unattended	46	12.47	
39		Distrib Unattended	46	12.47	
40		Distrib Unattended	46	12.47	

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report 12/31/06
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SUBSTATIONS (Continued)

Capacity of Substation (In Service) (In Mva) (f)	Number of Transformers in Service (g)	Number of Spare Transformers (h)	CONVERSION APPARATUS AND SPECIAL EQUIPMENT			Line No.
			Type of Equipment	Number of Units	Total Capacity (In Mva)	
			(i)	(j)	(k)	
40	2					1
-	0					2
14	2					3
-	0					4
68	4					5
-	0					6
-	0					7
13	1					8
14	1					9
75	2					10
-	0					11
12	2					12
-	0					13
200	2					14
-	0					15
13	1					16
13	1					17
13	1					18
13	1					19
110	3					20
-	0					21
-	0					22
13	1					23
13	1					24
20	1					25
260	5	1				26
-	0					27
-	0					28
-	0					29
-	0					30
13	1					31
13	1					32
13	1					33
10	2					34
-	0					35
50	1					36
13	1					37
30	3					38
-	1					39
						40

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report 12/31/06
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SUBSTATIONS (continued)

Line No.	Name and Location of Substation	Character of Substation	VOLTAGE (In Mva)		
			Primary	Secondary	Tertiary
			(c)	(d)	(e)
1	NORTH LANSING - DEWITT TWP	Distrib Unattended	46	8.32	
2	NORTH MUSKEGON - MUSKEGON TWP	Distrib Unattended	46	12.47	
3	NORTH PARK - GRAND RAPIDS	Distrib Unattended	46	12.47	
4	NORTHERN FIBRE - OLIVE TWP	Distrib Unattended	138	8.32	
5	NORTON - FRUITPORT TWP	Distrib Unattended	46	12.47	
6	OAK STREET - BLACKMAN TWP	Distrib Unattended	46	8.32	
7		Distrib Unattended	46	8.32	
8	OAKLAND - HOLLY TWP	HV Dist Unattended	138	46	4.8
9	OAKWOOD - KALAMAZOO TWP	Distrib Unattended	46	8.32	
10	OBERLIN - SAGE TWP	Distrib Unattended	46	24.9	
11	OCEANA - HART	HV Dist Unattended	138	46	7.2
12	OGEMAW - WEST BRANCH TWP	HV Dist Unattended	138	46	4.8
13	OHMAN ROAD - EVART TWP	Distrib Unattended	138	24.9	
14	OKEMOS - MERIDIAN TWP	Distrib Unattended	46	8.32	
15		Distrib Unattended	46	8.32	
16	OLIVER - OWOSSO TWP	Distrib Unattended	46	8.32	
17	ORCHARD ROAD - MIDLAND TWP	Distrib Unattended	46	8.32	
18		Distrib Unattended	46	8.32	
19	ORIOLE - MASON TWP	Distrib Unattended	46	24.9	
20		Distrib Unattended	46	24.9	
21	OTISVILLE - FOREST TWP	Distrib Unattended	46	8.32	
22	OTTAWA BEACH - PARK TWP	Distrib Unattended	46	8.32	
23	OVID - OVID TWP	Distrib Unattended	46	8.32	
24	OWOSSO - CALEDONIA TWP	Distrib Unattended	46	8.32	
25		Distrib Unattended	46	8.32	
26		Distrib Unattended	140	46	7.2
27	PACKARD - EATON	Distrib Unattended	138	24.9	
28	PAGE AVENUE - LEONI TWP	HV Dist Unattended	138	46	4.8
29	PALMER - KALAMAZOO TWP	Distrib Unattended	46	8.32	
30		Distrib Unattended	46	8.32	
31	PARKWAY - KALAMAZOO TWP	Distrib Unattended	46	8.32	
32		Distrib Unattended	46	8.32	
33	PARNALL - BLACKMAN TWP	Distrib Unattended	46	8.32	
34		Distrib Unattended	46	8.32	
35	PARR ROAD - MANCHESTER TWP	HV Dist Unattended	138	46	4.8
36	PASADENA - FLINT TWP	Distrib Unattended	46	8.32	
37		Distrib Unattended	46	8.32	
38		Distrib Unattended	138	46	4.8
39	PATTERSON - BANGOR TWP	Distrib Unattended	46	8.32	
40	PAVILION - PAVILION TWP	Distrib Unattended	138	8.32	

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report 12/31/06
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SUBSTATIONS (Continued)

Capacity of Substation (In Service) (In Mva) (f)	Number of Transformers in Service (g)	Number of Spare Transformers (h)	CONVERSION APPARATUS AND SPECIAL EQUIPMENT			Line No.
			Type of Equipment (i)	Number of Units (j)	Total Capacity (In Mva) (k)	
13	1					1
20	1					2
20	1					3
13	1					4
13	1					5
18	2					6
-	0					7
40	1					8
13	1					9
13	1					10
50	1					11
15	1					12
13	1					13
10	2					14
-	0					15
13	1					16
20	2					17
-	0					18
25	2					19
-	0					20
13	1					21
13	1					22
13	1					23
125	3					24
-	0					25
-	0					26
13	1					27
100	1					28
25	2					29
-	0					30
25	2					31
-	0					32
25	2					33
-	0					34
40	1					35
39	3					36
-	0					37
-	0					38
13	1					39
20	1					40

Name of Respondent		This Report Is:	Date of Report	Year of Report	
Consumers Energy Company		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) 04/23/07	12/31/06	
SUBSTATIONS (continued)					
VOLTAGE (In Mva)					
Line No.	Name and Location of Substation	Character of Substation	Primary	Secondary	Tertiary
	(a)	(b)	(c)	(d)	(e)
1	PEACOCK - BATH TWP	Distrib Unattended	46	8.32	
2	PEAK ROAD - MONTCALM TWP	Distrib Unattended	46	24.9	
3	PERRY - PERRY TWP	Distrib Unattended	46	8.32	
4	PETTIS ROAD - ADA TWP	Distrib Unattended	138	24.9	
5	PHILLIPS - KALAMAZOO TWP	Distrib Unattended	46	8.32	
6		Distrib Unattended	46	8.32	
7	PIGEON LAKE - PORT SHELDON TWP	Distrib Unattended	46	8.32	
8	PINE RIVER - ARCADA TWP	Distrib Unattended	46	8.32	
9	PINSTON RING - SPARTA TWP	Distrib Unattended	46	8.32	
10		Distrib Unattended	138	8.32	
11	PITCHER - KALAMAZOO TWP	Distrib Unattended	46	8.32	
12		Distrib Unattended	46	8.32	
13	PLAINFIELD - PLAINFIELD	Distrib Unattended	46	8.32	
14	PLAINWELL - GUN PLAIN TWP	Distrib Unattended	46	8.32	
15	PORT CALCITE - ROGERS TWP	Distrib Unattended	138	13.8	
16		Distrib Unattended	138	13.8	
17	PORT SHELDON - PORT SHELDON	Distrib Unattended	138	46	4.8
18	PORTAGE - PORTAGE TWP	Distrib Unattended	46	8.32	
19		Distrib Unattended	46	8.32	
20	PORTER - GRAND BLANC TWP	Distrib Unattended	138	8.32	
21	PORTSMOUTH - BLUMFIELD TWP	Distrib Unattended	138	24.9	
22	POTTER - SAGINAW TWP	Distrib Unattended	46	8.32	
23		Distrib Unattended	46	8.32	
24	POTTERVILLE - BENTON TWP	Distrib Unattended	46	8.32	
25	PRINCETON - EMMET TWP	Distrib Unattended	46	8.32	
26	QUINCY - QUINCY TWP	Distrib Unattended	46	8.32	
27	RACE STREET - GRAND RAPIDS	HV Dist Unattended	138	46	13.8
28	RAISIN - RAISIN TWP	HV Dist Unattended	138	46	
29	RAMONA - GRAND RAPIDS TWP	Distrib Unattended	46	12.47	
30	RANKIN - MUNDY TWP	Distrib Unattended	46	8.32	
31	RANSOM - JAMESTOWN TWP	HV Dist Unattended	138	46	4.8
32	RAVENNA - RAVENNA TWP	Distrib Unattended	46	8.32	
33		Distrib Unattended	46	12.47	
34	RAVINE - KALAMAZOO TWP	Distrib Unattended	46	8.32	
35	RED ARROW - BURTON TWP	Distrib Unattended	46	8.32	
36		Distrib Unattended	46	8.32	
37	REED CITY - ALGOMA TWP	Distrib Unattended	46	8.32	
38		Distrib Unattended	46	8.32	
39	REMUS - WHEATLAND TWP	Distrib Unattended	46	8.32	
40		Distrib Unattended	46	8.32	

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report 12/31/06
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SUBSTATIONS (Continued)

Capacity of Substation (In Service) (In Mva) (f)	Number of Transformers in Service (g)	Number of Spare Transformers (h)	CONVERSION APPARATUS AND SPECIAL EQUIPMENT			Line No.
			Type of Equipment (i)	Number of Units (j)	Total Capacity (In Mva) (k)	
4	1					1
10	1					2
13	1					3
13	1					4
25	2					5
-	0					6
13	1					7
13	1					8
40	2					9
-	0					10
12	2					11
-	0					12
13	1					13
13	1					14
20	2					15
-	0					16
50	1					17
25	2					18
-	0					19
13	1					20
10	1					21
40	2					22
-	0					23
13	1					24
13	1					25
13	1					26
100	1					27
50	1					28
20	1					29
13	1					30
100	1					31
18	2					32
-	0					33
13	1					34
27	2					35
-	0					36
20	2					37
-	0					38
11	2					39
0	0					40

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report 12/31/06
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SUBSTATIONS (continued)

Line No.	Name and Location of Substation	Character of Substation	VOLTAGE (In Mva)		
			Primary	Secondary	Tertiary
			(c)	(d)	(e)
1	RICE CREEK - SHERIDAN TWP	HV Dist Unattended	138	46	4.8
2	RIGGSVILLE - IVERNESS	HV Dist Unattended	138	46	4.8
3		HV Dist Unattended	138	46	4.8
4	RIVERTOWN - WYOMING TWP	Distrib Unattended	138	12.47	
5		Distrib Unattended	138	12.47	
6	RIVERVIEW - KALAMAZOO	HV Dist Unattended	138	46	4.8
7		HV Dist Unattended	138	46	4.8
8	RIX ROAD - OSHTEMO TWP	Distrib Unattended	46	8.32	
9		Distrib Unattended	46	8.32	
10	ROBERTS STREET - BLACKMAN TWP	Distrib Unattended	46	8.32	
11	ROCKFORD - ALGOMA TWP	Distrib Unattended	46	8.32	
12		Distrib Unattended	46	24.9	
13	RODNEY - COLFAX TWP	Distrib Unattended	46	24.9	
14	ROEDEL ROAD - FRANKENMUTH TWP	Distrib Unattended	138	8.32	
15	ROSEWOOD - GEORGETWON TWP	Distrib Unattended	46	12.47	
16		Distrib Unattended	46	12.47	
17	RUSSELLVILLE - RICHFIELD TWP	Distrib Unattended	46	8.32	
18	RUTLAND - RUTLAND TWP	Distrib Unattended	46	8.32	
19	SAGINAW RIVER - ZILWAUKEE TWP	HV Dist Unattended	138	24.9	4.8
20		HV Dist Unattended	138	46	4.8
21	SAGINAW STREET - BURTON TWP	Distrib Unattended	46	8.32	
22		Distrib Unattended	46	8.32	
23	SALEM - SALEM TWP	Distrib Unattended	46	8.32	
24	SAMARIA - BEDFORD TWP	HV Dist Unattended	138	46	4.8
25		HV Dist Unattended	138	46	4.8
26	SANDERSON - EUREKA TWP	Distrib Unattended	138	24.9	
27	SANFORD DAM - JEROME TWP	Distrib Unattended	46	4.16	
28		Distrib Unattended	46	8.32	
29	SARANAC - BOSTON TWP	Distrib Unattended	46	8.32	
30		Distrib Unattended	46	8.32	
31		Distrib Unattended	46	8.32	
32	SAUGATUCK - SAUGATUCK TWP	Distrib Unattended	46	8.32	
33		Distrib Unattended	46	8.32	
34	SAVIDGE - SPRING LAKE TWP	Distrib Unattended	138	12.47	
35	SCOTT LAKE - LEE TWP	HV Dist Unattended	138	46	4.8
36	SEIDEL - SAGINAW TWP	Distrib Unattended	46	8.32	
37	SHAFFER - PARIS TWP	Distrib Unattended	46	12.47	
38		Distrib Unattended	46	12.47	
39	SHATTUCK - SAGINAW TWP	Distrib Unattended	46	8.32	
40	SHIELDS - SWAN CREEK TWP	Distrib Unattended	46	8.32	

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report 12/31/06
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SUBSTATIONS (Continued)

Capacity of Substation (In Service) (In Mva) (f)	Number of Transformers in Service (g)	Number of Spare Transformers (h)	CONVERSION APPARATUS AND SPECIAL EQUIPMENT			Line No.
			Type of Equipment (i)	Number of Units (j)	Total Capacity (In Mva) (k)	
40	1					1
35	2					2
-	0					3
40	2					4
-	0					5
200	2					6
-	0					7
13	2					8
-	0					9
20	1					10
33	2					11
-	0					12
13	1					13
13	1					14
25	2					15
-	0					16
10	1					17
13	1					18
-	0					19
68	1					20
40	2					21
-	0					22
13	1					23
78	2					24
-	0					25
13	1					26
11	2					27
-	0					28
18	3					29
-	0					30
-	0					31
19	2					32
-	0					33
13	1					34
40	1					35
13	1					36
50	2					37
-	0					38
20	1					39
13	1					40

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report 12/31/06
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SUBSTATIONS (continued)

Line No.	Name and Location of Substation	Character of Substation	VOLTAGE (In Mva)		
			Primary	Secondary	Tertiary
			(c)	(d)	(e)
1	SILVER LAKE - GARFIELD TWP	Distrib Unattended	46	12.47	
2	SIMMONS - WEST BRANCH TWP	Distrib Unattended	138	24.9	
3	SIMPSON - MENDON TWP	HV Dist Unattended	138	46	4.8
4	SKYLARK - GRAND BLANC TWP	Distrib Unattended	46	8.32	
5		Distrib Unattended	46	8.72	
6	SLOAN - FLINT TWP	Distrib Unattended	46	8.32	
7	SMALLWOOD DAM - HAY TWP	Distrib Unattended	8	2.4	
8		Distrib Unattended	8	2.4	
9		Distrib Unattended	8	2.4	
10		Distrib Unattended	46	8.32	
11	SOLVAY - MADISON TWP	Distrib Unattended	138	24.9	
12	SONOMA - BATTLE CREEK	HV Dist Unattended	138	46	4.8
13	SOUTH WASHINGTON - SAGINAW TWP	Distrib Unattended	46	8.32	
14	SPAULDING - ADA TWP	HV Dist Unattended	138	46	4.8
15	SPRING ARBOR - SPRING ARBOR TWP	Distrib Unattended	46	8.32	
16	SPRING DRIVE - BROOKS TWP	Distrib Unattended	46	24.9	
17	SPRING LAKE - SPRING LAKE TWP	Distrib Unattended	46	12.47	
18	SPRINGFIELD - BATTLE CREEK TWP	Distrib Unattended	46	8.32	
19	SPRINKLE - PORTAGE TWP	Distrib Unattended	46	8.32	
20		Distrib Unattended	46	8.32	
21	SQUIRE HILL - FLINT	Distrib Unattended	46	8.32	
22	ST JOHNS - BINGHAM TWP	Distrib Unattended	46	8.32	
23		Distrib Unattended	46	8.32	
24	STACEY - CLAYTON TWP	Distrib Unattended	138	24.9	
25	STANDALE - WALKER TWP	Distrib Unattended	46	12.47	
26		Distrib Unattended	46	12.47	
27	STANDISH - STANDISH TWP	Distrib Unattended	46	8.32	
28	STANLEY - MT MORRIS TWP	Distrib Unattended	46	8.32	
29	STATE STREET - SAGINAW TWP	Distrib Unattended	46	8.32	
30	STEEL DRVIE - FENTON TWP	Distrib Unattended	46	8.32	
31		Distrib Unattended	46	8.32	
32	STERNS ROAD - ERIE TWP	Distrib Unattended	46	12.47	
33	STEVENS - WYOMING TWP	Distrib Unattended	46	12.47	
34		Distrib Unattended	46	12.47	
35	STOCKBRIDGE - STOCKBRIDGE TWP	Distrib Unattended	46	8.32	
36	STONEGATE - GRAND RAPIDS TWP	Distrib Unattended	138	12.47	
37		Distrib Unattended	138	12.47	
38	STOVER - KEARNEY TWP	HV Dist Unattended	138	46	4.8
39	STRONACH - STRONACH TWP	HV Dist Unattended	138	46	4.8
40	SUMMERTON - CHIPPEWA TWP	HV Dist Unattended	138	46	7.2

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report 12/31/06
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SUBSTATIONS (Continued)

Capacity of Substation (In Service) (In Mva) (f)	Number of Transformers in Service (g)	Number of Spare Transformers (h)	CONVERSION APPARATUS AND SPECIAL EQUIPMENT			Line No.
			Type of Equipment (i)	Number of Units (j)	Total Capacity (In Mva) (k)	
13	1					1
14	1					2
38	2					3
-	0					4
33	1					5
13	1					6
75	4					7
-	0					8
-	0					9
-	0					10
13	1					11
50	1					12
13	1					13
100	1					14
13	1					15
13	1					16
13	1					17
13	1					18
25	2					19
-	0					20
13	1					21
13	2					22
-	0					23
13	1					24
25	2					25
-	0					26
13	1					27
13	1					28
20	1					29
25	2					30
-	0					31
14	1					32
13	2					33
-	0					34
13	1					35
40	2					36
-	0					37
19	1					38
40	1					39
140	2					40

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report 12/31/06
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SUBSTATIONS (continued)

Line No.	Name and Location of Substation	Character of Substation	VOLTAGE (In Mva)		
			Primary	Secondary	Tertiary
	(a)	(b)	(c)	(d)	(e)
1		HV Dist Unattended	138	46	4.8
2	SUMMIT - SUMMIT TWP	Distrib Unattended	46	8.32	
3	SWARTZ CREEK - GAINES TWP	Distrib Unattended	46	8.32	
4	SYLVAN - SYLVAN TWP	Distrib Unattended	46	8.32	
5	TALLMAN - EAGLE TWP	Distrib Unattended	138	24.9	
6	TANIUM - MONTAGUE TWP	Distrib Unattended	46	12.47	
7	TECUMSEH - TECUMSEH TWP	Distrib Unattended	46	12.47	
8		Distrib Unattended	46	12.47	
9	TEFT ROAD - SWAN CREEK TWP	Distrib Unattended	46	8.32	
10	TEMPERANCE - BEDFORD TWP	Distrib Unattended	46	12.47	
11	TERRACE - MUSKEGON TWP	Distrib Unattended	46	12.47	
12	TEXAS - TEXAS TWP	Distrib Unattended	46	8.32	
13	THOMAS - THOMAS TWP	Distrib Unattended	46	8.32	
14	THOMPSON ROAD - CAMPBELL TWP	Distrib Unattended	138	46	7.2
15	THORNAPPLE - ADA TWP	Distrib Unattended	46	8.32	
16		Distrib Unattended	46	8.32	
17	TIHART - MERIDIAN TWP	HV Dist Unattended	138	46	
18		HV Dist Unattended	138	46	
19	TINSMAN - HOLLY TWP	Distrib Unattended	138	8.32	
20	TITUS LAKE - WAYLAND TWP	Distrib Unattended	138	8.32	
21	TROWBRIDGE - TROWBRIDGE TWP	HV Dist Unattended	138	46	4.8
22	TRUFANT - MAPLE VALLEY TWP	Distrib Unattended	46	8.32	
23		Distrib Unattended	46	8.32	
24	TUCKER - HOLLY TWP	Distrib Unattended	46	8.32	
25	TWELFTH STREET - PORTAGE TWP	Distrib Unattended	138	8.32	
26	TWILIGHT - COMSTOCK TWP	Distrib Unattended	138	8.32	
27	TWINING - TURNER TWP	HV Dist Unattended	138	46	
28		HV Dist Unattended	138	46	4.8
29		HV Dist Unattended	138	46	
30		HV Dist Unattended	138	46	4.8
31	ULMER - BIRCH RUN TWP	Distrib Unattended	46	8.32	
32	UPTON - DELTA TWP	Distrib Unattended	46	8.32	
33	VAN ATTA - MERIDIAN TWP	Distrib Unattended	46	8.32	
34	VANDERCOOK LAKE - SUMMIT TWP	Distrib Unattended	46	8.32	
35	VERNON - VERNON	Distrib Unattended	138	46	4.8
36	VERONA - PENNFIELD TWP	HV Dist Unattended	138	46	4.8
37		HV Dist Unattended	138	46	4.8
38	VEVAY - VEVAY TWP	HV Dist Unattended	138	46	4.8
39	VILLAGE GREEN - PORTAGE TWP	Distrib Unattended	46	8.32	
40		Distrib Unattended	46	8.32	

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report 12/31/06
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SUBSTATIONS (Continued)

Capacity of Substation (In Service) (In Mva) (f)	Number of Transformers in Service (g)	Number of Spare Transformers (h)	CONVERSION APPARATUS AND SPECIAL EQUIPMENT			Line No.
			Type of Equipment (i)	Number of Units (j)	Total Capacity (In Mva) (k)	
-	0					1
13	1					2
13	1					3
13	1					4
14	1					5
13	1					6
19	2					7
-	0					8
13	1					9
13	1					10
10	1					11
13	1					12
10	1					13
50	1					14
13	2					15
-	0					16
100	2					17
-	0					18
13	1					19
10	1					20
20	1					21
13	2					22
-	0					23
13	1					24
13	1					25
20	1					26
20	4					27
-	0					28
-	0					29
-	0					30
13	1					31
12	1					32
20	1					33
13	1					34
38	1					35
200	2					36
-	0					37
40	1					38
25	2					39
0	0					40

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report 12/31/06
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SUBSTATIONS (continued)

Line No.	Name and Location of Substation	Character of Substation	VOLTAGE (In Mva)		
			Primary	Secondary	Tertiary
	(a)	(b)	(c)	(d)	(e)
1	VIRGINIA PARK - LAKETOWN TWP	Distrib Unattended	46	8.32	
2	VROOMAN - SUMMIT TWP	HV Dist Unattended	138	46	4.8
3	WACKERLY - LARKIN TWP	HV Dist Unattended	138	46	4.8
4		HV Dist Unattended	138	46	4.8
5	WAGER - GENESSEE TWP	Distrib Unattended	46	8.32	
6	WALDO - MIDLAND TWP	Distrib Unattended	46	8.32	
7	WALKER - WALKER TWP	Distrib Unattended	46	12.47	
8	WALNUT - BURTON TWP	Distrib Unattended	46	8.32	
9		Distrib Unattended	46	8.32	
10	WARNER - PRAIREVILLE TWP	Distrib Unattended	138	13.8	
11	WARREN - WARREN TWP	HV Dist Unattended	138	46	4.8
12	WASHINGTON - PERE MARQUETT TWP	Distrib Unattended	46	8.32	
13		Distrib Unattended	46	8.32	
14		Distrib Unattended	46	12.47	
15		Distrib Unattended	46	12.47	
16		Distrib Unattended	46	12.47	
17		Distrib Unattended	46	12.47	
18	WASHTENAW - CHELSEA TWP	HV Dist Unattended	138	46	4.8
19	WATKINS - BATTLE CREEK TWP	Distrib Unattended	46	8.32	
20		Distrib Unattended	46	8.32	
21	WAYLAND - WAYLAND TWP	Distrib Unattended	46	8.32	
22		Distrib Unattended	138	46	4.8
23	WEADOCK J C PLANT - HAMPTON TWP	HV Dist Attended	138	46	4.8
24		HV Dist Attended	138	46	4.8
25	WEALTHY STREET - WALKER TWP	HV Dist Unattended	138	12.47	
26		HV Dist Unattended	138	12.47	
27		HV Dist Unattended	138	46	24.9
28		HV Dist Unattended	138	46	24.9
29		HV Dist Unattended	138	46	24.9
30		HV Dist Unattended	138	46	24.9
31		HV Dist Unattended	138	46	24.9
32		HV Dist Unattended	138	46	24.9
33		HV Dist Unattended	138	46	4.8
34	WEBSTER - MT MORRIS TWP	Distrib Unattended	46	8.32	
35	WEST MAIN - OWOSSO TWP	Distrib Unattended	46	8.32	
36	WEST RIVER - GRAND RAPIDS TWP	Distrib Unattended	46	12.47	
37	WEST ROAD - LANSING TWP	Distrib Unattended	46	8.32	
38	WESTERN AVENUE - LAKETON TWP	Distrib Unattended	46	12.47	
39		Distrib Unattended	46	12.47	
40		Distrib Unattended	46	12.47	

Name of Respondent Consumers Energy Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A resubmission	Date of Report (Mo, Da, Yr) 04/23/07	Year of Report 12/31/06
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SUBSTATIONS (Continued)

Capacity of Substation (In Service) (In Mva) (f)	Number of Transformers in Service (g)	Number of Spare Transformers (h)	CONVERSION APPARATUS AND SPECIAL EQUIPMENT			Line No.
			Type of Equipment (i)	Number of Units (j)	Total Capacity (In Mva) (k)	
13	1					1
100	1					2
68	2					3
-	0					4
13	1					5
13	1					6
20	1					7
18	2					8
-	0					9
14	1					10
40	1					11
93	6					12
-	0					13
-	0					14
-	0					15
-	0					16
-	0					17
50	1					18
25	2					19
-	0					20
33	2					21
-	0					22
200	2					23
-	0					24
165	2					25
-	0					26
20	7					27
-	0					28
-	0					29
-	0					30
-	0					31
-	0					32
-	0					33
13	1					34
13	1					35
14	1					36
13	1					37
35	3					38
-	0					39
0	0					40

Name of Respondent		This Report Is:	Date of Report	Year of Report	
Consumers Energy Company		(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) 04/23/07	12/31/06	
SUBSTATIONS (continued)					
Line No.	Name and Location of Substation	Character of Substation	VOLTAGE (In Mva)		
			Primary	Secondary	Tertiary
	(a)	(b)	(c)	(d)	(e)
1	WESTERVELT - ZILWAUKEE TWP	Distrib Unattended	46	8.32	
2	WESTWOOD - BLACKMAN TWP	Distrib Unattended	46	8.32	
3		Distrib Unattended	46	8.32	
4	WEXFORD - HARING TWP	HV Dist Unattended	138	46	
5		HV Dist Unattended	138	46	
6		HV Dist Unattended	138	46	
7		HV Dist Unattended	138	46	4.8
8	WHITE LAKE - MONTAGUE TWP	HV Dist Unattended	138	46	4.8
9		HV Dist Unattended	138	46	4.8
10	WHITEHALL - MONTAGUE TWP	Distrib Unattended	46	8.32	
11		Distrib Unattended	46	12.47	
12	WHITING J R PLANT - ERIE TWP	HV Dist Attended	138	46	4.8
13	WILDWOOD - BLACKMAN TWP	Distrib Unattended	46	8.32	
14		Distrib Unattended	46	8.32	
15	WILLARD - BIRCH RUN TWP	HV Dist Unattended	138	46	4.8
16	WILLIAMS - ALLEGAN TWP	Distrib Unattended	46	8.32	
17		Distrib Unattended	46	8.32	
18	WILMOTT - OSTEGO TWP	Distrib Unattended	46	8.32	
19	WISNER - BLACKMAN TWP	Distrib Unattended	46	8.32	
20	WITHEY LAKE - LOGAN	Distrib Unattended	138	24.9	
21	WOOD STREET - FLINT TWP	Distrib Unattended	46	8.32	
22	WYOMING PARK - WYOMING TWP	Distrib Unattended	46	12.47	
23	ZYMAN - PORTAGE TWP	Distrib Unattended	46	8.32	
24					
25	SUBSTATIONS SERVING RESALE CUSTOMERS				
26	CHELSEA - SYLVAN TWP	Resale Distribution Unattended	46	8.32	
27	EATON RAPIDS - EATON RAPIDS TWP	Resale Distribution Unattended	46	8.32	
28	PROGRESS STREET - HILLMAN TWP	Resale Distribution Unattended	138	12.47	
29	ST. LOUIS - BETHANY TWP	Resale Distribution Unattended	46	8.32	
30			46	4.16	
31					
32	SUMMARY INFORMATION				
33					
34	SUBSTATIONS GREATER THAN 10,000 Kva	565			
35					
36	SUBSTATIONS SERVING ONE CUSTOMER	233			
37					
38	SUBSTATIONS LESS THAN 10,000 Kva	274			
39					
40					

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SUBSTATIONS (Continued)

Capacity of Substation (In Service) (In Mva) (f)	Number of Transformers in Service (g)	Number of Spare Transformers (h)	CONVERSION APPARATUS AND SPECIAL EQUIPMENT			Line No.
			Type of Equipment (i)	Number of Units (j)	Total Capacity (In Mva) (k)	
13	1					1
11	2					2
-	0					3
70	4					4
-	0					5
-	0					6
-	0					7
88	2					8
-	0					9
23	2					10
-	0					11
38	1					12
13	2					13
-	0					14
40	1					15
13	2					16
-	0					17
13	1					18
13	1					19
13	1					20
13	1					21
13	1					22
20	1					23
-						24
-						25
14	1					26
6	1					27
13	1					28
16	2					29
						30
						31
						32
						33
17,400	824	51				34
		4				35
4,027	353	4				36
						37
1,412	318	28				38
						39
						40

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ELECTRIC DISTRIBUTION METERS AND LINE TRANSFORMERS

- | | |
|---|---|
| <p>1. Report below the information called for concerning distribution watt-hour metes and line transformers.</p> <p>2. Include watt-hour demand distribution meters, but not external demand meters.</p> <p>3. Show in a footnote the number of distribution watt-hour meters or line transformers held by the respondent under lease from others, jointly owned with others, or held otherwise than by reason of sole ownership by the respondent. If 500 or more meters</p> | <p>or line transformers are held under a lease, give name of lessor, date and period of lease, and annual rent. If 500 or more meters or line transformers are held other than by reason of sole ownership or lease, give name of co-owner or other party, explain basis of accounting for expenses between the parties, and state amounts and accounts affected in respondent's book of account. Specify in each case whether lessor, co-owner, or other party is an associated company.</p> |
|---|---|

Line No.	Item (a)	Number of Watt-Hours Meters (b)	LINE TRANSFORMERS	
			Number (c)	Total Capacity (In Mva) (d)
1	Number at Beginning of Year	1,832,667	609,515	
2	Additions During Year			
3	Purchases	62,445	12,585	
4	Associated with Utility Plant Acquired			
5	TOTAL Additions (Enter Total of lines 3 and 4)	62,445	12,585	0
6	Reduction During Year			
7	Retirements	42,136	6,863	
8	Associated with Utility Plant Sold			
9	TOTAL Reductions (Enter Total of lines 7 and 8)	42,136	6,863	0
10	Number at End of Year (Lines 1+ 5 - 9)	1,852,976	615,237	0
11	In Stock	37,746	0	
12	Locked Meters on Customers' Premises	45,100		
13	Inactive Transformers on System		26,718	
14	In Customers' Use	1,770,130	588,519	
15	In Companys' Use			
16	Total End of Year (Enter Total of lines 11 to 15. This line should equal line 10)	1,852,976	615,237	0

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ENVIRONMENTAL PROTECTION FACILITIES

1. For purposes of this response, environmental protection facilities shall be defined as any building, structure, equipment, facility or, improvement designed and constructed solely for control, reduction, prevention or abatement of discharges or releases into the environment of gaseous, liquid, or solid substances, heat, noise or for the control, reduction, prevention, or abatement of any other adverse impact of an activity on the environment.

2. Report the differences in cost of facilities installed for environmental considerations over the cost of alternative facilities which would otherwise be used without environmental considerations. Use the best engineering design achievable without environmental restrictions as the basis for determining costs without environmental considerations. It is not intended that special design studies be made for purposes of this response. Base the response on the best engineering judgment where direct comparisons are not available.

Include in these differences in costs the costs or estimated costs of environmental protection facilities in service, constructed or modified in connection with the production, transmission, and distribution of electrical energy and shall be reported herein for all such environmental facilities placed in service on or after January 1, 1969, so long as it is readily determinable that such facilities were constructed or modified for environmental rather than operational purposes. Also report similar expenditures for environmental plant included in construction work in progress. Estimate the cost of facilities when the original cost is not available or facilities are jointly owned with another utility, provided the respondent explains the basis of such estimations.

Examples of these costs would include a portion of the costs of tall smokestacks, underground lines, and landscaped substations. Explain such costs in a footnote.

3. In the cost of facilities reported on this page, include an estimated portion of the cost of plant that is or will be used to provide power to operate associated environmental protection facilities. These cost may be estimated on a percentage of plant basis. Explain such estimations in a footnote.

4. Report all costs under the major classifications provided below and include, as a minimum, the items listed hereunder:

- A. Air pollution control facilities:
- (1) Scrubbers, precipitators, tall smokestacks, etc.
 - (2) Changes necessary to accommodate use of environmentally clean fuels such as low ash or low sulfur fuels including storage and handling equipment.
 - (3) Monitoring equipment
 - (4) Other.

- B. Water pollution control facilities:
- (1) Cooling towers, ponds, piping, pumps, etc.
 - (2) Waste water treatment equipment
 - (3) Sanitary waste disposal equipment
 - (4) Oil interceptors
 - (5) Sediment control facilities
 - (6) Monitoring equipment
 - (7) Other.

- C. Solid waste disposal costs:
- (1) Ash handling and disposal equipment
 - (2) Land
 - (3) Settling ponds
 - (4) Other.

- D. Noise abatement equipment:
- (1) Structures
 - (2) Mufflers
 - (3) Sound proofing equipment
 - (4) Monitoring equipment
 - (5) Other.

- E. Esthetic costs:
- (1) Architectural costs
 - (2) Towers
 - (3) Underground lines
 - (4) Landscaping
 - (5) Other.

F. Additional plant capacity necessary due to restricted output from existing facilities, or addition of pollution control facilities.

- G. Miscellaneous:
- (1) Preparation of environmental reports
 - (2) Fish and wildlife plants included in Accounts 330, 331, 332, and 335
 - (3) Parks and related facilities
 - (4) Other.

5. In those instances when costs are composites of both actual supportable costs and estimates of costs, specify in column (f) the actual costs that are included in column (e).

6. Report construction work in progress relating to environmental facilities at line 9.

Line No.	Classification of Cost (a)	Additions (b)	Retirements (c)	Adjustments (d)	Balance at End of Year (e)	Actual Cost (f)
1	Air Pollution Control Facilities	82,823,015			955,681,314	
2	Water Pollution Control Facilities	389,014			238,266,847	
3	Solid Waste Disposal Costs	10,297,389			90,122,086	
4	Noise Abatement Equipment	0			1,538,548	
5	Esthetic Costs	0			26,944,000	
6	Additional Plant Capacity	0			14,286,000	
7	Miscellaneous (<i>Identify significant</i>)	2,118,943			104,155,111	
8	TOTAL (Total of lines 1 thru 7)	95,628,361	0	0	1,430,993,906	0
9	Construction work in progress				379,852,300	

w/Palisades

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FOOTNOTE DATA

Page Number (a)	Item Number (b)	Column Number (c)	Comments (d)
430	7	b	<p>Miscellaneous (Line 7): <u>Yr 2006</u></p> <p><u>1) Environmental Protection</u></p> <p>Fossil Plants 316b Fish Entrainment 462,392</p> <p>Recreation License Initiative - LPS Fish Deterrent Net 98,783</p> <p><u>2) Flood & Erosion Control Protection</u></p> <p>- Flow Gauging/Water Quality Monitoring</p> <p>Plant Monitoring & Comm System 569,562</p> <p>- Spillway Modifications etc.</p> <p>Spillway Mods - Hodenpyl 965,755</p> <p>Rogers Mods to Spillway -2,977</p> <p>Hodenpyl Embankment Proj 25,428</p> <p align="right">Total 2,118,943</p>

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ENVIRONMENTAL PROTECTION EXPENSES				
<p>1. Show below expenses incurred in connection with the use of environmental protection facilities, the cost of which are reported on page 430. Where it is necessary that allocations and/or estimates of costs be made, state the basis or method used.</p> <p>2. Include below the costs incurred due to the operation of environmental protection equipment, facilities, and programs.</p> <p>3. Report expenses under the subheadings listed below.</p> <p>4. Under item 6 report the difference in cost between environmentally clean fuels and the alternative fuels that would otherwise be used and are available for use.</p> <p>5. Under item 7 include the cost of replacement power, purchased or generated, to compensate for the deficiency in output from existing plants due to the addition of pollution control equipment, use of alternate environmentally preferable fuels or environmental regulations of governmental bodies. Base the price of replacement power purchased on the average system price of purchased power if the actual cost of such replacement power is not known. Price internally generated replacement power at the system average cost of power generated if the actual cost of specific replacement generation is not known.</p> <p>6. Under item 8 include ad valorem and other taxes assessed directly on or directly relatable to environmental facilities. Also include under item 8 licensing and similar fees on such facilities.</p> <p>7. In those instances where expenses are composed of both actual supportable data and estimates of costs, specify in column (c) the actual expenses that are included in column (b).</p>				
Line No.	Classification of Expenses (a)	Amount (b)	Actual Expenses (c)	
1	Depreciation			
2	Labor, Maintenance, Materials, and Supplies Cost Related to Env. Facilities and Programs (W/Palisades)	13,523,659	13,523,659	
3	Fuel Related Costs			
4	Operation of Facilities			
5	Fly Ash and Sulfur Sludge Removal	1,569,735	1,569,735	
6	Difference in Cost of Environmentally Clean Fuels (1)	(167,684,000)		
7	Replacement Power Costs (2) (W/Palisades)	12,873,699	12,873,699	
8	Taxes and Fees			
9	Administrative and General			
10	Other (<i>Identify significant</i>)			
11	TOTAL (W/Palisades)	(139,716,907)	27,967,093	
<p>(1) Estimate based on the difference between the actual cost of environmentally preferable low-sulfur fuels and the estimated cost of high-sulfur fuels. The market price of high sulfur fuels increased significantly in 2006.</p> <p>(2) Based on the average price of interchange power. Energy cost of electrostatic precipitators is included utilizing the average production cost for the year.</p>				

INDEX

<u>Schedule</u>	Page No.
Accrued and prepaid taxes	262-263
Accounts receivable.	226A
Accumulated Deferred Income Taxes.	234A-B, 272-5, 276A-B, 277
Accumulated provisions for depreciation of	
common utility plant.	356
utility plant	219
utility plant (summary)	200-201
Acquisition adjustments.	215
Advances from associated companies.	256-257
Advances from customers for construction.	268
Allowances.	228-229
Amortization	
miscellaneous.	340
of nuclear fuel.	202-203
of plant acquisition adjustments, accumulated provision.	215
Appropriations of Retained Earnings.	118-119
Assets, miscellaneous current & accrued.	230A
Associated Companies	
advances from	256-257
corporations controlled by respondent	103
control over respondent.	102
interest on debt to	256-257
payables to.	260B
receivables from	226A
summary of costs billed to.	358-359
summary of costs billed from	360-361
Attestation	1
Balance Sheet	
comparative.	110-113
notes to.	122-123
Bonds.	256-257
Calculation of Federal Income Taxes	261C-D
Capital Stock.	250-251
discount	254
expenses	254
installments received	252
premiums	252
reacquired.	251
subscribed	252
Cash flows, statement of	120-121
Changes	
important during year.	108-109
made or scheduled to be made in generating plant capacities	412
Charges for outside professional and other consultative services	357
Civic activities, expenditures for.	341
Construction completed, not classified - electric.	216
Construction	
overheads, electric.	217
overhead procedures, general description of.	218
work in progress - common utility plant.	356
work in progress - electric.	216
work in progress - other utility departments.	200-201
Consultative services, charges for.	357

INDEX

<u>Schedule</u>	Page No.
Control	
corporation controlled by respondent.	103
over respondent.	102
security holders and voting powers	106-107
Corporation	
controlled by.	103
incorporated	101
CPA, background information on.	101
CPA Certification, this report form.	i-ii
Current assets, miscellaneous.	230A
Deferred	
credits, other	269
debts, miscellaneous	233
income taxes accumulated - accelerated amortization property.	272-273
income taxes accumulated - other property.	274-275
income taxes accumulated - other	276A-B
income taxes accumulated - pollution control facilities.	234A-B
income taxes accumulated - temporary.	277
Definitions, this report form	iii
Depreciation and amortization	
of common utility plant.	356
of electric plant	219, 336-337
Directors.	105
Discount on capital stock	254
Discount - premium on long-term debt	256-257
Disposition of property, gain or loss.	280A-B
Disposition of utility plant	
deferred gains.	270A-B
deferred losses.	235A-B
Distribution of salaries and wages	354-355
Dividend appropriations.	118-119
Earnings, Retained	118-119
Electric energy account.	401
Environmental protection	
expenses.	431
facilities.	430
Expenses	
electric operation and maintenance	320-323
electric operation and maintenance (nonmajor)	320N-324N
electric operation and maintenance, summary	323
unamortized debt.	256-257
Extraordinary items.	342
Extraordinary property losses.	230B
Filing requirements, this report form	i-ii
Gains	
deferred gains, from disposition of utility plants.	270A-B
on disposition of property.	280A-B
unamortized, on reacquired debt.	237A-B
General description of construction overhead procedure.	218
General information	101
General instructions	i-vi
Generating plant statistics	
hydroelectric (large)	406-407, 414-415
internal-combustion engine and gas-turbine	420-421
pumped storage (large)	408-409, 416-418

INDEX

<u>Schedule</u>	Page No.
Generating plant statistics (continued)	
small plants	410-411
steam electric (large)	402-413A-B
Hydro-electric generating plant statistics	406-407, 414-415
Identification	101
Important changes during year	108-109
Income	
statement of, by departments	114-117
statement of, for the year (see also revenues)	114-117
deductions, interest on debt to associated companies	340
deductions, miscellaneous amortization	340
deductions, other income deduction	340
deductions, other interest charges	340
Incorporation information	101
Installments received on capital stock	252
Interdepartmental sales and rents	331A
Internal-Combustion Engine and Gas-Turbine Generating Plant	420-421
Interest	
charges, on debt to associated companies	340
charges, other	340
charges, paid on long-term debt, advances, etc.	256-257
Investments	222-223
Investments	
nonutility property	221
subsidiary companies	224-225
Investment tax credits, accumulated deferred	266-267
Investment tax credits, generated and utilized	264-265
Law, excerpts applicable to this report form	iii-iv
Leases	
income from utility plant leased to others	281
lease rentals charged	333A-D
Liabilities, miscellaneous current & accrued	268
List of schedules, this report form	2-5
Long-term debt	256-257
Losses - Extraordinary property	230B
Losses	
deferred, from disposition of utility plant	235A-B
on disposition of property	280A-B
operating, carryforward	117C
unamortized, on reacquired debt	237A-B
Materials and supplies	227
Meters and line transformers	429
Miscellaneous general expenses	335
Notes	
to balance sheet	122-123
payable	260A
receivable	226A
to statement of cash flow	122-123
to statement of income	122-123
to statement of retained earnings	122-123
Nonutility property	221
Nuclear fuel materials	202-203
Nuclear generating plant, statistics	402-403
Number of Electric Department Employees	323
Officers and officers' salaries	104

INDEX

<u>Schedule</u>	Page No.
Operating	
expenses - electric	320-323
expenses - electric (summary)	323
loss carryforward	117C
Operation and maintenance expense (nonmajor)	320N-324N
Other	
donations received from stockholders	253
gains on resale or cancellations of reacquired capital stock	253
income accounts	282
miscellaneous paid-in capital	253
paid-in capital	253
reduction in par or stated value of capital stock	253
regulatory assets	232
regulatory liabilities	278
Outside services, charges for	357
Overhead, construction - electric	217
Payables	260B
Peaks, monthly, and output	401
Plant acquisition adjustment	215
Plant, Common utility	
accumulated provision for depreciation	356
acquisition adjustments	356
allocated to utility departments	356
completed construction not classified	356
construction work in progress	356
expenses	356
held for future use	356
in service	356
leased to others	356
Plant data	217-218 336-338 401-429
Plant - electric	
accumulated provision for depreciation	219
construction work in progress	216
held for future use	214
in service	204-211
leased to others	213
Plant - utility and accumulated provisions for depreciation	
amortization and depletion (summary)	200-201
Political activities, expenditures for	341
Pollution control facilities, accumulated deferred income taxes	234A-B
Preliminary survey and investigation charges	231A-B
Premium and discount on long-term debt	256-257
Premium on capital stock	251
Prepaid taxes	262-263
Production fuel and oil stocks	227A-B
Professional services, charges for	357
Property - losses, extraordinary	230B
Pumped storage generating plant statistics	408-409, 416-418
Purchased power	326-327
Railroads and railways, sales to	331A
Reacquired capital stock	250
Reacquired debt, unamortized loss and gain on	237A-B
Reacquired long-term debt	256-257

INDEX

<u>Schedule</u>	Page No.
Receivables	
from associated companies	226B
notes and accounts	226A
Receivers' certificates	256-257
Reconciliation of deferred income tax expense	117A-B
Reconciliation of reported net income with taxable income for Federal income taxes	261A-B
Regulatory Assets, Other	232
Regulatory Commission Expenses Deferred	233
Regulatory Commission Expenses For Year	350-351
Regulatory Liabilities, Other	278
Rent	
from electric property	331A
interdepartmental	331A
lease rentals charged	333A-D
Research, development and demonstration activities	352-353
Retained Earnings	
amortization reserve Federal	119
appropriated	118-119
statement of, for year	118-119
unappropriated	118-119
Revenues - electric operating	300-301
Revenues, miscellaneous service and other electric	331B
Salaries and wages	
directors fees	105
distribution of	354-355
officers'	104
Sales	
interdepartmental	331A
of water and water power	331B
to railroads and railways	331A
Sales of electricity by rate schedules	304
Sales - for resale	310-311
Salvage - nuclear fuel	202-203
Schedules, this report form	2-5
Securities	
exchange registration	250-251
holders and voting powers	106-107
Securities issues or assumed and refunded or retired during year	255
Statement of Cash Flows	120-121
Statement of income for the year	114-117
Statement of retained earnings for the year	118-119
Steam-electric generating plant statistics	402-404, 413A-B
Stock liability for conversion	252
Substations	426-427
Supplies - materials and	227
Survey and investigation, preliminary charges	231A-B
Taxes	
accrued and prepaid	262-263
accumulated deferred income - temporary	277
calculation of, Federal	261C-D
charged during year	262-263
on income, deferred and accumulated	234A-B, 272-275
reconciliation of deferred income tax expense	276A-B
reconciliation of net income with taxable income for	117A-B
Transformers, line - electric	261A-B
	429

INDEX

<u>Schedule</u>	Page No.
Transmission	
lines added during year.	424-425
lines statistics.	422-423
of electricity for or by others	328-330, 332
Unamortized	
debt discount.	256-257
debt expense.	256-257
premium on debt	256-257
Unamortized loss and gain on reacquired debt	237A-B
Uncollectible accounts, provision for.	226A
Unrecovered Plant and Regulatory Study Costs.	230B
Water and water power, sales of	331B

