

# Consumers Energy's Path to Sustainability

## E-3-Sustainable Manufacturing Seminar

*September 17, 2014*



**Consumers Energy**

*Count on Us*

# What Sustainability Means to Consumers Energy

- Leave it better than we found it
- Create business value while addressing societal needs and challenges



# Our Strategy



## Bolstering Michigan's Communities

Helping to build strong and sustainable Michigan communities



## Reducing our Environmental Footprint

Improving the environment where we work and live



## Creating Innovative Products & Services

Providing affordable, reliable and clean energy



## Investing in People

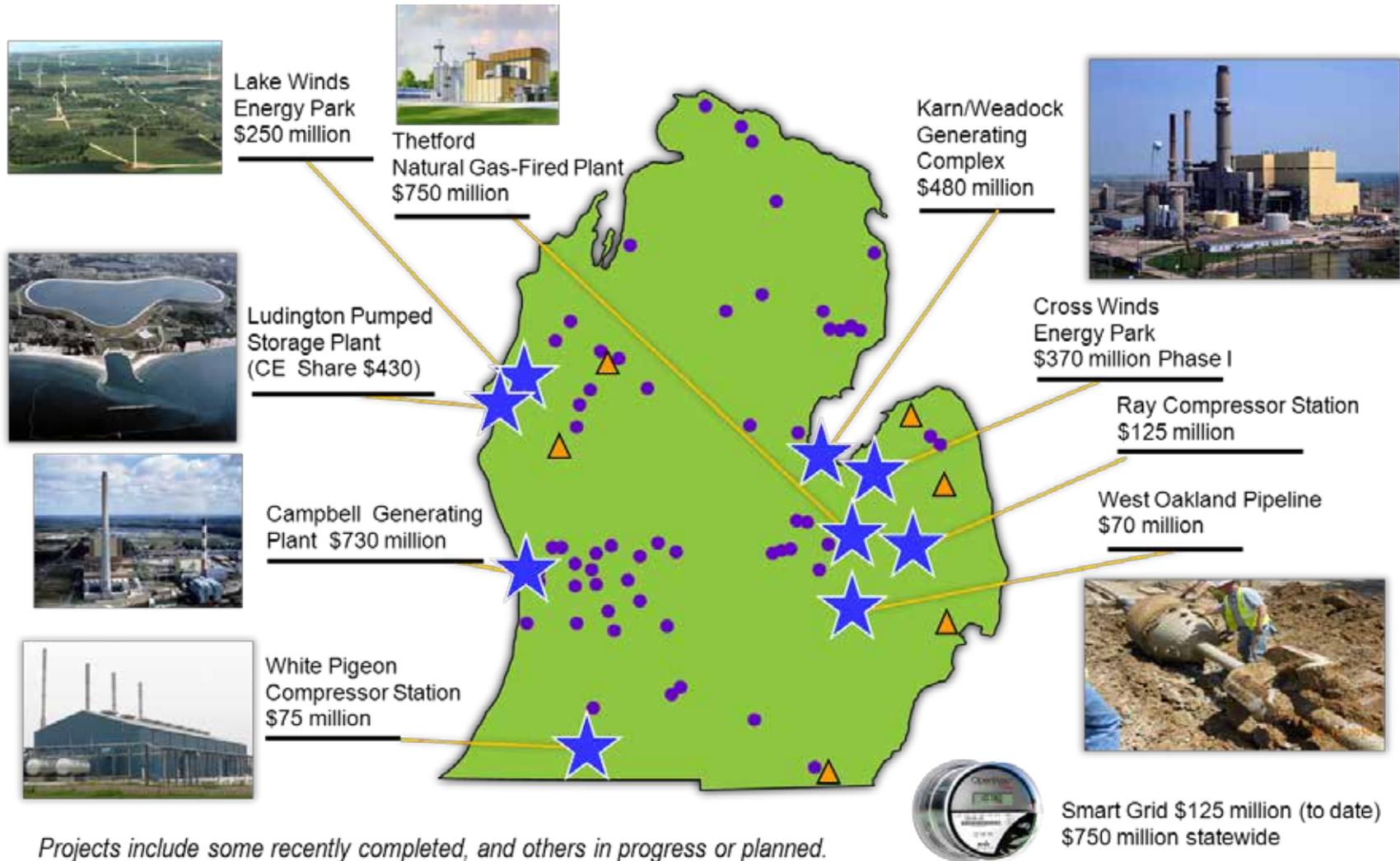
Working to attract , develop and retain a diverse and engaged employee base



## Delivering Shareowner Value

Investing in the future with sustainable business strategies

# Bolstering Michigan's Communities



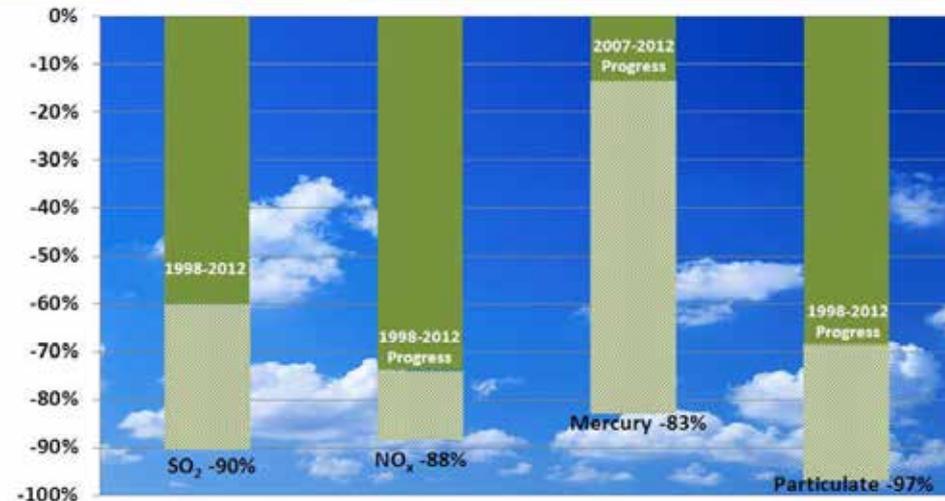
*Projects include some recently completed, and others in progress or planned. Completion of several projects will extend beyond the 2012-2016 time period.*

Consumers Energy is one of the largest investors in Michigan's economy

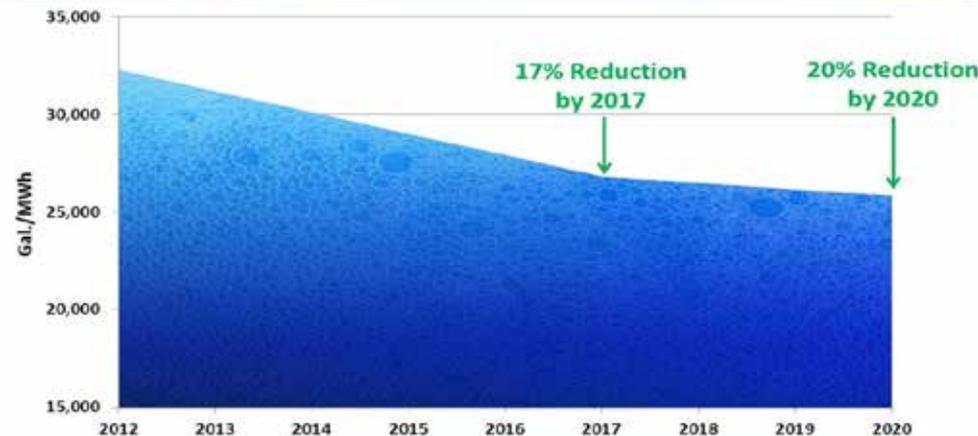
# Reducing Our Environmental Footprint

- GHG reduction targets
  - Ø 5 percent reduction by 2015
  - Ø 10 percent reduction by 2020
  - Ø 20 percent reduction by 2025
  - Ø 2008 Baseline
- Air Emission reduction targets
  - Ø 1998 baseline (2007 for Mercury)
- Water reduction targets
  - Ø 2012 baseline
- Procurement Policy

## Air Quality Improvements by 2020



## Water Usage Improvements



# Creating Innovative Products and Services

- **Renewable Energy**
  - Lake Winds® 100 MW capacity
  - Cross Winds® 105 MW capacity
- **Energy Efficiency**
  - More than \$575 million in savings since 2009
- **Smart Energy**
  - Ø Smart meter installments through 2017
- **Green Generation**
  - Ø Cost premiums for residential and business
  - Ø Wind and landfill gas Michigan suppliers
  - Ø 20,000 participants
- **Net Metering**
  - Ø 300 customers
  - Ø 2 MW solar
  - Ø 0.75 MW wind
- **Electric Vehicles**
  - Ø “Time of use” electric rates
  - Ø Reimbursements for supply equipment
- **Experimental Advanced Renewable Energy Program**
  - Ø Solar and anaerobic digestion systems incentive program for customers
- **Community Solar**
  - Seeking pilot program approval

# Investing in People

- Diversity Program
- Safety Program
- Healthy Living program
- Ethics Program



# Delivering Shareholder Value

- **Risk Management**
  - Stakeholder Engagement
  - Clean technology investments
- **Transparency**
  - Corporate Social Responsibility Website
  - Accountability Report
  - Carbon Disclosure Project
  - Sustainalytics

# How are we tracking our Progress?

- Environmental, Social, and Governance
- 68 indicators
- 11 Categories
- 1<sup>st</sup> quartile performance



# Sustainability Leaders

Responsible for influencing long-term strategy and disclosures and furthering sustainability principles within their organization

- § Supply Chain
- § Business Services
- § Environmental
- § Human Resources
- § Customer Experience
- § Corporate Communication
- § Corporate Secretary
- § Learning & Development
- § Governmental & Public Affairs
- § Ethics and Compliance
- § Branding
- § Energy Resource Strategy
- § Distribution and Customer Operations

# Thank You

**Jessica Spagnuolo**

[Jessica.Spagnuolo@cmsenergy.com](mailto:Jessica.Spagnuolo@cmsenergy.com)

Environmental Services  
Consumers Energy

