

**MICHIGAN PUBLIC SERVICE COMMISSION**

**ANNUAL REPORT OF ELECTRIC UTILITIES (MAJOR AND NON-MAJOR)**

This form is authorized by 1919 PA 419, as amended, authorizes this form being MCL 460.51 et seq.; and 1969 PA 306, as amended, being MCL 24.201 et seq. Filing of this form is mandatory. Failure to complete and submit this form will place you violation of the Acts.

<b>Report submitted for year ending:</b> December 31, 2005
<b>Present name of respondent:</b> Consumers Energy Company
<b>Address of principal place of business:</b> One Energy Plaza, Jackson, MI 49201
<b>Utility representative to whom inquires regarding this report may be directed:</b>  <b>Name:</b> Thomas J. Webb <b>Title:</b> Executive VP and CFO  <b>Address:</b> One Energy Plaza  <b>City:</b> Jackson <b>State:</b> MI <b>Zip:</b> 49201  <b>Telephone, Including Area Code:</b> (517)-788-0351
<b>If the utility name has been changed during the past year:</b>  <b>Prior Name:</b>  <b>Date of Change:</b>
<b>Two copies of the published annual report to stockholders:</b>  [    X    ]                      were forwarded to the Commission [           ]                      will be forwarded to the Commission  <b>on or about</b>
<b>Annual reports to stockholders:</b>  [    X    ]                      are published [           ]                      are not published

**FOR ASSISTANCE IN COMPLETION OF THIS FORM:**

Contact the Michigan Public Service Commission (Bill Stosik) at (517) 241-5853 or [bmstosi@michigan.gov](mailto:bmstosi@michigan.gov) OR forward correspondence to:

Regulated Energy Division (Bill Stosik)  
Financial Analysis and Customer Choice Section  
6545 Mercantile Way  
P.O. Box 30221  
Lansing, MI 48909

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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](mailto: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.

**MPSC FORM P-521**

ANNUAL REPORT OF ELECTRIC UTILITIES, LICENSEES AND OTHERS (Major and Nonmajor)

IDENTIFICATION		
01 Exact Legal Name of Respondent  Consumers Energy Company	02 Year of Report  December 31, 2005	
03 Previous Name and Date of Change (if name changed during year)		
04 Address of Principal Business Office at End of Year (Street, City, St., Zip)  One Energy Plaza, Jackson, MI 49201		
05 Name of Contact Person  Thomas J. Webb	06 Title of Contact Person  Executive Vice President and Chief Financial Officer	
07 Address of Contact Person (Street, City, St., Zip)  One Energy Plaza, Jackson, MI 49201		
08 Telephone of Contact Person, Including Area Code:  (517) 788-0351	09 This Report is:  (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	10 Date of Report (Mo, Da,Yr)  April 19, 2006
ATTESTATION		
The undersigned officer certifies that he/she has examined the accompanying report; that to the best of his/her knowledge, information, and belief, all statements of fact contained in the accompanying report are true and the accompanying report is a correct statement of the business and affairs of the above named respondent in respect to each and every matter set forth therein during the period from and including January 1 and including December 31 of the year of the report.		
01 Name  Thomas J. Webb	03 Signature	04 Date Signed (Mo, Da,Yr)  April 19, 2006
02 Title  Executive Vice President and Chief Financial Officer		

Name of Respondent Consumers Energy Company	This Report Is: (1) [ X ] An Original (2) [ ] A Resubmission	Date of Report (Mo, Da, Yr) 4/19/2006	Year of Report December 31, 2005
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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)
<b>GENERAL CORPORATE INFORMATION AND FINANCIAL STATEMENTS</b>		
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	
<b>BALANCE SHEET SUPPORTING SCHEDULES (Assets and Other Debits)</b>		
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	
<b>BALANCE SHEET SUPPORTING SCHEDULES (Liabilities and Credits)</b>		
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) 4/19/2006	Year of Report December 31, 2005
<b>LIST OF SCHEDULES (Electric Utility) (Continued)</b>			
Title of Schedule  (a)	Reference Page No.  (b)	Remarks  (c)	
<b>BALANCE SHEET SUPPORTING SCHEDULES (Liabilities and Other Credits) (Continued)</b>			
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		
<b>INCOME ACCOUNT SUPPORTING SCHEDULES</b>			
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		
<b>COMMON SECTION</b>			
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		
<b>ELECTRIC PLANT STATISTICAL DATA</b>			
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 Consumers Energy Company	This Report Is: (1) [ X ] An Original (2) [ ] A Resubmission	Date of Report (Mo, Da, Yr) 4/19/2006	Year of Report December 31, 2005
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**LIST OF SCHEDULES (Electric Utility) (Continued)**

Title of Schedule (a)	Reference Page No. (b)	Remarks (c)
<b>ELECTRIC PLANT STATISTICAL DATA (Continued)</b>		
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	---	
<b>MPSC SCHEDULES</b>		
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	

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) 4/19/2006	Year of Report December 31, 2005
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**LIST OF SCHEDULES (Electric Utility) (Continued)**

Title of Schedule (a)	Reference Page No. (b)	Remarks (c)
<b>MPSC SCHEDULES (Continued)</b>		
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	

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) 4/19/2006	Year of Report December 31, 2005
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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

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) 4/19/2006	Year of Report December 31, 2005
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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.

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) 4/19/2006	Year of Report December 31, 2005
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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				
3	Consumers Energy Company	Energy related utility	NA	
4				
5	Consumers Power Company Financing I	Financing-prefd securities	100%	
6	Consumers Energy Company Financing II	Financing-prefd securities	100%	
7	Consumers Energy Company Financing III	Financing-prefd securities	100%	
8	Consumers Energy Company Financing IV	Financing-prefd securities	100%	
9	Consumers Energy Company Financing V	Financing-prefd securities	100%	
10	Consumers Energy Company VI	Financing-prefd securities	100%	
11	CMS Engineering Co	Project engineering mgmt	100%	
12	CMS Midland, Inc	General Partner in the MCV	100%	
13		Partnership		
14	CMS Midland Holdings Company	Leases assets to the MCV	100%	
15		Partnership		
16	Consumers Campus Holdings LLC	Lessee in financing of the	100%	
17		CECo office building		
18	Consumers Funding, LLC	Assignee of property transfer	100%	
19		and issuer of securitization		
20		bonds		
21	Consumers Nuclear Services LLC	To hold 20% member interest	100%	
22		in Nuclear Mgmt LLC		
23	Consumers Receivables Funding LLC	Buy account receivables from	NA	
24		CECo and sell to third party		
25	Consumers Receivables Funding LLC II	To buy certain account	NA	
26		receivables from Consumers		
27		and sell to a third party		
28	Consumers Saginaw Investments L.L.C			
29	ES Services Company	Energy related services	100%	
30				

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) 4/19/2006	Year of Report December 31, 2005
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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.
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Line	Name of Company Controlled (a)	Kind of Business (b)	Percent Voting Stock (c)	Footnote Ref. (d)
31	MEC Development Corp	Held bonds issued in connec-	100%	
32		tion with MCV Partnership		
33	CMS Enterprises Company	Energy-related projects	NA	(A)(B)
34		world-wide		
35	CMS Capital LLC	Financial services	NA	(C)
36	CMS Comercializadora de Energia SA	Gas & electric marketing	NA	(B)(C)
37	(COMESA) (99% Owner)	operation in Argentina		
38	CMS Distributed Power, LLC	Aggregating generation	NA	(C)
39	CMS Energy Asia Private Limited		NA	(C)
40	CMS Energy Resource Management Co	Provide marketing and risk/	NA	(C)
41		energy management services		
42	CMS ERM Michigan LLC			
43	CMS Viron Corporation			
44	Dorman Energy, L.L.C.	Dissovled 11/2/05		
45	CMS Energy South America Company		NA	(C)
46	CMS Enterprises Development Co S.A.			
47	CMS Energy UK Limited	Energy related projects in	NA	(C)
48		Europe, Africa, Middle East		
49	CMS Enterprises Development, LLC		NA	(C)
50	CMS Enterprises Holdings Company, SA	Argentina holding company	NA	(B)(C)
51	Dearborn Industrial Energy, L.L.C.			
52	Dearborn Industrial Generation, L.L.C.			
53	CMS Generation Co	Development engineering,	NA	(B)(C)
54		management & operations for		
55		independent power plants		
56	CMS Centrales Termicas S.A.			
57	CMS Enterprise International LLC			
58	CMS Enterprise Investment Company I			
59	CMS Enterprise Investment Company IV			
60	CMS Exeter LLC			
61	CMS Generation Filer City, Inc			
62	CMS Generation Genesee Company			
63	CMS Generation Grayling 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) 4/19/2006	Year of Report December 31, 2005
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**CORPORATIONS CONTROLLED BY RESPONDENT (cont'd)**

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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)
64	CMS Generation Grayling Holdings Co			
65	CMS Generation Holdings Company			
66	CMS Generation Honey Lake Co			
67	Honey Lake Energy I L.P.			
68	Honey Lake Energy II L.P.			
69	CMS Generation Investment Company VI			
70	CMS Takoradi Investment Company			
71	CMS Generation Investment Co VII			
72	CMS Generation Taweelah Limited			
73	CMS Jubail Investment Company I			
74	CMS Generation Michigan Power LLC			
75	CMS Generation Operating LLC			
76	CMS Generation Recycling Company			
77	CMS International Operating Company			
78	CMS (India) Operations and			
79	Maintenance Co			
80	Jorf Lasfar Operations Handelsbolag(99%)			
80	CMS Praire State LLC			
81	CMS Rio Grande do Sul Ltda	Inactive		
82	Dearborn Generation Operating, LLC			
83	Exeter Management Co (50% Owner)	Merged into CMS Exeter LLC		
84	Exeter Energy Limited Partnership			
85	Hydra-Co Enterprises, Inc			
85	Idaho Wind Generation Company, LLC			
86	MCV2 Development Co Partnership			
87	Midland Cogeneration Venture Exp LLC			
88	Notera Holding B.V.			
89	Oxford Tire Recycling, Inc			
90	Oxford Tire Supply, Inc	Dissolved 3/7/05		
91	Oxford/CMS Development LP			
92	Scudder Latin American Power I-C	Sold 3/16/05		
93	LDC (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) 4/19/2006	Year of Report December 31, 2005
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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)
94	Servicios de Aguas de Chile CMS y Co			
95	Taweelah A2 Operating Company			
96	CMS Land Company	Purchase & develop property	NA	(C)
97	Bay Harbor Properties, LLC	Inactive		
98	CMS International Ventures, LLC			(B)(C)
99	CMS Electric & Gas, LLC			
100	CMS Gas Transmission del Sur Co			
101	CMS Generation Investment Company III			
102	CMS Generation Investment Company V			
103	CMS Generation, S.R.L.			
104	CMS Luxembourg S.A.R.L.			
105	CMS Operating S.R.L. (99%)		NA	(B)(C)
106	CMS Ensenada SA (99%)			
107	Cuyana SA de Inversiones (99%)			
108	Transportadora de Gas del Mercosur (20%)			
109	CMS Gas Transmission Company			
110				
111	Atlantic Methanol Capital Company (50%)	Sold 4/12/05		
112	CMS Energy Investment LLC			
113	CMS Antrim Gas Company			
114	CMS Gas Argentina Company			
115	CMS Bay Area Pipeline LLC			
116	CMS Grands Lacs LLC			
117	CMS Jackson LLC			
118	Jackson Pipeline Company (75%)			
119	CMS Litchfield LLC			
120	Nitrotec Corporation			
121	Explotaciones CMS Oil and Gas Co			(C)
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) 4/19/2006	Year of Report December 31, 2005	
<b>CORPORATIONS CONTROLLED BY RESPONDENT (cont'd)</b>				
<p>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.</p> <p>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.</p> <p>3. If control was held jointly with one or more other interests, state the fact in a footnote and name the other interests.</p> <p style="text-align: center;"><b><u>DEFINITIONS</u></b></p> <p>1. See the Uniform of Accounts for a definition of control.</p> <p>2. Direct control is that which is exercised without interposition of an intermediary.</p> <p>3. Indirect control is that which is exercised by the interposition of an intermediary which exercises direct control.</p> <p>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</p>				
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) 04/19/06	Year of Report 12/31/05
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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) 4/19/2006	Year of Report December 31, 2005
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**DIRECTORS**

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.
2. Designate members of the Executive Committee by a triple asterisk and the Chairman of the Executive Committee by a double asterisk.

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.	7	55,750
Jon E. Barfield (2)	The Bartech Group, Inc., Livonia, Michigan	2	16,750
Richard M. Gabrys (3)	Bloomfield Hills, Michigan	3	36,333
Earl D. Holton***	Grand Rapids, Michigan	7	60,333
David W. Joos Chief Executive Officer	One Energy Plaza, Jackson, Michigan	7	0
Philip R. Lochner, Jr. (3)	Greenwich, Connecticut	5	36,750
Michael T. Monahan***	Monahan Enterprises, LLC, Bloomfield Hills, Michigan	7	64,417
Joseph F. Paquette, Jr.***	Villanova, Pennsylvania	7	66,917
William U. Parfet***(4)	MPI Research, Inc. Mattawan, Michigan	2	41,250
Percy A. Pierce	Michigan State University, East Lansing, Michigan	7	55,750
S. Kinnie Smith, Jr. Vice Chairman of the Board	One Energy Plaza, Jackson, Michigan	7	0
Kenneth L. Way***	Bloomfield Hills, Michigan	7	62,250
Kenneth Whipple** Chairman of the Board	One Energy Plaza, Jackson, Michigan	7	165,750
John B. Yasinsky***	Pittsburgh, Pennsylvania	7	63,250

Footnote Data

- 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.
- 2 Elected September 1, 2005.
- 3 Elected May 20, 2005.
- 4 Retired effective May 20, 2005.

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) 4/19/2006	Year of Report December 31, 2005
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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 20, 2005

Jackson, Michigan

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) 4/19/2006	December 31, 2005
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	1,824	1	1,823	0
6	TOTAL votes of security holders listed below	84,446,552	84,108,789	337,763	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*	323,376		323,376	
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	215 Rumsey				
26	Lansing, MI 48912				
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	84,446,552	84,108,789	337,763	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	S. K. Smith, Jr. Vice Chairman of the Board	10		10	
47	M. J. Ayres Director	0		0	
48	J. E. Barfield Director	0		0	
49	R. M. Gabrys Director	0		0	
50	E. D. Holton Director	0		0	
51	P. R. Lochner, Jr. Director	0		0	
47	M. T. Monahan Director	0		0	
48	J. F. Paquette, Jr. Director	0		0	
49	P. A. Pierre Director	0		0	
50	K. L. Way Director	10		10	
51	J. B. Yasinsky Director	10		10	
52	Total Votes - Officers and Directors	30	0	30	0
<b>RESPONSE TO INSTRUCTION # 2</b>					
No security, other than stock, carries voting rights.					
<b>RESPONSE TO INSTRUCTION #3</b>					
No special voting privileges in the election of directors except that whenever four quarterly dividends payable on 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.					
<b>RESPONSE TO INSTRUCTION #4</b>					
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) 4/19/2006	Year of Report December 31, 2005
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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 therefor 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) 4/19/2006	Year of Report December 31, 2005
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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:

None

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.

In 2005, Consumers Energy entered into several power purchase agreements (PPAs) that are classified as leases. They were all approved on 10/18/05 by the MPSC in the order for Case No. U-14616. All of these PPAs became effective on the date of the MPSC approval. The PPAs are listed below along with additional details on each:

- PPA with Gas Recovery Systems, LLC is for 20 years commencing on the Commercial Operation Date, which is expected to be sometime in mid 2006. The estimated minimum annual lease payment is \$0.3 million for the first year, increasing to \$0.8 million the last year.

- PPA with Noble Thumb Windpark, LLC is for 10 years commencing on the Commercial Operation Date, which is expected to be sometime in the 3rd quarter of 2006. Estimated minimum annual lease payment is \$3.7 million for each year.

- The Venice Park Generating Station PPA with North American Natural Resources, Inc. is for 20 years commencing on the Commercial Operation Date, which was in February 2006. The estimated minimum annual lease payment is \$0.2 million for each year.

- The White Lake Landfill Generating Facility PPA with North American Natural Resources, Inc. is for 20 years commencing on the Commercial Operation Date, which was in November of 2005. The payment for 2005 was \$0.02 million. The estimated minimum annual lease payment is \$0.3 million for each year.

- The Peoples Generating Station PPA with North American Natural Resources, Inc. is for years commencing on the Commercial Operation Date, which was in November of 2005. The payment for 2005 was \$0.01 million. The estimated minimum annual lease payment is \$0.2 million for each year.

Throughout 2005, Consumers Energy has been adding fleet vehicles to its lease with Altec Capital Services. The terms are for either 5 or 7 years depending on the type of vehicle. The lease payment for 2005 was \$1.0 million and the annual lease payment thereafter is approximately \$3.0 million.



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**IMPORTANT CHANGES DURING THE YEAR (Continued)**

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

None

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, 2005, was granted by FERC on June 15, 2004 in Docket No. ES04-31-000 and its authorization to issue long-term securities were granted on June 16, 2004 in Docket No. ES04-32-000. Orders in those dockets authorized Consumers to have outstanding at any one time up to \$1.1 billion of short-term securities for general corporate purposes and up to \$1.1 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) \$1.0 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. By order issued by FERC in ES04-32-001 on April 26, 2005, Consumers was granted the following additional authorization to issue long-term securities, effective the date of the order: (1) \$1.0 billion for general corporate purposes (for a total of \$2.5 billion for general corporate purposes) and (2) \$1.0 billion for refinancing or refunding existing long-term securities (for a total of \$2.0 billion for such purposes). All of those authorizations were still in effect at the end of 2005.

Waivers of FERC's competitive bid/negotiated placement requirements were in place at the end of 2005 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, 2005, \$325 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 last quarter of 2005, were as follows: total general increase was zero of which zero was chargeable to operations. Total cost-of-living allowances were \$269,148 of which \$220,702 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 1, 2, and 3 of Notes to Consolidated Financial Statements.

Name of Respondent	This Report Is:	Date of Report	Year of Report	
Consumers Energy Company	(1) [ X ] An Original (2) [ ] A Resubmission	(Mo, Da, Yr) 4/19/2006	December 31, 2005	
<b>COMPARATIVE BALANCE SHEET (ASSETS AND OTHER DEBITS)</b>				
Line	Title of Account (a)	Ref. Page No. (b)	Balance at Beginning of Year (c)	Balance at End of Year (d)
<b>1</b>	<b>UTILITY PLANT</b>			
2	Utility Plant (101-106, 114)	200-201	10,577,759,885	10,965,171,162
3	Construction Work in Progress (107)	200-201	340,580,582	475,764,685
4	TOTAL Utility Plant (Enter total of lines 2 and 3)		<b>10,918,340,467</b>	<b>11,440,935,847</b>
5	(Less) Accum.Prov for Depr.Amort.Depl (108,111,115)	200-201	5,303,941,597	5,557,116,373
6	Net Utility Plant (Enter total of line 4 less 5)		<b>5,614,398,870</b>	<b>5,883,819,474</b>
7	Nuclear Fuel in Process of Ref., Conv., Enrich., and Fab (120.1)		<b>4,657,744</b>	<b>18,381,562</b>
8	Nuclear Fuel Materials & Assemblies - Stock Account (120.2)		<b>45,574</b>	<b>45,574</b>
9	Nuclear Fuel Assemblies in Reactor (120.3)		<b>100,589,392</b>	<b>101,034,495</b>
10	Spent Nuclear Fuel (120.4)		<b>244,850,379</b>	<b>244,850,379</b>
11	Nuclear Fuel under Capital Leases (120.6)		<b>0</b>	<b>0</b>
12	Assemblies (120.5)	202-203	340,595,962	359,674,458
13	Net Nuclear Fuel (Enter total of line 7 less 8)		<b>9,547,127</b>	<b>4,637,552</b>
14	Net Utility Plant (Enter total of lines 6 and 13)		<b>5,623,945,997</b>	<b>5,888,457,026</b>
15	Utility Plant Adjustments (116)	122		
16	Gas Stored Underground-Noncurrent (117)	---		
<b>17</b>	<b>OTHER PROPERTY AND INVESTMENTS</b>			
18	Nonutility Property (121)	221	15,007,071	14,528,440
19	(Less) Accum.Prov. for Depr. and Amort. (122)	---	1,620,352	980,080
20	Investments in Associated Companies (123)	222-223	24,669,200	32,875,641
21	Investments in Subsidiary Companies (123.1)	224-225	761,190,933	665,202,802
22	(For Cost of Account 123.1, See Footnote Page 224, line 42)			
23	Noncurrent Portion of Allowances	228-229	843,750	940,972
24	Other Investments (124)		6,652,188	6,492,923
25	Sinking Funds (125)			
26	Depreciation Fund (126)		574,748,654	555,316,592
27	Amortization Fund - Federal (127)			
28	Other Special Funds (128)		30,662,309	30,660,519
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)		<b>1,412,153,753</b>	<b>1,305,037,809</b>
<b>33</b>	<b>CURRENT AND ACCRUED ASSETS</b>			
34	Cash and Working Funds (Non-Major Only) (130)			
35	Cash (131)	---	13,865,089	20,320,371
36	Special Deposits (132-134)	---	5,319,313	166,435,750
37	Working Fund (135)	---	112,044	75,582
38	Temporary Cash Investments (136)	222-223	32,074,158	32,800,000
39	Notes Receivable (141)	226A	5,942,160	12,491,400
40	Customer Accounts Receivable (142)	226A	9,529,496	3,414,152
41	Other Accounts Receivable (143)	226A	36,451,751	27,878,110
42	(Less) Accum.Prov. for Uncoll. Acct. - Credit (144)	226A	9,909,700	13,494,656
43	Notes Receivable from Assoc. Companies (145)	226B	0	0
44	Accounts Receivable from Assoc. Companies (146)	226B	14,571,739	7,615,703
45	Fuel Stock (151)	227	48,732,160	63,882,399
46	Fuel Stock Expenses Undistributed (152)	227	0	0
47	Residuals (Elec) and Extracted Products (153)	227	0	0
48	Plant Materials and Operating Supplies (154)	227	66,993,127	74,830,869
49	Merchandise (155)	227	0	0
50	Other Materials and Supplies (156)	227	0	0
51	Nuclear Materials Held for Sale (157)	202-203, 207	20	11,387,952
52	Allowances (158.1 and 158.2)	228-229	15,594,075	5,321,452

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) 4/19/2006	December 31, 2005
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	---	843,750	940,972
54	Stores Expense Undistributed (163)	227	0	0
55	Gas Stored Underground-Current (164.1)	---	854,841,552	1,068,029,750
56	Liquefied Natural Gas Stored and Held for Processing (164.2-164.3)	---	0	0
57	Prepayments (165)	---	424,148,076	319,083,852
58	Advances for Gas (166-167)	---	0	0
59	Interest and Dividends Receivable (171)	---	16,134	138,781
60	Rents Receivable (172)	---	1,400,688	1,027,720
61	Accrued Utility Revenues (173)	---	117,567	495,000
62	Misc Current and Accrued Assets (174)		218,152,130	297,661,525
63	Derivative Instrument Assets (175)		703,458	1,146,790
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)		<b>1,737,811,287</b>	<b>2,099,601,530</b>
68	<b>DEFERRED DEBITS</b>			
69	Unamortized Debt Expenses (181)	---	40,859,776	33,026,582
70	Extraordinary Property Losses (182.1)	230	0	0
71	Unrecovered Plant & Regulatory Study Costs (182.2)	230	9,835,861	9,318,184
72	Other Regulatory Assets	232	1,643,359,877	1,724,730,764
73	Prelim. Survey & Invest. Charges (Elec) (183)	231	0	0
74	Prelim. Survey & Invest. Charges (Gas) (183.1)	---	0	0
75	Other Prelim. Survey & Investigation Charges (183.2)		0	0
76	Clearing Accounts (184)	---	559,640	14,475
77	Temporary Facilities (185)	---	0	0
78	Miscellaneous Deferred Debits (186)	233	41,790,785	59,998,267
79	Def. Losses from Disposition of Utility Plant (187)	235	0	0
80	Research, Devel. and Demonstration Expend (188)	352-353	0	0
81	Unamortized Loss on Reacquired Debt (189)	237	71,384,788	92,494,639
82	Accumulated Deferred Income Taxes (190)	234	885,398,613	912,699,240
83	Unrecovered Purchased Gas Costs (191)	---		
84	TOTAL Deferred Debits (Enter total of lines 69 thru 83)		<b>2,693,189,340</b>	<b>2,832,282,151</b>
85	TOTAL Assets and Other Debits (Enter total of lines 14 thru 16, 32, 67, and 84)		<b>11,467,100,377</b>	<b>12,125,378,516</b>

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) 4/19/2006	December 31, 2005
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	<b>PROPRIETARY CAPITAL</b>			
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	569,013,613	1,269,013,613
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	384,603,700	294,376,490
12	Unappropriated Undistributed Subsidiary Earnings (216.1)	118-119	223,143,985	(61,316,751)
13	(Less) Reacquired Capital Stock (217)	250-251	0	0
14	Noncorporate Proprietorship (Non-major only) (218)			
15	Accumulated Other Comprehensive Income (219)	122(a)(b)	31,847,335	72,155,728
16	TOTAL Proprietary Capital (Enter total of lines 2 thru 15)		<b>2,456,166,463</b>	<b>2,821,786,910</b>
17	<b>LONG-TERM DEBT</b>			
18	Bonds (221)	256-257	2,300,000,000	3,174,985,000
19	(Less) Reacquired Bonds (222)	256-257	0	
20	Advances from Associated Companies (223)	256-257	865,895,379	459,905,581
21	Other Long-Term Debt (224)	256-257	1,095,436,983	600,666,720
22	Unamortized Premium on Long-Term Debt (225)	---	2,656,078	2,329,250
23	(Less) Unamortized Discount on Long-Term Debt -Debit (226)	---	18,450,135	9,880,262
24	TOTAL Long-Term Debt (Enter total lines 18 thru 23)		<b>4,245,538,305</b>	<b>4,228,006,289</b>
25	<b>OTHER NONCURRENT LIABILITIES</b>			
26	Obligations Under Capital Leases-Noncurrent (227)		47,906,111	48,090,142
27	Accumulated Prov. for Property Insurance (228.1)		0	
28	Accumulated Prov. for Injuries and Damage (228.2)		33,382,996	37,565,731
29	Accumulated Prov. for Pensions and Benefits (228.3)		560,810,943	600,682,074
30	Accumulated Misc. Operating Provisions (228.4)		0	
31	Accumulated Provision for Rate Refunds (229)		23,308,031	2,479,441
32	Long-Term Portion of Derivative Instrument Liabilities			
33	LT Portion of Derivative Instrument Liabilities - Hedges			
34	Asset Retirement Obligations (230)		436,106,824	493,969,488
35	TOTAL Other Noncurrent Liabilities (Enter total of lines 26 thru 34)		<b>1,101,514,905</b>	<b>1,182,786,876</b>
36	<b>CURRENT AND ACCRUED LIABILITIES</b>			
37	Notes Payable (231)		0	
38	Accounts Payable (232)		240,279,436	343,174,041
39	Notes Payable to Associated Companies (233)		38,218,389	64,395,393
40	Accounts Payable to Associated Companies (234)		64,125,373	50,706,226
41	Customer Deposits (235)		29,580,152	31,482,243
42	Taxes Accrued (236)	262-263	262,088,618	392,821,087
43	Interest Accrued (237)		55,103,798	60,309,973
44	Dividends Declared (238)		0	
45	Matured Long-Term Debt (239)		0	

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<b>COMPARATIVE BALANCE SHEET (LIABILITIES AND OTHER CREDITS) (Continued)</b>				
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)		3,112,110	13,985,296
48	Misc. Current and Accrued Liabilities (242)		106,257,888	106,864,444
49	Obligations Under Capital Leases -Current (243)		10,389,983	11,383,800
50	Federal Income Taxes Accrued for Prior Years (244)		6,061,485	6,061,485
51	Michigan Single Business Taxes Accrued for Prior Years (244.1)		0	
52	Fed. Inc. Taxes Accrued for Prior Years -Adj. (245)		(242,659)	(242,659)
53	Michigan Single Business Taxes Accrued for Prior Years - Adj. (245.1)		0	
54	Total Current and Accrued Liabilities (lines 37 thru 53)		<b>814,974,573</b>	<b>1,080,941,329</b>
55	<b>DEFERRED CREDITS</b>			
56	Customer Advances for Construction (252)		33,503,806	36,507,015
57	Accumulated Deferred Investment Tax Credits (255)	266-267	69,229,339	65,508,787
58	Deferred Gains from Disposition of Utility Plt. (256)	270	0	
59	Other Deferred Credits (253)	269	141,458,695	97,156,802
60	Other Regulatory Liabilities	278	635,221,742	659,460,307
61	Unamortized Gain on Reacquired Debt (257)	237	0	0
62	Accum. Deferred Income Taxes-Accel. Amort. (281)		0	0
63	Accum. Deferred Income Taxes-Other Property (282)		1,155,241,144	1,077,871,504
64	Accum. Deferred Income Taxes-Other (283)	272-277	814,251,405	875,352,697
65	TOTAL Deferred Credits (Enter total of lines 56 thru 64)		<b>2,848,906,131</b>	<b>2,811,857,112</b>
66	TOTAL Liabilities and Other Credits (Enter total of lines 16, 24, 35, 54 and 65)		<b>11,467,100,377</b>	<b>12,125,378,516</b>

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) 4/19/2006	Year of Report December 31, 2005
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**STATEMENT OF INCOME FOR THE YEAR**

- 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.
- Report amounts in account 414, Other Utility Operating Income, in the same manner as accounts 412 and 413 above.
- 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
- Use pages 122-123 for important notes regarding the statement of income or any account thereof.
- 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....

Line	Title of Account (a)	Ref. Page No. (b)	TOTAL	
			Current Year (c)	Previous Year (d)
1	<b>UTILITY OPERATING INCOME</b>			
2	Operating Revenues (400)	300-301	5,145,912,412	4,632,102,099
3	Operating Expenses			
4	Operation Expenses (401)	320-323	3,838,475,035	3,309,484,576
5	Maintenance Expenses (402)	320-323	202,474,648	207,914,744
6	Depreciation Expenses (403)	336-337	310,044,197	285,083,864
7	Depreciation Expenses for Asset Retirement Costs (403.1)			0
8	Amortization and Depl. of Utility Plant (404-405)	336-337	19,035,324	18,411,761
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	518,516
11	Amort. Of Conversion Expenses (407)			0
12	Regulatory Debits		79,412,312	53,917,936
13	(Less) Regulatory Credits		0	56,673,000
14	Taxes Other Than Income Taxes (408.1)	262-263	185,476,936	192,730,731
15	Income Taxes-Federal (409.1)	262-263	159,477,963	(13,242,647)
16	-Other (409.1)	262-263	0	0
17	Provision for Deferred Income Taxes (410.1)	234,272-276	157,684,567	318,269,093
18	(Less) Provision for Deferred Income Taxes-Cr. (411.1)	234,272-276	193,551,904	178,530,658
19	Investment Tax Credit Adj.- Net (411.4)	266-267	(3,720,552)	(3,828,428)
20	(Less) Gains from Disp. of Utility Plant (411.7)	270A-B	0	29,583
21	Losses from Disposition of Utility Plant (411.6)	235A-B	3,966	172,591
22	(Less) Gains from Disposition of Allowances			
23	Losses from Disposition of Allowances		106,110	20,764
24	Accretion Expense (411.10)		572,412	549,030
25	TOTAL Utility Operating Expenses (Enter Total of lines 4 thru 24)		<b>4,756,014,849</b>	<b>4,134,775,448</b>
26	Net Utility Operating Income ( Enter Total of line 2 less 25) ( Carry forward to page 117, line 27)		<b>389,897,563</b>	<b>497,326,651</b>

Name of Respondent		This Report Is:		Date of Report		Year of Report	
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<b>STATEMENT OF INCOME FOR THE YEAR (Continued)</b>							
...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	
2,655,682,671	2,542,779,074	2,490,229,741	2,089,323,025			2	
						3	
1,717,008,118	1,604,259,577	2,121,466,917	1,705,224,999			4	
152,247,412	165,494,317	50,227,236	42,420,427			5	
202,988,457	182,859,584	107,055,740	102,224,280			6	
0	0		0			7	
9,098,321	8,280,539	9,937,003	10,131,222			8	
0	0	6,158	6,158			9	
517,677	518,516	0	0			10	
0						11	
79,355,465	53,861,090	56,847	56,847			12	
0	56,673,000					13	
132,584,553	139,164,730	52,892,383	53,566,001			14	
131,265,714	(20,432,643)	28,212,249	7,189,996			15	
0	0		0			16	
85,691,042	224,447,615	71,993,525	93,821,478			17	
130,765,819	117,679,248	62,786,085	60,851,410			18	
(2,922,651)	(2,964,770)	(797,901)	(863,658)			19	
0	29,583					20	
3,966	166,606		5,985			21	
	0		0			22	
106,110	20,764		0			23	
572,412	549,030					24	
<b>2,377,750,777</b>	<b>2,181,843,124</b>	<b>2,378,264,072</b>	<b>1,952,932,325</b>	<b>0</b>	<b>0</b>	<b>25</b>	
<b>277,931,894</b>	<b>360,935,950</b>	<b>111,965,669</b>	<b>136,390,700</b>	<b>0</b>	<b>0</b>	<b>26</b>	

Name of Respondent		This Report Is:	Date of Report	Year of Report
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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>		<b>389,897,563</b>	<b>497,326,651</b>
28	OTHER INCOME AND DEDUCTIONS			
29	Other Income			
30	Nonutility Operating Income			
31	Revenues From Merchandising, Jobbing and Contract Work (415)	282	47,126,322	44,803,444
32	(Less) Costs and Exp. Of Merchandising, Job. And Contract Work (416)	282	37,281,572	36,761,677
33	Revenues From Nonutility Operations ( 417)	282	2,125,080	1,854,296
34	(Less) Expenses of Nonutility Operations (417.1)	282	1,563,863	1,708,413
35	Nonoperating Rental Income (418)	282	742,200	497,946
36	Equity in Earnings of Subsidiary Companies (418.1)	119,282	(283,991,859)	2,128,290
37	Interest and Dividend Income (419)	282	16,832,763	5,723,645
38	Allowance for Other Funds Used During Construction (419.1)	282	16,252,245	(143,197)
39	Miscellaneous Nonoperating Income (421)	282	17,777,742	126,662,061
40	Gain on Disposition of Property (421.1)	280	258,575	1,554,447
41	TOTAL Other Income <i>(enter Total of lines 31 thru 40)</i>		<b>(221,722,367)</b>	<b>144,610,842</b>
42	Other Income Deductions			
43	Loss on Disposition of Property (421.2)	280	388,325	793,696
44	Miscellaneous Amortization (425)	340		
45	Donations (426.1)		225,904	881,001
46	Life Insurance (426.2)			0
47	Penalties (426.3)		9,833	99,009
48	Exp. For Certain Civic, Political & Related Activities (426.4)		2,658,910	2,584,229
49	Other Deductions (426.5)		40,160,577	33,642,026
50	TOTAL Other Income Deductions (Total of lines 43 thru 49)		<b>43,443,549</b>	<b>37,999,961</b>
51	Taxes Applicable to Other Income and Deductions			
52	Taxes Other Than Income Taxes (408.2)	262-263	316,104	370,568
53	Income Taxes - Federal (409.2)	262-263	(13,695,969)	27,336,288
54	Income Taxes - Other (409.2)	262-263	200	0
55	Provision for Deferred Income Taxes (410.2)	234,272-276	12,888,545	13,476,850
56	(Less) Provision for Deferred Income Taxes - Cr. (411.2)	234,272-276	(8,854,820)	12,626,755
57	Investment Tax Credit Adjustment - Net (411.5)	264-265		0
58	(Less) Investment Tax Credits (420)	264-265		0
59	TOTAL Taxes on Other Income and Deductions (total of 52 thru 58)		<b>8,363,700</b>	<b>28,556,951</b>
60	Net Other Income and Deductions (total of lines 41, 50 & 59)		<b>(273,529,616)</b>	<b>78,053,930</b>
61	INTEREST CHARGES			
62	Interest on Long-Term Debt (427)	257	172,530,313	196,096,207
63	Amort. Of Debt Disc. And Expense (428)	256-257	6,120,439	8,884,323
64	Amortization of Loss on Reacquired Debt (428.1)		11,516,018	8,032,964
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)			0
67	Interest on Debt to Associated Companies (430)	257-340	35,660,440	68,229,491
68	Other Interest Expense (431)	340	5,145,258	10,474,488
69	(Less) Allowance for Borrowed Funds Used During Construction-Cr. (432)		18,053,679	(4,916,369)
70	Net Interest Charges (total of lines 62 thru 69)		<b>212,591,961</b>	<b>296,307,014</b>
71	Income Before Extraordinary Items (total lines 27,60,70)		<b>(96,224,014)</b>	<b>279,073,567</b>
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)		<b>0</b>	<b>0</b>
76	Income Taxes-Federal and Other (409.3)	262-263		0
77	Extraordinary Items After Taxes (Enter Total of lines 75 less line 76)		<b>0</b>	<b>0</b>
78	Net Income (Enter Total of lines 71 and 77)		<b>(96,224,014)</b>	<b>279,073,567</b>



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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) 4/19/2006	Year of Report December 31, 2005
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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	34,211,505	29,360,983
3 Account 281	0	0
4 Account 282	(20,061,338)	(7,701,597)
5 Account 283	71,540,875	50,334,139
6 Account 284	0	0
7 Reconciling Adjustments		
8 TOTAL Account 410.1 (on pages 114-115 line 17)	<b>85,691,042</b>	<b>71,993,525</b>
9 TOTAL Account 410.2 (on page 117 line 55)		
10 Credits to Account 411 from:		
11 Account 190	41,633,414	29,206,379
12 Account 281	0	0
13 Account 282	32,450,592	12,541,024
14 Account 283	56,681,813	21,038,682
15 Account 284		
16 Reconciling Adjustments		
17 TOTAL Account 411.1 ( on page 114-115 line 18)	<b>130,765,819</b>	<b>62,786,085</b>
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	(2,922,651)	(797,901)
22 ITC Adjustments:		
23 Adjust last year's estimate to actual per filed return		
24 Other (specify)		
25 Net Reconciling Adjustments Account 411.4*	(2,922,651)	(797,901)
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) 4/19/2006	Year of Report December 31, 2005
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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.
				1
				2
	63,572,488	11,018,949	74,591,437	3
	0	0	0	4
	<b>(27,762,935)</b>	0	<b>(27,762,935)</b>	5
	121,875,014	1,869,596	123,744,610	6
				7
<b>0</b>	<b>157,684,567</b>			8
		<b>12,888,545</b>		9
				10
	70,839,793	<b>(9,466,930)</b>	61,372,863	11
	0	0	0	12
	44,991,616	<b>(21,105)</b>	44,970,511	13
	77,720,495	633,215	78,353,710	14
				15
				16
<b>0</b>	<b>193,551,904</b>			17
		<b>(8,854,820)</b>		18
				19
				20
	<b>(3,720,552)</b>	0	<b>(3,720,552)</b>	21
				22
				23
				24
<b>0</b>	<b>(3,720,552)</b>	<b>0</b>		25
		<b>0</b>		26
		<b>0</b>		27

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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	40,010,297
2			B	481,289,356	Various	
3			F			
4	2003	142,656,967	Tax Sharing	56,702,820	2003	11,865,172
5			B	74,088,975	Various	
6			F			
7	2004	53,032,265	Tax Sharing	19,118,239	2004	33,914,026
8			F			
9						
10	<b>Total</b>					<b>85,789,495</b>
11						
12						
13						
14						
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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) 4/19/2006	Year of Report December 31, 2005
<b>STATEMENT OF RETAINED EARNINGS FOR THE YEAR</b>			
<p>1. Report all changes in appropriated retained earnings, unappropriated retained earnings, and unappropriated undistributed subsidiary earnings for the year.</p> <p>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).</p> <p>3. State the purpose and amount for each reservation or appropriation of retained earnings.</p> <p>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.</p> <p>5. Show dividends for each class and series of capital stock.</p> <p>6. Show separately the state and federal income tax effect of items shown in account 439 (Adjustments to Retained Earnings)</p> <p>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.</p> <p>8. If any notes appearing in the report to stockholders are applicable to this statement, include them on pages 122-123.</p>			
Line No.	Item (a)	Contra Primary Account Affected (b)	Amount (c)
	UNAPPROPRIATED RETAINED EARNINGS (Account 216)		
1	Balance-Beginning of Year		237,092,548
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)		<b>0</b>
9	Debit: Redemption of Common Stock		
10	Debit:		
11	Debit:		
12	Debit:		
13	TOTAL Debits to Retained Earnings (439)		<b>0</b>
14	Balance Transferred from Income (Account 433 Less Account 418.1)		187,767,849
15	Appropriations of Retained Earnings (Account 436)		
16	Excess Hydro Earnings		<b>(2,322,772)</b>
17	CE Indenture		100,000,000
18			
19			
20			
21	TOTAL Appropriations of Retained Earnings (Account 436)		<b>97,677,228</b>
22	Dividends Declared-Preferred Stock (Account 437)		
23	Dividends Declared-Preferred Stock		<b>(1,963,935)</b>
24			
25			
26			
27			
28	TOTAL Dividends Declared-Preferred Stock (Account 437)		<b>(1,963,935)</b>

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<b>STATEMENT OF RETAINED EARNINGS FOR THE YEAR (Continued)</b>				
Line No.	Item (a)	Contra Primary Account Affected (b)	Amount (c)	
29	Dividends Declared-Common Stock (Account 438)			
30				(276,500,000)
31				
32				
33				
34				
35	TOTAL Dividends Declared-Common Stock (Account 438)			(276,500,000)
36	Transfers from Account 216.1 Unappropriated Undistributed Subsidiary Earnings			468,877
37	Balance - End of the Year (Enter Total of lines 1 thru 36)			244,542,567
<p>APPROPRIATED RETAINED EARNINGS (Account 215)</p> <p>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.</p>				
38				
39				
40				
41				
42				
43	TOTAL Appropriated Retained Earnings (Account 215)			0
<p>APPROPRIATED RETAINED EARNINGS-AMORTIZATION RESERVE, FEDERAL (Account 215.1)</p> <p>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.</p>				
44	TOTAL Appropriated Retained Earnings-Amortization Reserve, Federal (Account 215.1)			49,833,923
45	TOTAL Appropriated Retained Earnings (Account 215 & 215.1)			49,833,923
46	TOTAL Retained Earnings (Accounts 215, 215.1 & 216)			294,376,490
<p>UNAPPROPRIATED UNDISTRIBUTED SUBSIDIARY EARNINGS (Account 216.1)</p>				
47	Balance-Beginning of Year (Debit or Credit)			223,143,985
48	Equity in Earnings for Year (Credit) (Account 418.1)			(283,991,859)
49	(Less) Dividends Received (Debit)			468,877
50	Other Changes (Explain)			
51	Balance-End of Year (Enter Total of lines 47 thru 50)			(61,316,751)

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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)	(96,224,014)
3	Noncash Charges (Credits) to Income:	
4	Depreciation and Depletion	409,015,668
5	Amortization of (Specify)	31,372,557
6	Gain (Loss) on Disposal of Assets	129,750
7	Regulatory Return on Capital Expenditures	(3,650,954)
8	Deferred Income Taxes (Net)	(65,026,379)
9	Investment Tax Credit Adjustment (Net)	(3,720,552)
10	Net (Increase) Decrease in Receivables	(162,939,758)
11	Net (Increase) Decrease in Inventory	(247,564,111)
12	Net (Increase) Decrease in Allowances Inventory	0
13	Net (Increase) Decrease in Payables and Accrued Expenses	204,529,579
14	Net (Increase) Decrease in Other Regulatory Assets	(38,512,017)
15	Net (Increase) Decrease in Other Regulatory Liabilities	39,639,792
16	(Less) Allowance for Other Funds Used During Construction	16,252,245
17	(Less) Undistributed Earnings from Subsidiary Companies	(284,460,736)
18	Other:	
19	Prepayments	105,064,224
20	Changes in Other Assets and Liabilities	(81,743,965)
21		
22	Net Cash Provided by Operating Activities (Total of lines 2 thru 21)	358,578,311
23		
24	Cash Flows from Investment Activities:	
25	Construction and Acquisition of Plant (including land):	
26	Gross Additions to Utility Plant (less nuclear fuel)	(495,208,633)
27	Gross Additions to Nuclear Fuel	(14,168,921)
28	Gross Additions to Common Utility Plant	(31,079,664)
29	Gross Additions to Nonutility Plant	(1,136)
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)	(540,458,354)
35		
36	Acquisition of Other Noncurrent Assets (d)	0
37	Proceeds from Disposal of Noncurrent Assets (d)	1,519,267
38	Costs to Retire Property	(73,980,462)
39	Investments in and Advances to Assoc. and Subsidiary Companies	(401,508,575)
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	32,775,740
44	Purchase of Investment Securities (a)	0
45	Proceeds from Sales of Investment Securities (a)	0

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<b>STATEMENT OF CASH FLOWS (Continued)</b>				
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.		
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)	<b>(981,652,384)</b>		
58				
59	Cash Flows from Financing Activities:			
60	Proceeds from Issuance of:			
61	Long Term Debt (b)	882,084,819		
62	Preferred Stock			
63	Common Stock			
64	Other:			
65	Contribution from Stockholder	700,000,000		
66	Net Increase in Short-Term Debt (c)	26,177,004		
67	Other:			
68				
69				
70	Cash Provided by Outside Sources (Total of lines 61 thru 69)	<b>1,608,261,823</b>		
71				
72	Payments for Retirement of:			
73	Long Term Debt (b)	<b>(528,451,791)</b>		
74	Preferred Stock			
75	Common Stock			
76	Other:			
77	Payment of Capital Leases	<b>(10,010,925)</b>		
78	Net Decrease in Short-Term Debt (c)			
79				
80	Dividends on Preferred Stock	<b>(1,963,935)</b>		
81	Dividends on Common Stock	<b>(276,500,000)</b>		
82	Net Cash Provided by Financing Activities			
83	(Total of lines 70 thru 81)	<b>791,335,172</b>		
84				
85	Net Increase in Cash and Cash Equivalents			
86	(Total of lines 22, 57 and 83)	<b>168,261,099</b>		
87				
88	Cash and Cash Equivalents at Beginning of Year	<b>51,370,604</b>		
89				
90	Cash and Cash Equivalents at End of Year	<b>219,631,703</b>		



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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	9,004,619			
2	Preceding Year to Date Reclassifications from Acct 219 to Net Income				
3	Preceding Year to Date Changes in Fair Value	3,741,017	(1,072,407)		
4	Total (lines 2 and 3)	3,741,017	(1,072,407)		
5	Balance of 219 at End of Preceding Year	12,745,636	(1,072,407)		
6	Balance of Account 219 at Beginning of Current Year	12,745,636	(1,072,407)		
7	Current Year to Date Reclassifications from Acct 219 to Net Income				
8	Current Year to Date Changes in Fair Value	5,750,343	(639,673)		
9	Total (lines 7 and 8)	5,750,343	(639,673)		
10	Balance of Account 219 at End of Current Year	18,495,979	(1,712,080)		

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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	(1,240,544)	9,955,150	17,719,225		
2	465,204	(11,793,737)	(11,328,533)		
3		22,788,038	25,456,648		
4	465,204	10,994,301	14,128,115		14,128,115
5	(775,340)	20,949,451	31,847,340		
6	(775,340)	20,949,451	31,847,340		
7	458,923	(17,796,187)	(17,337,264)		
8		52,534,982	57,645,652		
9	458,923	34,738,795	40,308,388		40,308,388
10	(316,417)	55,688,246	72,155,728		

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<b>NOTES TO FINANCIAL STATEMENTS</b>			
<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 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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## CONSUMERS ENERGY COMPANY

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

The footnotes included herein are from Consumers Energy's annual report as of December 31, 2005, 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) as of December 31, 2005, in accordance with Revised FASB Interpretation 46. 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 2005 were \$36 million. Summarized financial information of the MCV Partnership for 2005 follows:

#### Statements of Income

Year Ended December 31	In Millions 2005
Operating revenue	\$ 592
Operating expenses	1,427
Operating loss	(835)
Other expense, net	82
Net Loss	\$ (917)

#### Balance Sheet

December 31, 2005		In Millions	
Assets		Liabilities and Equity	
Current assets	\$ 795	Current liabilities	\$ 437
Plant, net	225	Non-current liabilities	879
Other assets	298	Partners' equity	2
Total assets	\$1,318	Total liabilities and partners' equity	\$1,318

## 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

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mix of residential, commercial, and diversified industrial customers, the largest segment of which is the automotive industry. 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 Revised FASB Interpretation No. 46. 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. generally accepted accounting principles. We are required to make estimates using assumptions that may affect the reported amounts and disclosures. Actual results could differ from those estimates.

We are required to record estimated liabilities in the 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. We have used this accounting principle to record estimated liabilities as discussed in 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. Sales taxes are recorded as liabilities and are not included in 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 invoices are received and an expense accrual for future adjustments based on historical experience.

**Capitalized Interest:** We are required to 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 that is incurred. Our regulated businesses are permitted to capitalize an allowance for funds used during construction on regulated construction projects and to include such amounts in plant in service.

**Cash Equivalents, Restricted Cash and Restricted Short-term Investments:** All highly liquid investments with an original maturity of three months or less are considered cash equivalents.

At December 31, 2005, our restricted cash and restricted short-term investments on hand was \$183 million. Restricted cash dedicated for repayment of Securitization bonds is classified as a current asset, as the payments on the related Securitization bonds occur within one year. Restricted short-term investments consist of \$128 million of U.S. Treasury securities deposited with a trustee for the purpose of extinguishing the current portion of long-term debt – related parties. These investments have original maturity dates of less than one year and, because of their short-term maturities, carrying amounts approximate fair value.

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**Collective Bargaining Agreements:** At December 31, 2005, approximately 45 percent of our employees were represented by the Utility Workers of America Union. The Union represents Consumers' operating, maintenance, and construction employees and our call center employees.

**Financial and Derivative Instruments:** We account for investments in debt and equity securities using SFAS No. 115. Debt and equity securities classified as available-for-sale are reported at fair value determined from quoted market prices. Debt and equity securities classified as held-to-maturity are reported at cost.

Unrealized gains or losses resulting from changes in fair value of certain available-for-sale debt and equity securities are reported, net of tax, in equity as part of accumulated other comprehensive income. Unrealized gains or losses are excluded from earnings unless the related changes in fair value are determined to be other than temporary. Unrealized gains or losses on our nuclear decommissioning investments are reflected as regulatory liabilities on our Consolidated Balance Sheets. Realized gains or losses would not affect our earnings or cash flows.

We account for derivative instruments using SFAS No. 133. Derivatives are reported on the balance sheet at their fair value. Changes in fair value are recorded to accumulated other comprehensive income if the derivative qualifies for cash flow hedge accounting; otherwise, the changes are recorded to earnings.

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

**Gas Inventory:** We use the weighted average cost method for valuing working gas and recoverable cushion gas in underground storage facilities.

**Generating Plant Fuel Stock 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. The MCV Partnership's natural gas inventory, also included in this category, is stated at the lower of cost or market and valued using the last-in, first-out (LIFO) method. The amount of reserve to reduce the MCV Partnership's inventory from the first-in, first-out (FIFO) basis to the LIFO basis was \$15 million at December 31, 2005 and \$10 million at December 31, 2004. Inventory cost determined on a FIFO basis approximates current replacement cost.

**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, an impairment loss is recognized and the investment or asset is written down to its estimated fair value. For additional details, see Note 2, Asset Impairment Charges.

**Maintenance and Depreciation:** We charge property repairs and minor property replacements to maintenance expense. We also 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

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using straight-line rates approved by the MPSC. The composite depreciation rates for our properties are:

Years Ended December 31	2005	2004	2003
Electric utility property	3.1%	3.1%	3.1%
Gas utility property	3.6%	3.7%	4.6%
Other property	7.6%	8.4%	8.1%

**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 \$145 million at December 31, 2005 and \$141 million at December 31, 2004. This amount includes interest, which is payable upon the first delivery of spent nuclear fuel to the DOE. The amount of this liability, excluding a portion of interest, was recovered through electric rates. 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		
	2005	2004	2003
Other income			
Electric restructuring return	\$ 6	\$ 6	\$ 8
Return on stranded and security costs	6	9	-
Nitrogen oxide allowance sales	2	-	-
Gain on stock	1	-	-
All other	5	1	2
<b>Total other income</b>	<b>\$ 20</b>	<b>\$ 16</b>	<b>\$ 10</b>

Years Ended December 31	In Millions		
	2005	2004	2003
Other expense			
Loss on reacquired debt	\$ (6)	\$ -	\$ -
Civic and political expenditures	(2)	(2)	(2)
Loss on CMS Energy stock	-	-	(12)
Loss on SERP investment	(1)	(1)	(1)
All other	(4)	(4)	(4)
<b>Total other expense</b>	<b>\$ (13)</b>	<b>\$ (7)</b>	<b>\$ (19)</b>

**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, the original cost is charged to accumulated depreciation, along with associated cost of



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removal net of salvage. Cost of removal collected from our customers, but not spent, is recorded as a regulatory liability. An allowance for funds used during construction is capitalized on regulated construction projects. With respect to the retirement or disposal of non-regulated assets, the resulting gains or losses are recognized in income. For additional details, see Note 7, Asset Retirement Obligations and Note 11, Property, Plant, and Equipment.

**Reclassifications:** Certain prior year amounts have been reclassified for comparative purposes. These reclassifications did not affect consolidated net income for the years presented.

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

Type of Income	Related Party	In Millions		
		2005	2004	2003
Gas sales, storage, transportation and other services (a)	MCV Partnership	\$ -	\$ -	\$ 17
Income from our investments in related party trusts (b)	Consumers' affiliated Trust Preferred Securities companies	1	1	2

We recorded expense from related parties as follows:

Type of Cost	Related Party	In Millions		
		2005	2004	2003
Electric generating capacity and energy (a)	MCV Partnership	\$ -	\$-	\$455
Electric generating capacity and energy	Affiliates of Enterprises	68	67	64
Interest expense on long-term debt (b)	Consumers' affiliated Trust Preferred Securities companies	15	44	45
Gas purchases	CMS ERM	-	1	27
Overhead expense (c)	CMS Energy parent company	1	-	8
Gas transportation (d)	Panhandle/Trunkline	-	-	1
Gas transportation	CMS Bay Area Pipeline, L.L.C.	4	4	4

(a) In 2004, we consolidated the MCV Partnership and the FMLP into our consolidated financial statements in accordance with Revised FASB Interpretation No. 46. For additional details, see Note 14, Consolidation of Variable Interest Entities.

(b) We issued Trust Preferred Securities through several Consumers' affiliated companies. At December 31, 2003, we deconsolidated the trusts that hold the mandatorily redeemable Trust Preferred Securities. As a result, we now record on the Consolidated Statements of Income, Interest on Long-term debt – related parties to the trusts holding the Trust Preferred Securities.

(c) 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.

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(d) Panhandle was sold in June 2003.

We own 2.3 million shares of CMS Energy Common Stock with a fair value of \$33 million at December 31, 2005. For additional details on our investment in CMS Energy Common Stock, see Note 5, Financial and Derivative Instruments.

**Trade Receivables:** We record our accounts receivable at fair value. Accounts deemed uncollectible are charged 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. Any refinancing costs are charged to expenses 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 based on the regulated utility accounting standard 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 seven years.

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December 31	In Millions	
	2005	2004
Securitized costs (Note 4)	\$ 560	\$ 604
Postretirement benefits (Note 6)	135	158
Additional minimum pension liability (Note 6)	399	372
Electric Restructuring Implementation Plan (Note 3)	74	88
Manufactured gas plant sites (Note 3)	62	65
Abandoned Midland project	9	10
Unamortized debt costs	93	71
Asset retirement obligations (Note 7)	169	83
Stranded costs (Note 3)	63	63
Customer Choice Act (Note 3)	222	171
Other	14	11
<b>Total regulatory assets (a)</b>	<b>\$ 1,800</b>	<b>\$ 1,696</b>
Cost of removal (Note 7)	\$ 1,120	\$ 1,044
Income taxes, net (Note 8)	455	433
Asset retirement obligations (Note 7)	165	168
Other	13	5
<b>Total regulatory liabilities (a)</b>	<b>\$ 1,753</b>	<b>\$ 1,650</b>

(a) 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, 2004, we classified \$19 million of regulatory assets as current regulatory assets and we classified \$1.677 billion of regulatory assets as non-current regulatory assets. At December 31, 2005 and December 31, 2004, all of our regulatory liabilities represented non-current regulatory liabilities.

## 2: ASSET IMPAIRMENT CHARGES

The MCV Partnership's costs of producing electricity are tied to the price of natural gas, but its revenues do not vary with changes in the price of natural gas. In 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 generally over the entire long-term forecast horizon beyond 2010. Our analysis and assessment of this information suggested that forward natural gas prices for the period from 2006 through 2010 could average approximately \$9 per mcf. Further, this information indicated that natural gas prices could average approximately \$6.50 per mcf over the long term beyond 2010. As a result, in 2005, the MCV Partnership reevaluated the economics of operating the MCV Facility and determined that an impairment analysis, considering revised forward natural gas price assumptions, was required. In its impairment analysis, the MCV Partnership determined the fair value of its fixed assets by discounting a set of probability-weighted streams of future operating cash flows at a 4.3 percent risk free interest rate. The carrying value of the MCV Partnership's fixed assets exceeded the estimated fair value resulting in an impairment charge of \$1.159 billion to recognize the

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reduction in fair value of the MCV Facility's fixed assets. As a result, our 2005 net income was reduced by \$369 million after accounting for minority interests and tax effects. After reflecting the impairment charge, the MCV Partnership's fixed assets, which are included on our Consolidated Balance Sheets, are valued at \$224 million at December 31, 2005.

If natural gas prices remain at present levels or increase, the operations of the MCV Facility would be adversely affected, which could result in the MCV Partnership failing to meet its obligations under the sale and leaseback transactions, and other contracts and could result in an impairment of the FMLP. At December 31, 2005, our investment in the FMLP was \$235 million.

Our 49 percent interest in the MCV Partnership is held through our wholly-owned subsidiary, CMS Midland. The severe adverse change in the anticipated economics of the MCV Partnership operations discussed within this Note also led to our decision to impair certain assets carried on the balance sheet of CMS Midland. These assets represented interest capitalized during the construction of the MCV Facility, which were being amortized over the life of the MCV Facility. In the third quarter of 2005, we recorded an impairment charge of \$25 million (\$16 million, net of tax) to reduce the carrying amount of these assets to zero.

The total of the CMS Midland impairment and the MCV Partnership impairment discussed above is \$1.184 billion, before tax, and \$385 million net of taxes and minority interest.

### 3: CONTINGENCIES

**SEC and Other Investigations:** As a result of round-trip trading transactions by CMS MST, CMS Energy's Board of Directors established a Special Committee to investigate matters surrounding the transactions and retained outside counsel to assist in the investigation. The Special Committee completed its investigation and reported its findings to the Board of Directors in October 2002. The Special Committee concluded, based on an extensive investigation, that the round-trip trades were undertaken to raise CMS MST's profile as an energy marketer with the goal of enhancing its ability to promote its services to new customers. The Special Committee found no effort to manipulate the price of CMS Energy Common Stock or affect energy prices. The Special Committee also made recommendations designed to prevent any recurrence of this practice. Previously, CMS Energy terminated its speculative trading business and revised its risk management policy. The Board of Directors adopted, and CMS Energy implemented, the recommendations of the Special Committee.

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 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 by 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.

**Securities Class Action Lawsuits:** Beginning on May 17, 2002, a number of complaints were filed

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against CMS Energy, Consumers, and certain officers and directors of CMS Energy and its affiliates, including but not limited to Consumers which, while established, operated and regulated as a separate legal entity and publicly traded company, shares a parallel Board of Directors with CMS Energy. The complaints were filed as purported class actions in the United States District Court for the Eastern District of Michigan, by shareholders who allege that they purchased CMS Energy's securities during a purported class period running from May 2000 through March 2003. The cases were consolidated into a single lawsuit. The consolidated lawsuit 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, a motion was granted, dismissing Consumers and three of the individual defendants, but the court denied the motions to dismiss for CMS Energy and the 13 remaining individual defendants. Plaintiffs filed a motion for class certification on April 15, 2005 and an amended motion for class certification on June 20, 2005. The hearing on this motion is scheduled for February 28, 2006. On September 20, 2005, CMS Energy filed a motion for judgment on the pleadings, based on the Dura Pharmaceuticals decision issued by the United States Supreme Court. Plaintiffs filed their response on October 25, 2005, along with a so-called "cross-motion for partial summary judgment" seeking a determination that CMS Energy is liable for all damages proximately caused by its "culpable conduct." On November 29, 2005, the judge issued a decision denying both CMS Energy's motion for judgment on the pleadings and plaintiffs' cross-motion for partial summary judgment. CMS Energy and the individual defendants will defend themselves vigorously in this litigation but cannot predict its outcome.

**ERISA Lawsuits:** CMS Energy is a named defendant, along with Consumers, CMS MST, and certain named and unnamed officers and directors, in two lawsuits brought as purported class actions on behalf of participants and beneficiaries of the CMS Employees' Savings and Incentive Plan (the Plan). The two cases, filed in July 2002 in United States District Court for the Eastern District of Michigan, were consolidated by the trial judge and an amended consolidated complaint was filed. Plaintiffs allege breaches of fiduciary duties under ERISA and seek restitution on behalf of the Plan with respect to a decline in value of the shares of CMS Energy Common Stock held in the Plan. Plaintiffs also seek other equitable relief and legal fees. The judge has conditionally granted plaintiffs' motion for class certification. A trial date has not been set, but is expected to be no earlier than mid-2006 in the absence of an intervening settlement of the lawsuits. Settlement negotiations among counsel for the parties and CMS Energy's fiduciary insurance carrier are ongoing. In the absence of such a settlement, CMS Energy and Consumers will defend themselves vigorously in this litigation but cannot predict its outcome.

## **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.

*Clean Air:* Compliance with the federal Clean Air Act and resulting regulations has been, and will continue to be, a significant focus for us. The Nitrogen Oxide State Implementation Plan requires significant reductions in nitrogen oxide emissions. To comply with the regulations, we expect to incur

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capital expenditures totaling \$815 million. The key assumptions in the capital expenditure estimate include:

- construction commodity prices, especially construction material and labor,
- project completion schedules,
- cost escalation factor used to estimate future years' costs, and
- allowance for funds used during construction (AFUDC) rate.

Our current capital cost estimates include an escalation rate of 2.6 percent and an AFUDC capitalization rate of 8.3 percent. As of December 2005, we had incurred \$605 million in capital expenditures to comply with the federal Clean Air Act and resulting regulations and anticipate that the remaining \$210 million of capital expenditures will be made in 2006 through 2011. These expenditures include installing selective catalytic control reduction technology at four of our coal-fired electric plants. In addition to modifying coal-fired electric plants, our compliance plan includes the use of nitrogen oxide emission allowances until all of the control equipment is operational in 2011. The nitrogen oxide emission allowance annual expense is projected to be \$10 million per year, which we expect to recover from our customers. The projected annual expense is based on market price forecasts and forecasts of regulatory provisions, known as progressive flow control, that restrict the usage in any given year of allowances banked from previous years. The allowances and their cost are accounted for as inventory. The allowance inventory is expensed at the rolling average cost as the coal-fired electric generating units emit nitrogen oxide. The expense is recovered from our customers through the PSCR process.

The EPA recently adopted a Clean Air Interstate Rule that requires additional coal-fired electric plant emission controls for nitrogen oxides and sulfur dioxide. The rule involves a two-phase program to reduce emissions of sulfur dioxide by 71 percent and nitrogen oxides by 63 percent by 2015. The final rule will require that we run our selective catalytic control technology units year round beginning in 2009 and may require that we purchase additional nitrogen oxide allowances beginning in 2009.

In addition to the selective catalytic control technology installed to meet the nitrogen oxide standards, our current plan includes installation of flue gas desulfurization scrubbers. The scrubbers are to be installed by 2014 to meet the Phase I reduction requirements of the Clean Air Interstate Rule, at costs similar to those to comply with the nitrogen oxide standards. We currently have a surplus of sulfur dioxide allowances, which were granted by the EPA and are accounted for as inventory. In January 2006, we sold some of our excess sulfur dioxide allowances for \$61 million and recognized the proceeds as a regulatory liability.

In May 2005, the EPA issued the Clean Air Mercury Rule, which requires initial reductions of mercury emissions from coal-fired electric power plants by 2010 and further reductions by 2018. While the industry has not reached a consensus on the technical methods for curtailing mercury emissions, our capital and operating costs for mercury emissions reductions are expected to be significantly less than what was required for selective catalytic reduction technology used for nitrogen oxide compliance.

In August 2005, the MDEQ filed a Motion to Intervene in a court challenge to certain aspects of EPA's Clean Air Mercury Rule, asserting that the rule is inadequate. The MDEQ has not indicated the direction that it will pursue to meet or exceed the EPA requirements through state rulemaking. We are actively participating in dialog with the MDEQ regarding potential paths for controlling mercury emissions and meeting the EPA requirements. In October 2005, the EPA announced it would

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reconsider certain aspects of the Clean Air Mercury Rule. We cannot predict the outcome of this proceeding.

The EPA has alleged that some utilities have incorrectly classified plant modifications as "routine maintenance" rather than seeking modification permits 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 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 \$2 million and \$10 million. At December 31, 2005, we have recorded a liability for the minimum amount of our estimated Superfund liability.

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. We have proposed a plan to deal with the remaining materials and are awaiting a response from the EPA.

*MCV Environmental Issue:* On July 12, 2004, the MDEQ, Air Control Division, issued the MCV Partnership a Letter of Violation asserting that the MCV Facility violated its Air Use Permit to Install (PTI) by exceeding the carbon monoxide emission limit on the Unit 14 duct burner and failing to maintain certain records in the required format. The MCV Partnership has declared five of the six duct burners in the MCV Facility as unavailable for operational use (which reduces the generation capability of the MCV Facility by approximately 100 MW) and took other corrective action to address the MDEQ's assertions. The one available duct burner was tested in April 2005 and its emissions met permitted levels due to the configuration of that particular unit. The MCV Partnership disagrees with certain of the MDEQ's assertions. The MCV Partnership filed a response in July 2004 to address the Letter of Violation. On December 13, 2004, the MDEQ informed the MCV Partnership that it was pursuing an escalated enforcement action against the MCV Partnership regarding the alleged violations of the MCV Facility's PTI. The MDEQ also stated that the alleged violations are deemed federally significant and, as such, placed the MCV Partnership on the EPA's High Priority Violators List (HPVL). The MDEQ and the MCV Partnership are pursuing voluntary settlement of this matter, which will satisfy state and federal requirements and remove the MCV Partnership from the HPVL. Any such settlement may involve a fine, but at this time, the MDEQ has not stated what, if any, fine they will seek to impose. At this time, the MCV Partnership management cannot predict the financial impact or outcome of this issue.

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On July 13, 2004, the MDEQ, Water Division, issued the MCV Facility a Notice Letter asserting the MCV Facility violated its National Pollutant Discharge Elimination System (NPDES) Permit by discharging heated process wastewater into the storm water system, failing to document inspections, and other minor infractions (alleged NPDES violations). In August 2004, the MCV Partnership filed a response to the MDEQ letter covering the remediation for each of the MDEQ's alleged violations. On October 17, 2005, the MDEQ, Water Bureau, issued the MCV Partnership a Compliance Inspection report, which listed several minor violations and concerns that needed to be addressed by the MCV Facility. This report was issued in connection with an inspection of the MCV Facility in September 2005, which was conducted for compliance and review of the Storm Water Pollution Prevention Plans (SWPPP). The MCV Partnership submitted its updated SWPPP on December 1, 2005. The MCV Partnership management believes it has resolved all issues associated with the Notice Letter and Compliance Inspection and does not expect any further MDEQ actions on these matters.

**Allocation of Billing Costs:** In February 2006, the MPSC issued an order, which determined that we violated the MPSC code of conduct by including a bill insert advertising an unregulated service. The MPSC issued a penalty of \$45,000 and stated that any subsidy for the use of our billing system arising from past code of conduct violations will be accounted for in our next electric rate case. We cannot predict the outcome or the impact on any future electric rate case.

**Litigation:** In October 2003, a group of eight PURPA qualifying facilities (the plaintiffs), which sell power to 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. In February 2004, the Ingham County Circuit Court 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 RESTRUCTURING MATTERS**

**Electric ROA:** The Customer Choice Act allows all of our electric customers to buy electric generation service from us or from an alternative electric supplier. At December 31, 2005, alternative electric suppliers were providing 552 MW of generation service to ROA customers. This amount represents a decrease of 40 percent compared to December 31, 2004, and is 7 percent of our total distribution load. It is difficult to predict future ROA customer trends.

**Stranded Costs:** Prior MPSC orders adopted a mechanism pursuant to the Customer Choice Act to provide recovery of Stranded Costs that occur when customers leave our system to purchase electricity from alternative suppliers. In November 2005, we filed an application with the MPSC related to the determination of 2004 Stranded Costs. Applying the Stranded Cost methodology used in prior MPSC orders, we concluded that we experienced zero Stranded Costs in 2004.

## **ELECTRIC RATE MATTERS**



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**Power Supply Costs:** To reduce the risk of high electric prices during peak demand periods and to achieve our reserve margin target, we employ a strategy of purchasing 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 2006 through 2010. As a result, we have recognized an asset of \$6 million for unexpired capacity and energy contracts at December 31, 2005. The total premium costs of electric capacity and energy contracts for 2005 were approximately \$8 million.

*PSCR:* The PSCR process allows recovery of reasonable and prudent power supply costs. Revenues from the PSCR charges are subject to reconciliation after actual costs are reviewed for reasonableness and prudence. In March 2005, we submitted our 2004 PSCR reconciliation filing to the MPSC.

In September 2005, we submitted our 2006 PSCR plan filing to the MPSC. In November 2005, we submitted an amended 2006 PSCR plan to the MPSC to include higher estimates for certain transmission and coal supply costs. In December 2005, the MPSC issued an order that temporarily excludes a portion of the increased costs from our PSCR charge. The order also includes a one mill per kWh reduction in the PSCR charge. We implemented this PSCR charge in January 2006. If the temporary order remains in effect for the remainder of 2006, it would result in a delay in the recovery of \$87 million related to these excluded power supply costs. We expect to recover fully these costs through the PSCR process. To the extent that we incur and are unable to collect these costs in a timely manner, our cash flows from electric utility operations will be affected negatively. We are seeking full recovery of filed 2006 costs in 2006 as part of this proceeding. We cannot predict the outcome of these PSCR proceedings.

## OTHER ELECTRIC CONTINGENCIES

**The Midland Cogeneration Venture:** The MCV Partnership, which leases and operates the MCV Facility, contracted to sell electricity to Consumers for a 35-year period beginning in 1990. We hold a 49 percent partnership interest in the MCV Partnership, and a 35 percent lessor interest in the MCV Facility. In 2004, we consolidated the MCV Partnership and the FMLP into our consolidated financial statements in accordance with Revised FASB Interpretation No. 46. For additional details, see Note 14, Consolidation of Variable Interest Entities.

Under the MCV PPA, variable energy payments to the MCV Partnership are based on the cost of coal burned at our coal plants and our operation and maintenance expenses. However, the MCV Partnership's costs of producing electricity are tied to the cost of natural gas. Natural gas prices have increased substantially in recent years and throughout 2005. In 2005, the MCV Partnership reevaluated the economics of operating the MCV Facility and recorded an impairment charge. If natural gas prices remain at present levels or increase, the operations of the MCV Facility would be adversely affected and could result in the MCV Partnership failing to meet its obligations under the sale and leaseback transactions and other contracts. For additional details on the impairment of the MCV Facility, see Note 2, Asset Impairment Charges. We are evaluating various alternatives in order to develop a new long-term strategy with respect to the MCV Facility.

Further, the cost that we incur under the MCV PPA exceeds the recovery amount allowed by the MPSC. Underrecoveries of capacity and fixed energy payments totaled \$59 million in 2005, and were expensed directly to income. We estimate underrecoveries of \$55 million in 2006 and \$39 million in

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2007. However, Consumers' direct savings from the RCP, after allocating a portion to customers, are used to offset our capacity and fixed energy underrecoveries expense. 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 indicated that it may take issue with our exercise of the regulatory out clause after September 15, 2007. We believe that the clause 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 clause, the MCV Partnership may have the right to terminate the MCV PPA. The MPSC's future actions on the capacity and fixed energy payments recoverable from customers subsequent to September 15, 2007 may affect negatively the financial performance of the MCV Partnership.

In January 2005, the MPSC issued an order approving the 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 on the basis of natural gas market prices, which reduces the MCV Facility's annual production of electricity and, as a result, reduces the MCV Facility's consumption of natural gas by an estimated 30 to 40 bcf annually. This decrease in the quantity of high-priced natural gas consumed by the MCV Facility will benefit our ownership interest in the MCV Partnership.

The MCV Facility fuel cost savings are first used to offset fully the cost of replacement power. Second, \$5 million annually, funded jointly by Consumers and the MCV Partnership, is contributed to our RRP. Remaining savings are split between the MCV Partnership and Consumers. Consumers shared 50 percent of its direct savings in 2005, and will share 70 percent of its direct savings in 2006 and beyond. Since the MPSC has excluded these underrecoveries from the rate making process, we anticipate that our savings from the RCP will not affect our return on equity used in our base rate filings.

In January 2005, we implemented the RCP. The underlying agreement for the RCP 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 February 2005, a group of intervenors in the RCP case filed for rehearing of the MPSC order approving the RCP. The Attorney General also filed an appeal with the Michigan Court of Appeals. We cannot predict the outcome of these matters.

**MCV Partnership Property Taxes:** In January 2004, the Michigan Tax Tribunal issued its decision in the MCV Partnership's tax appeal against the City of Midland for tax years 1997 through 2000. The City of Midland appealed the decision to the Michigan Court of Appeals, and the MCV Partnership filed a cross-appeal at the Michigan Court of Appeals. The MCV Partnership also has a pending case with the Michigan Tax Tribunal for tax years 2001 through 2005. The MCV Partnership estimates that the 1997 through 2005 tax year cases will result in a refund to the MCV Partnership of approximately \$83 million, inclusive of interest, if the decision of the Michigan Tax Tribunal is upheld. In February 2006, the Michigan Court of Appeals primarily affirmed the Michigan Tax Tribunal decision, but remanded the case back to the Michigan Tax Tribunal to clarify certain aspects of the Tax Tribunal decision. The remanded proceedings may result in the determination of a greater refund to the MCV Partnership. The MCV Partnership cannot predict the outcome of these proceedings; therefore, this anticipated refund has not been recognized in earnings.

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**Nuclear Plant Decommissioning:** 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 on March 31, 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. Since Big Rock is currently in the process of decommissioning, this estimated cost includes historical expenditures in nominal dollars and future costs in 2003 dollars, with all Palisades costs given in 2003 dollars. Recently updated cost projections for Big Rock indicate an anticipated decommissioning cost of \$395 million as of the end of 2005.

*Big Rock:* In December 2000, funding of the Big Rock trust fund stopped because the MPSC-authorized decommissioning surcharge collection period expired. Excluding the additional nuclear fuel storage costs due to the DOE's failure to accept spent fuel on schedule, we are currently projecting that the level of funds provided by the trust for Big Rock will fall short of the amount needed to complete the decommissioning by \$57 million. At this time, we plan to provide the additional amounts needed from our corporate funds and, subsequent to the completion in 2007 of radiological decommissioning work, seek recovery of such expenditures from some alternative source. We cannot assume that such efforts will be successful. The following table shows our Big Rock decommissioning activities:

	In Millions	
	Year-to-Date December 31, 2005	Cumulative Total-to-Date
Decommissioning expenditures (a)	\$47	\$345
Withdrawals from trust funds	39	318

(a) Includes site restoration expenditures.

These activities had no material impact on net income. At December 31, 2005, we have an investment in nuclear decommissioning trust funds of \$10 million for Big Rock. In addition, at December 31, 2005, we have charged \$9 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 costs estimates filed in March 2004, that the existing surcharge for Palisades needed to be increased to \$25 million annually, beginning January 1, 2006, and continuing through 2011, our current license expiration date. In June 2004, we filed an application with the MPSC seeking approval to increase the surcharge for recovery of decommissioning costs related to Palisades beginning in 2006. In January 2005, we filed a settlement agreement with the MPSC that was agreed to by four of the six parties involved in the proceeding. The settlement agreement provides for the continuation of the existing \$6 million annual decommissioning surcharge through 2011 and for the next periodic review to be filed in March 2007. In September 2005, the MPSC approved the contested settlement. Amounts collected from electric retail customers and deposited in trusts, including trust earnings, are credited to a regulatory liability.

At December 31, 2005, we have an investment in the MPSC nuclear decommissioning trust funds of \$534 million for Palisades. In addition, at December 31, 2005, we have a FERC decommissioning trust fund with a balance of \$11 million. For additional details on decommissioning costs accounted for as

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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. Certain parties are seeking to intervene and have requested a hearing on the application. The NRC has stated that it expects to take 22-30 months to review a license renewal application. We expect a decision from the NRC in 2007. At this time, we cannot determine what impact this will have on decommissioning costs or the adequacy of funding.

In December 2005, we announced plans to sell Palisades and have begun pursuing this asset divestiture. As a sale is not probable to occur until a firm purchase commitment is entered into with a potential buyer, we have not classified the Palisades assets as held for sale on our Consolidated Balance Sheets.

**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. On April 29, 2005, the court ruled on various motions for summary judgment filed by the DOE and us. The court denied the DOE's motions to dismiss portions of the complaint including its motion seeking recovery of a one-time fee payable by us prior to delivery of the spent nuclear fuel. The court granted the DOE's motion to recoup this fee against any damages awarded to us. The court granted our motion for summary judgment on liability. If our litigation against the DOE is successful, we plan to use any recoveries to pay the cost of spent nuclear fuel storage until the DOE takes possession as required by law. We can make no assurance that the litigation against the DOE will be successful.

In July 2002, Congress approved and the President signed a bill designating the site at Yucca Mountain, Nevada, 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 \$28 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. The United States Congress enacted the Price-Anderson Act to provide financial liability protection for those parties who may be liable for a nuclear accident or incident. 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

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nuclear incident occurs at any nuclear generating facility. The maximum 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 by a combination of insurance and a NRC indemnity totaling \$544 million, and 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 insurance proceeds and MPSC-approved rates. At December 31, 2005, we have a liability of \$29 million, net of \$53 million of expenditures incurred to date, and a regulatory asset of \$62 million. 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.

**Gas Title Tracking Fees and Services:** On February 14, 2005, the FERC issued its latest order involving Consumers' Gas Title Transfer Tracking Fees and Services. In doing so, the FERC agreed with us that such orders only apply to a title transfer tracking fee charged and collected in connection with Consumers' FERC blanket transportation service. Because of the newly stated limits on what fees are subject to refund, we believe that if any such refunds are ultimately required, they will not be material.

## 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 for prudence in an annual reconciliation proceeding.

We have one GCR reconciliation filing pending with the MPSC for the 2004-2005 GCR year. It was filed in June 2005. We have calculated a \$2 million net overrecovery for the GCR year, including

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interest through March 2005 and refunds that we received from our suppliers that are required to be refunded to our customers. The case schedule has been suspended to allow for settlement discussions.

*GCR plan for year 2005-2006:* In December 2004, we filed an application with the MPSC seeking approval of a GCR plan for the 12-month period of April 2005 through March 2006. Our request proposed using a GCR factor consisting of:

- a base GCR factor of \$6.98 per mcf, plus
- a quarterly GCR ceiling price adjustment contingent upon future events.

The GCR factor can be adjusted monthly, provided it remains at or below the current ceiling price. The quarterly adjustment mechanism allows an increase in the GCR ceiling price to reflect a portion of purchased natural gas cost increases if the average NYMEX price for a specified period is greater than that used in calculating the base GCR factor. Actual gas costs and revenues will be subject to an annual reconciliation proceeding.

In June 2005, four of the five parties filed a settlement agreement. The fifth party filed a statement of non-objection. The settlement agreement includes a GCR ceiling price adjustment contingent upon future events.

In September 2005, we filed a motion with the MPSC seeking to reopen our GCR plan for year 2005-2006. Since the settlement agreement entered into in June 2005, there have been unanticipated increases in the market price for natural gas.

In November 2005, the MPSC issued an Order related to our reopened GCR plan for year 2005-2006. The order approved the June 2005 settlement agreement along with a new GCR factor consisting of a fixed cap of \$10.10 per mcf for the December 2005 through March 2006 billing period. Our GCR factor for the billing month of February 2006 is \$8.20 per mcf. One of the intervenors in this case has appealed the MPSC Order to the Michigan Court of Appeals. We are unable to predict the outcome of this appeal.

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

**2001 Gas Depreciation Case:** In October and December 2004, the MPSC issued Opinions and Orders in our gas depreciation case, which:

- reaffirmed the previously ordered \$34 million reduction in our depreciation expense,
- required us to undertake a study to determine why our plant removal costs are in excess of other regulated Michigan natural gas utilities, and
- required us to file a study report with the MPSC Staff on or before December 31, 2005.

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We filed the study report with the MPSC Staff on December 29, 2005.

We are also required to file our next gas depreciation case within 90 days after the MPSC issuance of a final order in the pending case related to ARO accounting. We expect an MPSC order in the first quarter of 2006.

If the depreciation case order is issued after the gas general rate case order, we proposed to incorporate its results into the gas general rates using a surcharge mechanism.

**2005 Gas Rate Case:** In July 2005, we filed an application with the MPSC seeking a 12 percent authorized return on equity along with a \$132 million annual increase in our gas delivery and transportation rates. The primary reasons for the request are recovery of new investments, carrying costs on natural gas inventory related to higher gas prices, system maintenance, employee benefits, and low-income assistance. If approved, the request would add approximately 5 percent to the typical residential customer's average monthly bill. The increase would also affect commercial and industrial customers.

As part of this filing, we also requested interim rate relief of \$75 million. The MPSC Staff and intervenors filed interim rate relief testimony on October 31, 2005. In its testimony, the MPSC Staff recommended granting interim rate relief of \$38 million. As of February 2006, the MPSC has not acted on our interim rate relief request.

On February 13, 2006, the MPSC Staff recommended granting final rate relief of \$62 million. The MPSC Staff proposed that \$17 million of this amount be contributed to a low income energy efficiency fund. The MPSC Staff also recommended reducing our return on common equity to 11.15 percent, from our current 11.4 percent.

## OTHER CONTINGENCIES

**IRS Ruling:** In August 2005, the IRS issued Revenue Ruling 2005-53 and regulations to provide guidance with respect to the use of the "simplified service cost" method of tax accounting. We use this tax accounting method, generally allowed by the IRS under section 263A of the Internal Revenue Code, with respect to the allocation of certain corporate overheads to the tax basis of self-constructed utility assets. Under the IRS guidance, significant issues with respect to the application of this method remain unresolved and subject to dispute. However, the effect of the IRS's position may be to require Consumers either (1) to repay a portion of previously received tax benefits, or (2) to add back to taxable income, half in each of 2005 and 2006, a significant portion of previously deducted overheads. The impact of this matter on future earnings, cash flows, or our present NOL carryforwards remains uncertain, but could be material. We have recorded an increase in our taxable income of \$359 million in 2005, and a corresponding reduction in deferred taxes related to property, to reflect the estimated 2005 effect of the new regulation. For additional information, see Note 8, Income Taxes. Consumers cannot predict the outcome of this matter.

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.

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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 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 initial recognition and measurement provision of this Interpretation does not apply to some guarantee contracts, such as product warranties, derivatives, or guarantees between corporations under common control, although disclosure of these guarantees is required.

The following table describes our guarantees at December 31, 2005:

Guarantee Description	Issue Date	Expiration Date	Maximum Obligation	In Millions
				Carrying Amount
Standby letters of credit	Various	Various	\$36	\$ -
Surety bonds	Various	Indefinite	2	-
Performance guarantee	Jan 1987	Mar 2015	85	-
Nuclear insurance retrospective premiums	Various	Indefinite	135	-

The following table provides additional information regarding our guarantees:

Guarantee Description	How Guarantee Arose	Events That Would Require Performance
Standby letters of credit	Normal operations of coal power plants	Noncompliance with environmental regulations and inadequate response to demands for corrective action
	Natural gas transportation	Nonperformance
Surety bonds	Self-insurance requirement	Nonperformance
	Normal operating activity, permits and licenses	Nonperformance
Performance guarantee	Agreement to provide power and steam to Dow	Termination of the Steam and Electric Power Agreement by Dow due to the MCV Partnership's nonperformance
Nuclear insurance retrospective premiums	Normal operations of nuclear plants	Call by NEIL and Price-Anderson Act for nuclear incident

At December 31, 2005, none of our guarantees contained provisions allowing us to recover, from third parties, any amount paid under the guarantees. In the ordinary course of business, we enter into agreements containing indemnifications in connection with a variety of transactions including financing agreements. While we cannot estimate our maximum exposure under these indemnities, we consider the probability of liability remote.



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#### 4: FINANCINGS AND CAPITALIZATION

Long-term debt at December 31 follows: In Millions

	Interest Rate (%)	Maturity	2005	2004
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	-
	5.650	2020	300	-
	5.650	2035	150	-
	5.800	2035	175	-
			<u>3,175</u>	<u>2,300</u>
Senior notes	6.250		-	332
	6.375	2008	159	159
	6.875	2018	180	180
	6.500		-	141
			<u>339</u>	<u>812</u>
Securitization bonds	5.295 (a)	2006-2015	<u>369</u>	<u>398</u>
FMLP Debt (b):				
Subordinated secured notes	11.750		-	70
Subordinated secured notes	13.250	2006	56	75
Tax-exempt subordinated secured notes	6.875	2009	137	137
Tax-exempt subordinated secured notes	6.750	2009	14	14
			<u>207</u>	<u>296</u>
Nuclear fuel disposal liability		(c)	145	141
Tax-exempt pollution control revenue bonds	Various	2010-2035	161	126
Long-term bank debt and other	Variable		-	61
			<u>306</u>	<u>328</u>
Total principal amounts outstanding			4,396	4,134
Current amounts			(85)	(118)
Net unamortized discount			(8)	(16)
Total Long-term debt			\$ 4,303	\$ 4,000

(a) Represents the weighted average interest rate at December 31, 2005 (5.188 percent at December 31, 2004).

(b) We consolidate the FMLP in accordance with Revised FASB Interpretation No. 46. The FMLP

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debt is secured by certain assets of the MCV Partnership and the FMLP. The debt is non-recourse to other assets of Consumers.

(c) Maturity date uncertain.

**Financings:** The following is a summary of significant long-term debt issuances and retirements during 2005:

	Principal (In millions)	Interest Rate (%)	Issue/Retirement Date	Maturity Date
<b>Debt Issuances</b>				
FMB	\$ 250	5.15	January 2005	February 2017
FMB	300	5.65	March 2005	April 2020
FMB insured quarterly notes	150	5.65	April 2005	April 2035
LORB	35	Variable	April 2005	April 2035
FMB	175	5.80	August 2005	September 2035
Total	\$ 910			
<b>Debt Retirements</b>				
Long-term bank debt	\$ 60	Variable	January 2005	November 2006
Long-term debt – related parties	180	9.25	January 2005	December 2029
Long-term debt – related parties	73	8.36	February 2005	December 2015
Long-term debt – related parties	124	8.20	February 2005	September 2027
Senior notes	332	6.25	April and May 2005	September 2006
Senior insured quarterly notes	141	6.50	May 2005	October 2028
FMLP debt	89	Various	July 2005	July 2005
Total	\$ 999			

Costs associated with 2005 debt issuances totaled \$13 million and are being amortized over the lives of the related debt. Call premiums associated with the 2005 debt retirements totaled \$10 million and are being amortized over the lives of the newly issued debt.

**First Mortgage Bonds:** We secure our FMB by a mortgage and lien on substantially all of our property. Our ability to issue and sell securities is restricted by certain provisions in the first mortgage bond indenture, our articles of incorporation, and the need for regulatory approvals under federal law. See “FMB Indenture Limitations” section within this Note.

**Securitization Bonds:** Certain regulatory assets collateralize Securitization bonds. We are not the owners of these regulatory assets. 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 annually in 2005 and 2004.

**Long-Term Debt – Related Parties:** We formed various statutory wholly-owned business trusts for the sole purpose of issuing preferred securities and lending the gross proceeds to ourselves. The sole assets of the trusts consist of the debentures described in the following table. These debentures have

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terms similar to those of the mandatorily redeemable preferred securities the trusts issued. We determined that we do not hold the controlling financial interest in our trust preferred security structures. Accordingly, those entities are reflected in Long-term debt – related parties.

The following is a summary of Long-term debt – related parties at December 31:

Debenture and related party	Interest Rate (%)	Maturity	In Millions	
			2005	2004
Subordinated deferrable interest notes:				
Consumers Power Company Financing I	8.36		\$ -	\$ 73
Consumers Energy Company Financing II	8.20		-	124
Subordinated debentures:				
Consumers Energy Company Financing III	9.25		-	180
Consumers Energy Company Financing IV	9.00	2031	<u>129</u>	<u>129</u>
(a)				
Total principal amounts outstanding			129	506
Current amounts			(129)	(180)
<b>Total Long-term debt – related parties</b>			<b>\$ -</b>	<b>\$ 326</b>

(a) Extinguished in February 2006.

In the event of default, holders of the Trust Preferred Securities would be entitled to exercise and enforce the trusts' creditor rights against us, which may include acceleration of the principal amount due on the debentures. We have issued certain guarantees with respect to payments on the preferred securities. These guarantees, when taken together with our obligations under the debentures, related indenture and trust documents, provide full and unconditional guarantees for the trusts' obligations under the preferred securities.

**Debt Maturities:** At December 31, 2005, the aggregate annual maturities for long-term debt and long-term debt – related parties for the next five years are:

	In Millions				
	Payments Due				
	2006	2007	2008	2009	2010
Long-term debt and long-term debt – related parties	\$ 214	\$ 59	\$ 504	\$ 443	\$ 343

**Regulatory Authorization for Financings:** In April 2005, the FERC issued an authorization to permit us to issue up to an additional \$1.0 billion (\$2.0 billion in total) of long-term securities for refinancing or refunding purposes, and up to an additional \$1.0 billion (\$2.5 billion in total) of long-term securities for general corporate purposes during the period ending June 30, 2006.

Combined with remaining availability from previously issued FERC authorizations, we can now issue up to:

- \$876 million of long-term securities for refinancing or refunding purposes,
- \$1.159 billion of long-term securities for general corporate purposes, and

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- \$1.935 billion of long-term FMB to be issued solely as collateral for other long-term securities.

**FMB Indenture Limitations:** Irrespective of our existing FERC authorization, our ability to issue FMB as primary obligations or as collateral for financing is governed by certain provisions of our indenture dated September 1, 1945 and its subsequent supplements. Due to the adverse impact of the MCV Partnership asset impairment charge recorded in September 2005 on the net earnings coverage test in one of the governing bond-issuance provisions of the indenture, we expect our ability to issue additional FMB will be limited to \$298 million through September 30, 2006. After September 30, 2006, our ability to issue FMB in excess of \$298 million will be based on achieving a two-times FMB interest coverage ratio.

**Revolving Credit Facilities:** The following secured revolving credit facilities with banks are available at December 31, 2005:

					In Millions
Company	Expiration Date	Amount of Facility	Amount Borrowed	Outstanding Letters-of-Credit	Amount Available
Consumers	May 18, 2010	\$ 500	\$ -	\$ 36	\$ 464
MCV Partnership	August 26, 2006	50	-	2	48

**Dividend Restrictions:** Under the provisions of our articles of incorporation, at December 31, 2005, we had \$179 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. During 2005, we paid \$277 million in common stock dividends to CMS Energy.

**Sale of Accounts Receivable:** Under a revolving accounts receivable sales program, we currently 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, 2005 and \$304 million of receivables at December 31, 2004. 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.

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

Years Ended December 31	In Millions	
	2005	2004
Net cash flow as a result of accounts receivable financing	\$ 21	\$ 7
Collections from customers	\$ 4,859	\$ 4,541

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**Preferred Stock:** Our Preferred Stock outstanding follows:

December 31	Series	Optional Redemption Price	Number of Shares		In Millions	
			2005	2004	2005	2004
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>
<b>Total Preferred Stock</b>					<b>\$ 44</b>	<b>\$ 44</b>

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## 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 instruments are as follows:

December 31	2005			2004			In Millions
	Cost	Fair Value	Unrealized Gain (Loss)	Cost	Fair Value	Unrealized Gain (Loss)	
Long-term debt (a)	\$ 4,388	\$ 4,393	\$ (5)	\$ 4,118	\$ 4,232	\$ (114)	
Long-term debt - related parties (b)	129	131	(2)	506	518	(12)	
<i>Available-for-sale securities:</i>							
Common stock of CMS Energy (c)	10	33	23	10	25	15	
<i>SERP:</i>							
Equity securities	16	22	6	15	21	6	
Debt securities (e)	8	8	-	9	9	-	
<i>Nuclear decommissioning investments (d):</i>							
Equity securities	134	252	118	136	262	126	
Debt securities (e)	287	291	4	291	302	11	

(a) Includes current maturities of \$85 million at December 31, 2005 and \$118 million at December 31, 2004. Settlement of long-term debt is generally not expected until maturity.

(b) Includes current maturities of \$129 million at December 31, 2005 and \$180 million at December 31, 2004.

(c) At December 31, 2005, we held 2.3 million shares of CMS Energy Common Stock.

(d) Nuclear decommissioning investments include cash and cash equivalents and accrued income totaling \$12 million at December 31, 2005 and \$11 million at December 31, 2004. Unrealized gains and losses on nuclear decommissioning investments are reflected as regulatory liabilities.

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(e) The fair value of available-for-sale debt securities by contractual maturity at December 31, 2005 is as follows:

	In Millions
Due in one year or less	\$ 14
Due after one year through five years	100
Due after five years through ten years	65
Due after ten years	120
Total	\$299

Our held-to-maturity investments consist of debt securities held by the MCV Partnership totaling \$91 million at December 31, 2005 and \$139 million at December 31, 2004. These securities represent funds restricted primarily for future lease payments and are classified as Other assets on our Consolidated Balance Sheets. These investments have original maturity dates of approximately one year or less and, because of their short-term maturities, carrying amounts approximate fair value.

**Derivative Instruments:** We are exposed to market risks including, but not limited to, changes in commodity prices, interest rates, and equity security prices. We may use various contracts to manage these risks, including options, futures, swaps, and forward contracts. We enter into these risk management 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.

Our intention is that any increases or decreases in the value of these contracts will be offset by an opposite change in the value of the item at risk. We enter into all of these contracts for purposes other than trading.

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 the 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. If a derivative qualifies for cash flow hedge accounting treatment, the changes in fair value (gains or losses) are reported in accumulated other comprehensive income; otherwise, the changes are reported in earnings.

For a derivative instrument to qualify for hedge accounting:

- the relationship between the derivative instrument and the item being hedged must be formally documented at inception,
- the derivative instrument must be highly effective in offsetting the hedged item's cash flows or changes in fair value, and
- if hedging a forecasted transaction, the forecasted transaction must be probable.

If a derivative qualifies for cash flow hedge accounting treatment and gains or losses are recorded in

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accumulated other comprehensive income, 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 accumulated other comprehensive income 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 must 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 counterparties.

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 MW 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. Similarly, our electric capacity and energy contracts are not derivatives due to the lack of an active energy market in Michigan. If active markets for these commodities develop in the future, some of these contracts may qualify as derivatives. For our coal purchase contracts, the resulting mark-to-market impact on earnings could be material. For our electric capacity and energy contracts, we believe that we would be able to apply the normal purchases and sales exception, and, therefore, would not be required to mark these contracts to market.

The MISO began operating the Midwest Energy Market on April 1, 2005. By operating the Midwest Energy Market, the MISO centrally dispatches electricity and transmission service throughout much of the Midwest and provides day-ahead and real-time energy market information. At this time, we believe that the establishment of this market does not represent the development of an active energy market in Michigan, as defined by SFAS No.133. However, as the Midwest Energy Market matures, we will continue to monitor its activity level and evaluate if an active energy market may exist in Michigan.



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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					
	2005			2004		
Derivative Instruments	Cost	Fair Value	Unrealized Gain (Loss)	Cost	Fair Value	Unrealized Gain (Loss)
Gas supply option contracts	\$ 1	\$ (1)	\$ (2)	\$ 2	\$ -	\$ (2)
FTRs	-	1	1	-	-	-
<i>Derivative contracts associated with the MCV Partnership:</i>						
Long-term gas contracts	-	205	205	-	56	56
Gas futures and swaps	-	223	223	-	64	64

We record 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 fixed-priced weather-based gas supply call options and fixed-priced 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 the GCR process, 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 on the balance sheet as a regulatory asset or liability. At December 31, 2005, we had purchased fixed-priced weather-based gas supply call options and had sold fixed-priced gas supply put options.

**FTRs:** With the establishment 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.

**Derivative Contracts Associated with the MCV Partnership:** *Long-term gas contracts:* The MCV Partnership uses long-term gas contracts to purchase, and manage the cost of, the natural gas it needs to generate electricity and steam. The MCV Partnership believes that certain of these contracts qualify as normal purchases under SFAS No. 133. Accordingly, we have not recognized these contracts at fair value on our Consolidated Balance Sheets at December 31, 2005.

The MCV Partnership also holds certain long-term gas contracts that do not qualify as normal purchases because these contracts contain volume optionality. In addition, as a result of implementing the RCP in January 2005, a significant portion of long-term gas contracts no longer qualify as normal purchases, because the gas will not be used to generate electricity or steam. Accordingly, all of these contracts are accounted for as derivatives, with changes in fair value recorded in earnings each quarter. For the year ended December 31, 2005, we recorded a \$149 million gain, before considering tax effects and minority interest, associated with the increase in fair value of these long-term gas contracts. This gain is included in the total Fuel costs mark-to-market at MCV on our Consolidated Statements of Income (Loss). As a result of mark-to-market gains, we have recorded derivative assets totaling \$205 million associated with the fair value of long-term gas contracts on our Consolidated Balance

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Sheets. Because of the volatility of the natural gas market, the MCV Partnership expects future earnings volatility on these contracts, since gains and losses will be recorded each quarter. We expect almost all of these derivative assets to reverse through earnings during 2006 and 2007 as the gas is purchased, with the remainder reversing between 2008 and 2011. Due to the impairment of the MCV Facility, the equity held by the minority interest owners of the MCV Partnership has decreased significantly. Since we have the controlling financial interest in the MCV Partnership, we will assume 100 percent of future losses recognized from the reversal of these assets, not just our proportionate share.

For further details on the RCP, see Note 3, Contingencies, "Other Electric Contingencies – The Midland Cogeneration Venture."

*Gas Futures and Swaps:* The MCV Partnership enters 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 uses 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.

At December 31, 2005, the MCV Partnership only held natural gas futures and swaps. Because of increases in the market price of natural gas, the fair value of these contracts increased significantly during 2005. As a result of mark-to-market gains, we have recorded derivative assets totaling \$223 million associated with the fair value of these contracts on our Consolidated Balance Sheets. Certain of these contracts, representing \$172 million, qualify for cash flow hedge accounting and we record our proportionate share of their mark-to-market gains and losses in Accumulated other comprehensive income. The remaining contracts, representing \$51 million, are not cash flow hedges and their mark-to-market gains and losses are recorded to earnings.

The contracts that qualify as cash flow hedges are used to ensure an adequate supply of natural gas for the projected generation and sales of electricity and steam. At December 31, 2005, we have recorded a cumulative net gain of \$56 million, net of tax and minority interest, in Accumulated other comprehensive income relating to our proportionate share of the cash flow hedges held by the MCV Partnership. Of this balance, we expect to reclassify \$15 million, net of tax and minority interest, as an increase to earnings during the next 12 months as the contracts settle, offsetting the costs of gas purchases, with the remainder to be realized through 2009. There was no ineffectiveness associated with any of these cash flow hedges.

The futures and swap contracts that do not qualify as cash flow hedges are used by the MCV Partnership to manage price risk by fixing the price to be paid for natural gas on some of its variable-priced long-term gas contracts. Prior to the implementation of the RCP, these futures and swap contracts were accounted for as cash flow hedges. Since the RCP was implemented in January 2005, these instruments no longer qualify for cash flow hedge accounting. As a result, we reclassified a \$29 million gain (\$9 million, net of tax and minority interest) to earnings because the hedged forecasted transactions are no longer probable. Additionally, for the year ended December 31, 2005, we recorded an additional \$22 million gain associated with the increase in fair value of these instruments. The total

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gain recognized from these instruments, \$51 million before considering tax effects and minority interest, is included in the total Fuel costs mark-to-market at MCV on our Consolidated Statements of Income (Loss). Because of the volatility of the natural gas market, the MCV Partnership expects future earnings volatility on these contracts, since gains and losses will be recorded each quarter. We expect almost all of these futures and swap contracts to be realized during 2006 as the contracts settle, with the remainder to be realized during 2007. For further details on the RCP, see Note 3, Contingencies, "Other Electric Contingencies – The Midland Cogeneration Venture."

The MCV Partnership also engages in cost mitigation activities to offset fixed charges of operating the MCV Facility. These cost mitigation activities may include the use of futures and options contracts to purchase and/or sell natural gas in order to maximize the use of transportation and storage contracts when they are not needed for operation of the MCV Facility. Although these cost mitigation activities do serve to offset fixed monthly charges, these activities are not considered a normal course of business for the MCV Partnership and do not qualify as hedges. Therefore, the mark-to-market gains and losses from these cost mitigation activities are recorded in earnings each quarter. At December 31, 2005, the MCV Partnership did not hold any futures or options for the purpose of these cost mitigation activities.

**Credit Risk:** Our swaps, options, and forward contracts contain credit risk, which is the risk that counterparties will fail to perform their contractual obligations. We reduce this risk through established credit policies. For each counterparty, we assess credit quality by using credit ratings, financial condition, and other available information. We then establish a credit limit for each counterparty based upon our evaluation of credit quality. We monitor the degree to which we are exposed to potential loss under each contract and take remedial action, if necessary.

The MCV Partnership enters into contracts primarily with companies in the electric and gas industry. This industry concentration may have an impact on our exposure to credit risk, either positively or negatively, based on how these counterparties are affected by similar changes in economic, weather, or other conditions. The MCV Partnership typically use industry-standard agreements that allow for netting positive and negative exposures associated with the same counterparty, thereby reducing exposure. These contracts also typically provide for the parties to demand adequate assurance of future performance when there are reasonable grounds for doing so.

The following table illustrates our exposure to potential losses as of December 31, 2005, if each counterparty within this industry concentration failed to perform its contractual obligations. This table includes contracts accounted for as financial instruments. It does not include trade accounts receivable, derivative contracts that qualify for the normal purchases and sales exception under SFAS No. 133, or other contracts that are not accounted for as derivatives.

	In Millions				
	Exposure Before Collateral (a)	Collateral Held (b)	Net Exposure	Net Exposure from Investment Grade Companies (c)	Net Exposure from Investment Grade Companies (%)
MCV Partnership	\$350	\$189	\$161	\$133	83

(a) Exposure is reflected net of payables or derivative liabilities if netting arrangements exist.

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(b) Collateral held includes cash and letters of credit received from counterparties.

(c) The remaining balance of our net exposure was from independent natural gas producers/suppliers that do not have published credit ratings. Based on internal credit reviews, we believe that these counterparties are financially strong and creditworthy.

Based on our credit policies and our current exposures, we do not expect a material adverse effect on our financial position or future earnings as a result of counterparty nonperformance.

## 6: RETIREMENT BENEFITS

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

- non-contributory, defined benefit Pension Plan,
- a cash balance pension plan for certain employees hired after June 30, 2003,
- 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 EISP, and
- health care and life insurance benefits under OPEB.

*Pension Plan:* The Pension Plan includes funds for most of our current employees, our non-utility affiliates, and Panhandle, a former affiliate. The Pension Plan's assets are not distinguishable by company.

On September 1, 2005, we implemented the DCCP. DCCP provides an employer cash 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 cost for the period ended December 31, 2005 was less than \$1 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 consolidated assets. Trust assets were \$30 million at December 31, 2005 and \$30 million at December 31, 2004. The assets are classified as Other non-current assets on our Consolidated Balance Sheets. The ABO for SERP was \$35 million at December 31, 2005 and \$30 million at December 31, 2004.

*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 for the year ended December 31, 2005 was \$12 million.

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The MCV Partnership sponsors a defined contribution retirement plan covering all employees. Under the terms of the plan, the MCV Partnership makes contributions of either 5 or 10 percent of an employee's eligible annual compensation dependent upon the employee's age. The MCV Partnership also sponsors a 401(k) savings plan for employees. Contributions and costs for this plan are based on matching an employee's savings up to a maximum level. Amounts contributed under these plans were \$1 million in 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 premium 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, 2005 and 2004. The ABO for the EISP was less than \$1 million at December 31, 2005 and at December 31, 2004.

*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 ten 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 at December 31, 2005 are based on the assumption that costs would increase 10 percent in 2005. The rate of increase is expected to be 10 percent for 2006. The rate of increase is expected to slow to an estimated 5 percent by 2011 and thereafter.

The MCV Partnership sponsors defined cost postretirement health care plans that cover all full-time employees, except key management. Participants in the postretirement health care plans become eligible for the benefits if they retire on or after the attainment of age 65 or upon a qualified disability retirement, or if they have 10 or more years of service and retire at age 55 or older. The ABO of the MCV Partnership's postretirement plans was \$5 million at December 31, 2005 and 2004. The MCV Partnership's net periodic postretirement health care cost for 2005 and 2004 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	\$ 14	\$ (12)
Effect on postretirement benefit obligation	\$ 155	\$ (136)

We adopted SFAS No. 106, effective as of the beginning of 1992. Consumers 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 2005 and 2004, and December 31 for 2003. As a result of the measurement date change in 2004, we recorded a \$1 million cumulative effect of change in accounting, net of tax benefit, as a decrease to earnings. We also

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

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

	Pension & SERP			OPEB		
	2005	2004	2003	2005	2004	2003
Discount rate	5.75%	6.00%	6.25%	5.75%	6.00%	6.25%
Expected long-term rate of return on plan assets (a)	8.50%	8.75%	8.75%			
Union				8.25%	8.75%	8.75%
Non-Union				8.25%	6.00%	6.00%
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 periodically for reasonableness and appropriateness.

*Costs:* The following table recaps the costs incurred in our retirement benefits plans:

Years Ended December 31	In Millions		
	Pension & SERP		
	2005	2004	2003
Service cost	\$41	\$ 36	\$ 39
Interest expense	76	77	75
Expected return on plan assets	(89)	(109)	(80)
Curtailment credit	-	-	-
Settlement charge	-	-	48
Amortization of:			
Net loss	33	14	9
Prior service cost	5	6	7
Net periodic pension cost	\$66	\$24	\$98

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Years Ended December 31	In Millions		
	2005	OPEB 2004	2003
Service cost	\$ 21	\$ 18	\$ 17
Interest expense	58	54	61
Expected return on plan assets	(49)	(45)	(39)
Curtailement credit	-	-	-
Amortization of:			
Net loss	20	11	18
Prior service cost	(9)	(8)	(6)
Net periodic postretirement benefit cost	\$ 41	\$30	\$51

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*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	
	2005	2004	2005	2004	2005	2004
Benefit obligation at beginning of period	\$1,328	\$ 1,189	\$40	\$22	\$1,013	\$ 812
Service cost	42	35	1	1	21	18
Interest cost	78	74	3	3	58	54
Plan amendment	39	-	1	-	(19)	-
Employee transfers	-	-	-	12	-	-
Actuarial loss	146	138	2	3	39	168
Benefits paid	(123)	(108)	(1)	(1)	(47)	(39)
Benefit obligation at end of period (a)	1,510	1,328	46	40	1,065	1,013
Plan assets at fair value at beginning of period	1,040	1,067	-	-	598	564
Actual return on plan assets	101	81	-	-	42	25
Company contribution	-	-	2	-	62	48
Actual benefits paid	(123)	(108)	(2)	-	(47)	(39)
Plan assets at fair value at end of period	1,018	1,040	-	-	655	598
Benefit obligation in excess of plan assets	(492)	(288)	(46)	(40)	(410)	(415)
Unrecognized net loss from experience different than assumed	747	642	8	6	374	347
Unrecognized prior service cost (benefit)	56	23	2	-	(109)	(99)
Net Balance Sheet Asset (Liability)	311	377	(36)	(34)	(145)	(167)
Additional VEBA Contributions or Non-Trust Benefit Payments	-	-	-	-	15	15
Minimum liability (b)	(481)	(419)	-	-	-	-
Total Net Balance Sheet Asset (Liability)	\$ (170)	\$ (42)	\$ (36)	\$ (34)	\$ (130)	\$ (152)

(a) The Medicare Prescription Drug, Improvement and Modernization Act of 2003 was signed into law in December 2003. The Act 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.

Our plan is actuarially equivalent to Medicare Part D and we have incorporated, retroactively, the effects of the subsidy into our financial statements at June 30, 2004, in accordance with FASB Staff Position, No. SFAS 106-2. We remeasured our obligation at December 31, 2003 to incorporate the impact of the Act, which resulted in a reduction to the accumulated postretirement benefit obligation of \$148 million. The implementation resulted in a reduction of OPEB cost of \$23 million for 2005 and



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2004. The reduction of \$23 million includes \$6 million for the year ended December 31, 2005 and \$7 million for the year ended December 31, 2004 in capitalized OPEB costs.

(b) The Pension Plan's ABO of \$1.188 billion exceeded the value of the Pension Plan assets and net balance sheet asset at December 31, 2005. As a result, we recorded a minimum liability of \$481 million. Consistent with MPSC guidance, Consumers recognized the cost of their minimum liability as a regulatory asset. Accordingly, Consumers minimum liability includes an intangible asset of \$52 million and a regulatory asset of \$399 million. The ABO for the Pension Plan was \$1.082 billion at December 31, 2004.

We remeasured our Pension and OPEB obligations at April 30, 2005 to incorporate the effects of the collective bargaining agreement reached between the Utility Workers Union of America and Consumers. The net periodic pension cost increased \$13 million for 2005 and OPEB benefit costs increased by \$2 million for 2005.

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

Asset Category:	Pension		OPEB	
	2005	2004	2005	2004
Fixed Income	33%	34%	58%	45%
Equity Securities:	65%	61%	40%	54%
CMS Energy Common Stock (a)	-	5%	1%	1%
Alternative Strategy	2%	-	1%	-

(a) At November 30, 2005, there were zero 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, 2004, there were 4,892,000 shares of CMS Energy Common Stock in the Pension Plan assets with a fair value of \$50 million, and 493,000 shares in the OPEB plan assets with a fair value of \$5 million.

We contributed \$62 million to our OPEB plan in 2005 and we plan to contribute \$62 million to our OPEB plan in 2006. We did not contribute to our Pension Plan in 2005 and we plan to contribute \$12 million to our Pension Plan in 2006.

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 across the Standard & Poor's 500 Index, with lesser allocations to the Standard & Poor's Mid Cap, 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.

We have established union and non-union VEBA trusts to fund our future retiree health and life

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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.

*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)
2006	\$ 57	\$1	\$ 51
2007	59	1	54
2008	65	1	55
2009	76	1	57
2010	88	1	59
2011-2015	591	6	321

(a) OPEB benefit payments are net of employee contributions and expected Medicare Part D prescription drug subsidy payments.

## 7: ASSET RETIREMENT OBLIGATIONS

**SFAS No. 143:** This standard became effective January 2003. It 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. We have legal obligations to remove some of our assets, including our nuclear plants, at the end of their useful lives. As required by SFAS No. 71, we accounted for the implementation of this standard by recording regulatory assets and liabilities instead of a cumulative effect of a change in accounting principle.

The fair value of ARO liabilities has been calculated using an expected present value technique. This technique reflects assumptions such as costs, inflation, and profit margin that third parties would consider to assume the settlement of the obligation. 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. In addition, no liability has been recorded for assets that have

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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.

**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 qualify as a conditional ARO, as defined by FASB Interpretation No. 47. Our asbestos abatement ARO is included in the tables within this footnote. This Interpretation is effective for us on December 31, 2005.

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

December 31, 2005			In Millions	
ARO Description	In Service Date	Long Lived Assets	Trust Fund	
Palisades – decommission plant site	1972	Palisades nuclear plant	\$545	
Big Rock – decommission plant site	1962	Big Rock nuclear plant	10	
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	In Millions					ARO
	ARO Liability 1/1/04	Incurred	Settled	Accretion	Cash flow Revision s	Liability 12/31/04
Palisades – decommission	\$268	\$ -	\$ -	\$22	\$ 60	\$350
Big Rock – decommission	34	-	(40)	14	22	30
JHCampbell intake line	-	-	-	-	-	-
Coal ash disposal areas	53	-	(4)	5	-	54
Wells at gas storage fields	2	-	(1)	-	-	1
Indoor gas services relocations	1	-	-	-	-	1
Total prior to FIN 47 adoption	358	-	(45)	41	82	436
Asbestos abatement (FIN 47)	31	-	-	2	-	33
<b>Total upon adoption of FIN 47</b>	<b>\$389</b>	<b>\$ -</b>	<b>\$(45)</b>	<b>\$43</b>	<b>\$82</b>	<b>\$469</b>

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ARO Description	In Millions					ARO
	ARO Liability 12/31/04	Incurred	Settled	Accretion	Cash flow Revision	Liability 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
Total prior to FIN 47 adoption	436	-	(47)	45	24	458
Asbestos abatement (FIN 47)	33	-	-	3	-	36
<b>Total upon adoption of FIN 47</b>	<b>\$469</b>	<b>\$ -</b>	<b>\$(47)</b>	<b>\$48</b>	<b>\$24</b>	<b>\$494</b>

The ARO liability at January 1, 2004 and December 31, 2004 in the preceding tables reflect the ARO liability as if FASB Interpretation No. 47 had been in effect at that time, as required by the Interpretation. Our financial statements for those periods 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 net income.

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. Utilities filed responses to the Order in March 2005; the MPSC Staff and intervenors filed responses in May 2005. On December 5, 2005, the ALJ issued a proposal for decision recommending that the MPSC dismiss the proceeding. Exceptions and replies to exceptions have been filed. 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.

## 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 \$128 million in 2005 and tax related receivables from CMS Energy of \$4 million in 2004.

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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, 2005, we had AMT credit carryforwards in the amount of \$21 million that do not expire, tax loss carryforwards in the amount of \$98 million that expire in 2021 through 2024, and charitable contribution carryforwards in the amount of \$13 million that expire in 2006 through 2009. We do not believe that a valuation allowance is required as we expect to utilize all of the carryforwards prior to their expiration.

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

Years Ended December 31	In Millions		
	2005	2004	2003
Current federal income taxes	\$ 176	\$ 26	\$ (58)
Current federal income tax benefit of operating loss carryforwards	(9)	(11)	-
Deferred federal income taxes	(201)	142	201
Deferred ITC, net	(13)	(5)	(6)
<b>Income tax (benefit) expense</b>	<b>\$ (47)</b>	<b>\$ 152</b>	<b>\$ 137</b>

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 the 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.

The principal components of our deferred tax assets (liabilities) recognized in the balance sheet are as follows:

December 31	In Millions	
	2005	2004
Property	\$ (748)	\$ (840)
Consolidated investments	(54)	(214)
Securitized costs	(172)	(176)
Gas inventories	(148)	(126)
Employee benefits	(61)	(79)
SFAS No. 109 regulatory liability, net	159	152
Nuclear decommissioning	59	63
Tax loss and credit carryforwards	60	52
Valuation allowance	-	(9)
Other, net	(177)	(117)

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<u>Net deferred tax liabilities</u>	<u>\$(1,082)</u>	<u>\$(1,294)</u>
Deferred tax liabilities	\$(2,093)	\$(2,102)
Deferred tax assets, net of valuation allowance	<u>1,011</u>	<u>808</u>
<u>Net deferred tax liabilities</u>	<u>\$(1,082)</u>	<u>\$(1,294)</u>

In August 2005, the IRS issued Revenue Ruling 2005-53 and regulations to provide guidance with respect to the use of the "simplified service cost" method of tax accounting. We use this tax accounting method, generally allowed by the IRS under section 263A of the Internal Revenue Code, with respect to the allocation of certain corporate overheads to the tax basis of self-constructed utility assets. Under the IRS guidance, significant issues with respect to the application of this method remain unresolved and subject to dispute. However, the effect of the IRS's position may be to require Consumers either (1) to repay a portion of previously received tax benefits, or (2) to add back to taxable income, half in each of 2005 and 2006, a significant portion of previously deducted overheads. The impact of this matter on future earnings, cash flows, or our present NOL carryforwards remains uncertain, but could be material. We have recorded an increase in our taxable income of \$359 million in 2005, and a corresponding reduction in deferred taxes related to property, to reflect the estimated 2005 effect of the new regulation.

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

	In Millions		
Years Ended December 31	2005	2004	2003
Income (loss) before cumulative effect of change in accounting principle	\$ (96)	\$ 280	\$ 196
Income tax (benefit) expense	(47)	152	137
Income (loss) before income taxes	(143)	432	333
Statutory federal income tax rate	x 35%	x 35%	x 35%
Expected income tax (benefit) expense	(50)	151	117
Increase (decrease) in taxes from:			
Property differences	15	13	18
Prior period accrual adjustments	3	-	(2)
Medicare part D exempt income	(6)	(5)	-
Loss on investment in CMS Energy Common Stock	-	-	4
ITC amortization	(4)	(6)	(6)
Expiration of general business credits	6	-	-
Valuation allowance	(9)	1	8
Other, net	(2)	(2)	(2)
Recorded income tax (benefit) expense	\$ (47)	\$ 152	\$ 137
Effective tax rate	32.9%	35.2%	41.1%

On December 31, 2005, \$12 million of general business credit carryforwards, net of federal income tax, expired for which a full valuation allowance had been provided. The net change in the deferred tax asset of \$12 million was offset by the \$9 million reduction in the valuation allowance and reversal of unamortized ITC, net of federal income tax, of \$6 million.

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. The "simplified service cost method" described above is currently under audit by the IRS. Our estimate for the potential outcome for any uncertain tax issues is highly judgmental. We believe that our accrued tax liabilities at December 31, 2005 are adequate for all years.

## 9: EXECUTIVE INCENTIVE COMPENSATION

We provide a Performance Incentive Stock Plan (the Plan) to key employees and non-employee directors or consultants based on their contributions to the successful management of the company. The Plan has a 5-year term, expiring in May 2009. The Plan includes the following types of awards:

- restricted stock,

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- stock options,
- stock appreciation rights,
- phantom shares,
- performance units, and
- management stock purchases.

Restricted shares of common stock are outstanding shares with full voting and dividend rights. These awards vest 100 percent after three years and are subject to achievement of specified levels of total shareholder return, including a comparison to a peer group of companies. Some awards vest based solely on continued employment. These awards are subject to forfeiture if employment terminates before vesting. Restricted shares vest fully if control of CMS Energy changes, as defined by the Plan.

Stock options give the holder the right to purchase common stock at a given price over an extended period of time. Stock appreciation rights give the holder the right to receive common stock appreciation, defined as the excess of the market price of the stock at the date of exercise over the grant date price. All stock options and stock appreciation rights are valued at fair market price when granted. All options and rights may be exercised upon grant, and expire up to 10 years and one month from the date of grant.

Phantom shares are valued at the fair market price of common stock when granted. They give the holder the right to receive the appreciation value of common stock on one or more valuation dates, according to a specified vesting schedule determined at the time of grant. These shares are subject to forfeiture if employment terminates before vesting.

Performance units have an initial value that is established at the time of grant. Performance criteria are established at the time of grant and, depending upon the extent to which they are met, will determine the value of the payout, which may be in the form of cash, common stock, or a combination of both. These units are subject to forfeiture if employment terminates.

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.

Under the Plan, shares awarded or subject to options, phantom shares, and performance units may not exceed 6 million shares from June 2004 through May 2009, nor may such grants or awards to any participant exceed 250,000 shares in any fiscal year.

Shares for which payment or exercise is in cash, as well as shares or options that are forfeited, may be awarded or granted again under the Plan.

Awards of up to 4,931,130 shares of CMS Energy Common Stock may be issued at December 31, 2005. All grants awarded under this Plan in 2005 were in the form of restricted stock.



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The following table summarizes restricted stock and stock option activity:

CMS Energy Common Stock	Restricted Stock		Stock Options
	Number of Shares	Number of Options	Weighted Average Exercise Price
Outstanding at January 1, 2003	320,720	1,520,389	\$25.58
Granted	441,897	1,105,490	\$6.35
Shares Vested / Options Exercised	(22,812)	-	-
Forfeited or Expired	(69,372)	(31,667)	\$26.25
Outstanding at December 31, 2003	670,433	2,594,212	\$17.37
Granted	399,122	-	-
Shares Vested / Options Exercised	(66,537)	(358,102)	\$6.65
Forfeited or Expired	(128,449)	(151,218)	\$29.98
Outstanding at December 31, 2004	874,569	2,084,892	\$18.30
Granted	418,385	-	-
Shares Vested / Options Exercised	(151,638)	(174,963)	\$6.73
Forfeited or Expired	-	(195,142)	\$30.23
Outstanding at December 31, 2005	1,141,316	1,714,787	\$18.13

At December 31, 2005, 660,137 of the 1,141,316 shares of restricted stock outstanding were subject to performance objectives.

In December 2002, we adopted the fair value based method of accounting for stock-based employee compensation under SFAS No. 123, as amended by SFAS No. 148. We elected to adopt the prospective method recognition provisions of this Statement, which applies the recognition provisions to all awards granted, modified, or settled after the beginning of the fiscal year that the recognition provisions are first applied. Compensation expense for restricted stock was \$3 million in 2005, \$2 million in 2004, and \$4 million in 2003. Compensation expense for stock options was \$3 million in 2003.

The following table shows the weighted average grant date fair value of restricted stock and stock options:

Years Ended December 31	2005	2004	2003
Weighted Average Grant Date Fair Value			
Restricted Stock Granted	\$15.60	\$9.36	\$6.37
Stock Options Granted	- (a)	- (a)	\$3.04

(a) There were no stock option grants during 2005 or 2004.

We estimate the fair value of stock options using the Black-Scholes model. We used the following assumptions in the Black-Scholes model:

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Years Ended December 31	2005 (a)	2004 (a)	2003
CMS Energy Common Stock Options			
Risk-free interest rate	-	-	3.23%
Expected stock price volatility	-	-	53.10%
Expected dividend rate	-	-	-
Expected option life (years)	-	-	4.7

(a) There were no stock option grants during 2005 or 2004.

The following table summarizes our stock options outstanding at December 31, 2005:

Range of Exercise Prices	Number of Options Outstanding and Exercisable	Weighted Average Remaining Life	Weighted Average Exercise Price
CMS Energy Common Stock:			
\$6.35 - \$8.12	847,075	7.48 years	\$ 6.72
\$17.00 - \$22.20	348,632	5.46 years	\$20.14
\$25.39 - \$31.04	230,468	4.42 years	\$30.84
\$34.80 - \$43.38	288,612	2.87 years	\$39.02
<b>\$6.35 - \$43.38</b>	<b>1,714,787</b>	<b>5.88 years</b>	<b>\$18.13</b>

**SFAS No. 123(R) and SAB No. 107, *Share-Based Payment*:** 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. Companies must expense this value over the required service period of the awards. This Statement also clarifies and expands SFAS No. 123's guidance in several areas, including measuring fair value, classifying an award as equity or as a liability, and attributing compensation cost to reporting periods including the timing of expense recognition for share-based awards with terms that accelerate vesting upon retirement. As a result of these clarifications, future compensation costs for share-based awards with accelerated vesting provisions upon retirement will need to be fully expensed by the period in which the employee becomes eligible to retire. At December 31, 2005, unrecognized compensation cost for such share-based awards held by retirement eligible employees was not material.

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. The modified prospective method applies the recognition provisions to all awards granted or modified after the adoption date of this Statement. 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.

The SEC issued SAB No. 107 to express the views of the Staff regarding the interaction between SFAS No. 123(R) and certain SEC rules and regulations. Also, the SEC issued SAB No. 107 to provide the Staff's views regarding the valuation of share-based payments, including assumptions such as expected

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volatility and expected term. We applied the additional guidance provided by SAB No. 107 upon implementation of SFAS No. 123(R) with no impact on our results of operations.

## 10: LEASES

We lease various assets, including service vehicles, railcars, construction equipment, office furniture, and buildings. Most of our leases contain options at the end of the initial lease term to purchase the asset at fair value or renew the lease at fair rental value. In November 2003, we exercised our purchase option under the capital lease agreement for our main headquarters building in Jackson, Michigan.

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		
	2005	2004	2003
Capital lease expense (a)	\$14	\$13	\$17
Operating lease expense	17	13	13

(a) Capital lease obligations totaled \$59 million at December 31, 2005.

Minimum annual rental commitments under our non-cancelable leases at December 31, 2005 are:

	In Millions		
	Capital Leases	Finance Lease (a)	Operating Leases
2006	\$ 14	\$ 16	\$ 19
2007	14	18	17
2008	12	20	17
2009	10	21	14
2010	10	18	12
2011 and thereafter	30	183	49
Total minimum lease payments	90	276	\$ 128
Less imputed interest	31	-	
Present value of net minimum lease payments	59	276	
Less current portion	11	16	
Non-current portion	\$ 48	\$ 260	

(a) In order to obtain permanent financing for the MCV Facility, the MCV Partnership entered into a sale and lease back agreement with a lessor group, which includes the FMLP, for substantially all of the MCV Partnership's fixed assets. In accordance with SFAS No. 98, the MCV Partnership accounts for the transaction as a financing arrangement. At December 31, 2005, finance lease obligations totaled \$276 million, which represents the third-party portion of the MCV Partnership's finance lease obligation. Total charges under the MCV Partnership's finance lease obligation were \$97 million in

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2005 and \$105 million in 2004. For additional details on transactions with the MCV Partnership and the FMLP, see Note 3, Contingencies, "Other Electric Contingencies – The Midland Cogeneration Venture."

## 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 (f)	2005	2004
Electric:				
	Generation	13-105	\$ 3,487	\$ 3,433
	Distribution	12-75	4,226	4,069
	Other	7-50	404	384
	Capital leases (a)		87	81
Gas:				
	Underground storage facilities (b)	30-65	262	255
	Transmission	15-75	416	367
	Distribution	40-75	2,141	2,057
	Other	7-50	306	290
	Capital leases (a)		26	26
Other:				
	MCV Facility	5-35	211	2,481
	Non-utility property	7-71	15	15
	Construction work-in-progress		509	353
	Other		1	27
Less accumulated depreciation, depletion, and amortization (c)			4,804	5,665
Net property, plant, and equipment (d) (e)			\$ 7,287	\$ 8,173

(a) Capital leases presented in this table are gross amounts. Accumulated amortization of capital leases was \$54 million at December 31, 2005 and \$49 million at December 31, 2004. Capital lease additions were \$12 million and capital lease retirements and adjustments were \$7 million at December 31, 2005. Capital lease additions were \$3 million and capital lease retirements and adjustments were \$1 million at December 31, 2004.

(b) Includes unrecoverable base natural gas in underground storage of \$26 million at December 31, 2005 and \$26 million at December 31, 2004, which is not subject to depreciation.

(c) At December 31, 2005, accumulated depreciation, depletion, and amortization is comprised of \$4.803 billion from public utility plant and \$1 million from our non-utility plant assets. At December 31, 2004, accumulated depreciation, depletion, and amortization included \$5.664 billion

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from our public utility plant and \$1 million related to non-utility plant assets.

(d) At December 31, 2005, public utility plant additions were \$450 million and public utility plant retirements, including other plant adjustments, were \$64 million. At December 31, 2004, public utility plant additions were \$547 million and public utility plant retirements, including other plant adjustments, were \$91 million.

(e) 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 are seven and twelve years. The estimated amortization life for leasehold improvements is the life of the lease. Other intangible amortization lives range from 50 to 105 years.

The following tables summarize our intangible assets:

December 31, 2005	In Millions		
	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
<b>Total</b>	<b>\$ 358</b>	<b>\$200</b>	<b>\$ 158</b>

December 31, 2004	In Millions		
	Gross Cost	Accumulated Amortization	Intangible Asset, Net
Software development	\$ 179	\$ 117	\$ 62
Rights of way	93	28	65
Leasehold improvements	20	13	7
Franchises and consents	19	9	10
Other intangibles	18	14	4
<b>Total</b>	<b>\$ 329</b>	<b>\$ 181</b>	<b>\$ 148</b>

Pre-tax amortization expense related to these intangible assets was \$19 million for the year ended December 31, 2005, \$19 million for the year ended December 31, 2004, and \$19 million for the year ended December 31, 2003. Intangible assets amortization is forecasted to range from \$12 million to \$22 million per year over the next five years.

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(f) The following table illustrates the depreciable life for electric and gas structures and improvements:

Electric	Estimated Depreciable Life in Years	Gas	Estimated Depreciable Life in Years
Generation:		Underground storage facilities	45-50
Coal	39-43	Transmission	60
Nuclear	17-25	Distribution	50
Hydroelectric	55-71	Other	50
Other	32		
Distribution	50-60		
Other	40-42		

## 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)	In Millions					
		Net Investment (a)		Accumulated Depreciation		Construction Work in Progress	
		2005	2004	2005	2004	2005	2004
Campbell Unit 3	93.3	\$270	\$284	\$354	\$339	\$258	\$158
Ludington	51.0	72	79	92	91	1	-
Distribution	Various	100	77	45	33	9	6

(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. We operate principally in two segments, 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.

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Accounting policies of our segments are the same as we describe in the summary of significant accounting policies. Our 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.

The following table shows our financial information by reportable segment:

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	In Millions		
Years Ended December 31	2005	2004	2003
<b>Operating Revenues</b>			
Electric	\$ 2,701	\$ 2,586	\$ 2,590
Gas	2,483	2,081	1,845
Other	48	44	-
	<u>\$ 5,232</u>	<u>\$ 4,711</u>	<u>\$ 4,435</u>
<b>Earnings from Equity Method Investees</b>			
Other	\$ 1	\$ 1	\$ 42
<b>Depreciation, Depletion and Amortization</b>			
Electric	\$ 292	\$ 189	\$ 247
Gas	117	112	128
Other	75	90	2
	<u>\$ 484</u>	<u>\$ 391</u>	<u>\$ 377</u>
<b>Interest Charges</b>			
Electric	\$ 133	\$ 204	\$ 164
Gas	68	65	51
Other	71	97	30
	<u>\$ 272</u>	<u>\$ 366</u>	<u>\$ 245</u>
<b>Income Tax (Benefit) Expense</b>			
Electric	\$ 85	\$ 120	\$ 90
Gas	39	40	35
Other	(171)	(8)	12
	<u>\$ (47)</u>	<u>\$ 152</u>	<u>\$ 137</u>
<b>Net Income (Loss) Available to Common Stockholder</b>			
Electric	\$ 153	\$ 222	\$ 167
Gas	48	71	38
Other	(299)	(16)	(11)
	<u>\$ (98)</u>	<u>\$ 277</u>	<u>\$ 194</u>
<b>Investments in Equity Method Investees</b>			
Electric	\$ 3	\$ 3	\$ 2
Other (a)	4	16	659
	<u>\$ 7</u>	<u>\$ 19</u>	<u>\$ 661</u>
<b>Total Assets</b>			
Electric (b)	\$ 7,743	\$ 7,289	\$ 6,831
Gas (b)	3,600	3,187	2,983
Other	1,814	2,335	931
	<u>\$ 13,157</u>	<u>\$ 12,811</u>	<u>\$ 10,745</u>
<b>Capital Expenditures (c)</b>			
Electric	\$ 384	\$ 360	\$ 310
Gas	168	137	135
Other	32	21	-
	<u>\$ 584</u>	<u>\$ 518</u>	<u>\$ 445</u>



Name of Respondent	This Report is:	Date of Report	Year of Report
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(a) At December 31, 2003, the trusts that hold the mandatorily redeemable Trust Preferred Securities were deconsolidated. The trusts are now included on our Consolidated Balance Sheets as Investments – Other.

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

(c) 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

We are the primary beneficiary of both the MCV Partnership and the FMLP. We have a 49 percent partnership interest in the MCV Partnership and a 46.4 percent partnership interest in the FMLP. Consumers is the primary purchaser of power from the MCV Partnership through a long-term power purchase agreement. The FMLP holds a 75.5 percent lessor interest in the MCV Facility, which results in Consumers holding a 35 percent lessor interest in the MCV Facility. Collectively, these interests make us the primary beneficiary of these entities. Therefore, we consolidated these partnerships into our consolidated financial statements as of and for the years ended December 31, 2005 and December 31, 2004.

These partnerships have third-party obligations totaling \$482 million at December 31, 2005 and \$582 million at December 31, 2004. Property, plant, and equipment serving as collateral for these obligations has a carrying value of \$224 million at December 31, 2005 and \$1.426 billion at December 31, 2004. The creditors of these partnerships do 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. At December 31, 2004, the MCV Partnership had total assets of \$1.980 billion and a net loss of \$24 million for the year.

**Summarized Financial Information of Significant Related Energy Supplier:** For 2003, the MCV Partnership was accounted for as an equity method investment. Our 49 percent investment in the MCV Partnership was \$419 million at December 31, 2003. Our 2003 obligation to purchase electric capacity from the MCV Partnership provided 15 percent of our owned and contracted electric generating capacity. Summarized income statement information of the MCV Partnership follows:

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Consumers Energy Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(mo, Da, Yr) 4/19/2006	December 31, 2005

	In Millions
Year Ended December 31	2003
Operating revenue (a)	\$584
Operating expenses	416
Operating income	168
Other expense, net	108
Net Income (b)	\$ 60

(a) Revenue from Consumers totaled \$514 million in 2003.

(b) Our share of net income was \$29 million for the year ended December 31, 2003.

The FMLP is the sole beneficiary of a trust that is the lessor in a long-term direct finance lease with the MCV Partnership. For the year ended December 31, 2003, the FMLP recorded earnings of \$32 million related to the direct finance lease.

## 15: QUARTERLY FINANCIAL AND COMMON STOCK INFORMATION (UNAUDITED)

	In Millions			
	2005			
Quarters Ended	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)

	In Millions			
	2004			
Quarters Ended	March 31	June 30	Sept. 30	Dec. 31
Operating revenue	\$1,547	\$923	\$885	\$1,356
Operating income	247	111	122	194
Income before cumulative effect of change in accounting principle	105	24	34	117
Cumulative effect of change in accounting (a)	(1)	-	-	-
Net income	104	24	34	117
Preferred stock dividends	-	1	-	1
Net income available to common stockholder	104	23	34	116

(a) Net of tax.

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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) 04/19/06	December 31, 2005
<b>SUMMARY OF UTILITY PLANT AND ACCUMULATED PROVISION FOR DEPRECIATION, AMORTIZATION AND DEPLETION</b>				
Line No.	Item (a)	Total (b)	Electric (c)	
1	UTILITY PLANT			
2	In Service			
3	Plant in Service (Classified)	10,882,780,362	7,490,499,482	
4	Property Under Capital Leases	59,473,941	42,067,502	
5	Plant Purchased or Sold			
6	Completed Construction not Classified			
7	Experimental Plant Unclassified			
8	TOTAL (Enter Total of lines 3 thru 7)	<b>10,942,254,303</b>	<b>7,532,566,984</b>	
9	Leased to Others			
10	Held for Future Use	22,633,585	21,890,122	
11	Construction Work in Progress	475,764,685	431,278,097	
12	Acquisition Adjustments	283,274		
13	TOTAL Utility Plant (Enter Total of lines 8 thru 12)	<b>11,440,935,847</b>	<b>7,985,735,203</b>	
14	Accum. Prov. For Depr., Amort., & Depl.	5,557,116,373	3,529,256,547	
15	Net Utility Plant (Enter Total of line 13 less 14)	<b>5,883,819,474</b>	<b>4,456,478,656</b>	
<b>DETAIL OF ACCUMULATED PROVISIONS FOR DEPRECIATION, AMORTIZATION AND DEPLETION</b>				
17	In Service:			
18	Depreciation	5,385,832,319	3,512,702,048	
19	Amort. & Depl. Of Producing Natural Gas Land & Land Rights	8,356,420		
20	Amort. Of Underground Storage Land & Land Rights	4,039,939		
21	Amort. Of Other Utility Plant	158,799,390	16,549,204	
22	TOTAL In Service (Enter Total of lines 18 thru 21)	<b>5,557,028,068</b>	<b>3,529,251,252</b>	
23	Leased to Others			
24	Depreciation			
25	Amortization & Depletion			
26	TOTAL Leased to Others (Enter Total of lines 24 and 25)	<b>0</b>	<b>0</b>	
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)	<b>33,615</b>	<b>5,295</b>	
31	Abandonment of leases (Natural Gas)			
32	Amortization of Plant Acquisition Adjustment	54,690		
33	TOTAL Accumulated Provisions (Should agree with line 14 above) (Enter Total of lines 22, 26, 30, 31 & 32)	<b>5,557,116,373</b>	<b>3,529,256,547</b>	

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SUMMARY OF UTILITY PLANT AND ACCUMULATED PROVISION FOR DEPRECIATION, AMORTIZATION AND DEPLETION (Continued)					
Gas	Other (Specify)	Other (Specify)	Other (Specify)	Common	Line
(d)	(e)	(e)	(e)	(h)	No.
					1
					2
2,912,457,647				479,823,233	3
11,779,919				5,626,520	4
					5
					6
					7
<b>2,924,237,566</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>485,449,753</b>	<b>8</b>
					9
561,202				182,261	10
22,026,524				22,460,064	11
283,274					12
<b>2,947,108,566</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>508,092,078</b>	<b>13</b>
1,749,665,412				278,194,414	14
<b>1,197,443,154</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>229,897,664</b>	<b>15</b>
					16
					17
1,719,877,353				153,252,918	18
8,356,420					19
4,039,939					20
17,308,690				124,941,496	21
<b>1,749,582,402</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>278,194,414</b>	<b>22</b>
					23
					24
					25
<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>26</b>
					27
28,320					28
					29
<b>28,320</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>30</b>
					31
54,690					32
<b>1,749,665,412</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>278,194,414</b>	<b>33</b>

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) 4/19/06	Year of Report December 31, 2005
<b>NUCLEAR FUEL MATERIALS (Accounts 120.1 through 120.6 &amp; 157)</b>				
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	4,657,744	14,168,921	
3	Nuclear Materials			
4	Allowance for Funds Used during Construction			
5	(Other Overhead Construction Costs)			
6	SUBTOTAL (Enter Total of lines 2 thru 5)	<b>4,657,744</b>		
7	Nuclear Fuel Materials & Assemblies			
8	In Stock (120.2)	45,574		
9	In Reactor (120.3)	100,589,392	445,103	
10	SUBTOTAL (Enter Total of lines 8 & 9)	<b>100,634,966</b>		
11	Spent Nuclear Fuel (120.4)	244,850,379		
12	Nuclear Fuel Under Capital Leases (120.6)			
13	(Less) Accum. Prov. For Amortization of Nuclear Fuel Assemblies (120.5)	340,595,962	19,078,496	
14	TOTAL Nuclear Fuel Stock (Enter Total line 6, 10, 11 & 12 less line 13)	<b>9,547,127</b>		
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)		<b>0</b>	

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) 04/19/06	Year of Report December 31, 2005
<b>NUCLEAR FUEL MATERIALS (Accounts 120.1 through 120.6 &amp; 157)(Continued)</b>			
Changes During the Year		Balance End of Year (f)	Line No.
Amortization (d)	Other Reductions (Explain in a Footnote) (e)		
			1
	445,103	18,381,562	2
			3
			4
			5
		<b>18,381,562</b>	6
			7
		45,574	8
		101,034,495	9
		<b>101,080,069</b>	10
		244,850,379	11
			12
		359,674,458	13
		<b>4,637,552</b>	14
			15
			16
			17
		11,387,952	18
			19
			20
			21
		<b>0</b>	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) 04/19/06	Year of Report December 31, 2005
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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	
3	302 Franchises and Consents	18,732,870	1,327
4	303 Miscellaneous Intangible Plant	10,359,071	17
5	TOTAL Intangible Plant	<b>29,187,800</b>	1,344
6	2. PRODUCTION PLANT		
7	Steam Production Plant		
8	310.1 Land	3,805,749	333
9	310.2 Land Rights	854,367	
10	311 Structures and Improvements	391,639,509	3,736,060
11	312 Boiler Plant Equipment	1,151,247,298	44,013,845
12	313 Engines and Engine-Driven Generators	0	
13	314 Turbogenerator Units	284,803,192	21,800,356
14	315 Accessory Electric Equipment	123,413,757	1,160,021
15	316 Miscellaneous Power Plant Equipment	21,383,557	808,569
16	317 Asset Retirement Costs for Steam Production	3,952,493	2,941,168
17	TOTAL Steam Production Plant	<b>1,981,099,922</b>	74,460,352
18	Nuclear Production Plant		
19	320.1 Land	2,627,172	
20	320.2 Land Rights	46,518	
21	321 Structures and Improvements	188,060,131	170,872
22	322 Reactor Plant Equipment	435,632,504	4,538,293
23	323 Turbogenerator Units	128,579,366	
24	324 Accessory Electric Equipment	51,375,575	34,327



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) 04/19/06	Year of Report December 31, 2005
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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
			95,859	301	2
9,341			18,724,856	302	3
			10,359,088	303	4
9,341	0	0	<b>29,179,803</b>		5
					6
					7
			3,806,082	310.1	8
			854,367	310.2	9
746,380		32,003	394,661,192	311	10
6,496,074		3,131,051	1,191,896,120	312	11
			0	313	12
7,400,747		810,730	300,013,531	314	13
1,432,275		(4,992,135)	118,149,368	315	14
85,972		90,441	118,149,368	315	15
0		0	6,893,661	316	16
16,161,448	0	(927,910)	<b>2,038,470,916</b>		17
					18
			2,627,172	320.1	19
			46,518	320.2	20
9,319		(1,437,690)	186,783,994	321	21
1,507,644			438,663,153	322	22
2,864			128,576,502	323	23
			51,409,902	324	24

Name of Respondent		This Report Is:	Date of Report	Year of Report
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<b>ELECTRIC PLANT IN SERVICE (Accounts 101, 102, 103, 106) (Continued)</b>				
Line No.	Account (a)	Balance at Beginning of Year (b)	Addition (c)	
24	325 Miscellaneous Power Plant Equipment	30,372,345	322,821	
25	326 Asset Retirement Costs for Nuclear Production	86,443,471		
26	TOTAL Nuclear Production Plant	<b>923,137,082</b>	5,066,313	
27	Hydraulic Production Plant			
28	330.1 Land	4,885,050		
29	330.2 Recreational Land	86,867		
30	330.3 Land Rights	40,523		
30	331 Structures and Improvements	21,994,854	(54,966)	
31	332 Reservoirs, Dams and Waterways	145,873,202	286,063	
32	333 Water Wheels, Turbines and Generators	46,917,374	106,941	
33	334 Accessory Electric Equipment	8,335,150	167,446	
34	335 Miscellaneous Power Plant Equipment	3,787,743	47,742	
35	336 Roads, Railroads and Bridges	1,599,554		
36	TOTAL Hydraulic Production Plant	<b>233,520,317</b>	553,226	
37	Other Production Plant			
38	340.1 Land	132,259		
39	340.2 Land Rights	0		
40	341 Structures and Improvements	759,309	8,351	
41	342 Fuel Holders, Products and Accessories	400,587		
42	343 Prime Movers	0		
43	344 Generators	41,664,644	26,234	
44	345 Accessory Electric Equipment	2,473,766	124,110	
45	346 Miscellaneous Power Plant Equipment	528,566	(24,683)	
46	TOTAL Other Production Plant	<b>45,959,131</b>	134,012	
47	TOTAL Production Plant	<b>3,183,716,452</b>	80,213,903	
48	3. TRANSMISSION PLANT			
49	350.1 Land			
50	350.2 Land Rights			
51	352 Structures and Improvements			
52	353 Station Equipment			
53	354 Towers and Fixtures			
54	355 Poles and Fixtures			
55	356 Overhead Conductors and Devices			
56	357 Underground Conduit			
57	358 Underground Conductors and Devices			

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) 04/19/06	December 31, 2005
ELECTRIC PLANT IN SERVICE (Accounts 101, 102, 103, 106) (Continued)					
Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)		Line No.
162,394	(620)	1,280,940	31,813,092	325	24
			86,443,471	326	25
1,682,221	(620)	(156,750)	<b>926,363,804</b>		26
					27
(160,776)	(335,655)	(30,000)	4,680,171	330.1	28
			86,867	330.2	29
			40,523	330.3	30
7,696		(204,135)	21,728,057	331	30
2,857,068		161,685	143,463,882	332	31
21,162			47,003,153	333	32
12,614		(162,026)	8,327,956	334	33
152,397	(11,624)		3,671,464	335	34
			1,599,554	336	35
2,890,161	(347,279)	(234,476)	<b>230,601,627</b>		36
					37
			132,259	340.1	38
			0	340.2	39
		82,897	850,557	341	40
			400,587	342	41
			0	343	42
1,588,080		(225,140)	39,877,658	344	43
79,390		225,140	2,743,626	345	44
91,453		(43,485)	368,945	346	45
1,758,923	0	39,412	<b>44,373,632</b>		46
<b>22,492,753</b>	(347,899)	(1,279,724)	<b>3,239,809,979</b>		47
					48
				350.1	49
				350.2	50
				352	51
(36,000)		(36,000)		353	52
				354	53
(20,111)		(20,111)		355	54
(23,824)		(23,824)		356	55
				357	56
				358	57

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) 04/19/06	Year of Report December 31, 2005
<b>ELECTRIC PLANT IN SERVICE (Accounts 101, 102, 103, 106) (Continued)</b>				
Line No.	Account (a)	Balance at Beginning of Year (b)	Additions (c)	
57	359 Roads and Trails			
58	TOTAL Transmission Plant	<b>0</b>	<b>0</b>	
59	<b>4. DISTRIBUTION PLANT</b>			
60	360.1 Land	10,344,571	844,566	
61	360.2 Land Rights	15,935,346	608,121	
62	360.3 Land	53,818,618	398,524	
63	360.4 Land Rights	37,464,801	2,217,821	
64	361 Structures and Improvements	42,439,109	3,285,673	
65	362 Station Equipment	598,346,164	23,556,268	
66	363 Storage Battery Equipment	0		
67	364 Poles, Towers and Fixtures	749,264,723	32,073,761	
68	365 Overhead Conductors and Devices	701,377,990	43,068,016	
69	366 Underground Conduit	58,818,681	4,631,661	
70	367 Underground Conductors and Devices	367,419,677	17,394,838	
71	368 Line Transformers	582,603,312	20,074,475	
72	368.1 Capacitors			
73	369 Services	493,584,656	17,092,301	
74	370 Meters	150,927,231	10,007,120	
75	371 Installations on Customers' Premises	6,713,549	282,354	
76	372 Leased Property on Customers' Premises			
77	373 Street Lighting and Signal Systems	81,789,237	4,718,860	
78	TOTAL Distribution Plant	<b>3,950,847,665</b>	<b>180,254,359</b>	
79	<b>5. GENERAL PLANT</b>			
80	389.1 Land	2,621,360		
81	389.2 Lands Rights	190,217		
82	390 Structures and Improvements	41,518,317	873,026	
83	391 Office Furniture and Equipment	1,611,175	13,218	
84	391.1 Computers / Computer Related Equipment	12,071,268	2,173,922	
85	392 Transportation Equipment	6,220,203	81,139	
86	393 Stores Equipment	84,942		
87	394 Tools, Shop and Garage Equipment	5,306,208		
88	395 Laboratory Equipment	4,687,398	39,285	
89	396 Power Operated Equipment	1,758,245	165,170	
90	397 Communication Equipment	35,616,741	485,410	
91	398 Miscellaneous Equipment	1,365,679		
92	SUBTOTAL	<b>113,051,753</b>	<b>3,831,170</b>	

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) 04/19/06	December 31, 2005	
<b>ELECTRIC PLANT IN SERVICE (Accounts 101, 102, 103, 106) (Continued)</b>					
Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)		Line No.
				359	57
(79,935)	0	(79,935)	0		58
					59
32,200		(97,469)	11,059,468	360.1	60
156		(259,430)	16,283,881	360.2	61
125,388		(759,769)	53,331,985	360.3	62
8,650		92,374	39,766,346	360.4	63
229,672	(49,299)	(2,968,054)	42,477,757	361	64
7,443,076	(38,919)	4,186,295	618,606,732	362	65
			0	363	66
3,475,319	(25,374)	(519,675)	777,318,116	364	67
3,925,210	36,831	358,873	740,916,500	365	68
175,211		(4,027)	63,271,104	366	69
852,415		149,992	384,112,092	367	70
3,641,636			599,036,151	368	71
			0	368.1	72
1,199,569			509,477,388	369	73
3,419,011		(14,002)	157,501,338	370	74
180,514			6,815,389	371	75
			0	372	76
1,882,955			84,625,142	373	77
26,590,982	(76,761)	165,108	4,104,599,389		78
		(2,999)	2,618,361	389.1	80
			190,217	389.2	81
95,561		20,948	42,316,730	390	82
			1,624,393	391	83
		(441,547)	13,803,643	391.1	84
126,954		(10,012)	6,164,376	392	85
			84,942	393	86
			5,306,208	394	87
			4,726,683	395	88
188,010			1,735,405	396	89
267,296		1,138,819	36,973,674	397	90
			1,365,679	398	91
677,821	0	705,209	116,910,311		92

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) 04/19/06	Year of Report December 31, 2005
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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	<b>113,051,753</b>	3,831,170
93	TOTAL (Accounts 101 and 106)	<b>7,276,803,670</b>	264,300,776
94			
95	102 Electric Plant Purchased		
96	(Less) 102 Electric Plant Sold	<b>(55,933)</b>	
97	103 Experimental Plant Unclassified		
98	TOTAL Electric Plant in Service <i>(Total of lines 93 thru 97)</i>	<b>7,276,859,603</b>	264,300,776

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) 04/19/06	Year of Report December 31, 2005
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**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
677,821	0	705,209	<b>116,910,311</b>		92
49,690,962	(424,660)	(489,342)	<b>7,490,499,482</b>		93
					94
		(55,933)		102	95
					96
				103	97
49,690,962	(424,660)	(545,275)	<b>7,490,499,482</b>		98

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) 04/19/06	December 31, 2005
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.		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.		
2. For property having an original cost of \$1,000,000 or				
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	12/31/2006	639,281
6	Quanicassee-Gary Road	11/30/1975	12/31/2010	1,804,619
7	Millington-Blackfoot	11/30/1975	12/31/2008	1,716,077
8	Tittabawassee-Thetford-Kenowa/Claremot-Lawndale	11/30/1975	12/31/2010	324,318
9	Gary Road-Sprague Creek	12/31/1978	12/31/2008	1,231,455
10	Pompeii	6/30/1979	12/31/2006	562,409
11	Sprague Creek-Zeeland	12/31/1980	12/31/2012	2,091,647
12	Vrooman-Moore Rd	12/31/1982	12/31/2007	390,614
13	Spraure Creek-Goss	12/31/1982	12/31/2006	1,064,367
14	Harvey-Spaulding	12/31/1985	12/31/2006	484,617
15	Battle Creek-Batavia	11/30/1993	12/31/2006	5,794,661
16	Lenawee	12/31/2004	12/31/2008	954,697
17				
18	Distribution Plant:			
19	78 Properties	various	various	4,372,261
20				
21	Other Property:			
22	Distribution Plant - 3 Properties	various	various	93,605
23				
24				
25				
26				
27				
28				
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31				
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42				
43				
44	TOTAL			21,890,122



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) 04/19/06	Year of Report December 31, 2005
<b>CONSTRUCTION WORK IN PROGRESS AND COMPLETED CONSTRUCTION NOT CLASSIFIED - ELECTRIC (Accounts 107 and 106)</b>				
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.		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.		
2. The information specified by this schedule for Account 106, Completed Construction		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	\$61,248,550		\$61,437,077
2	Energy Production Plant - Fossil/Hydro Additions/Improvements	\$24,976,573		\$63,636,824
3	Energy Production Plant - Ludington Shared Costs	\$560,823		\$440,165
4	Energy Production Plant - Clear Air Act Amendment	\$282,344,079		\$61,442,900
5	Distribution Substation - Dedicated Customers	\$453,526		\$650,000
6	Distribution Substations System and Improvements	\$14,892,751		\$15,671,100
7	Distribution Substations/Lines - Obsolescence and Failure	\$5,183,860		\$10,569,001
8	Distribution Substations and Connecting Power Lines	\$4,322,610		\$5,082,700
9	Distribution Substations	\$20,920,561		\$24,011,124
10	Distribution Systems - Additions and Improvements	\$5,770,790		\$111,759,999
11	Land and Landrights - Facilities	\$4,704,886		\$3,737,200
12	Office and Service Buildings	\$1,403,905		\$3,128,047
13	Computer Equipment	\$320,704		\$859,522
14	Capitalized Software Projects	\$1,167,321		\$559,226
15	Capitalized Projects	\$366,638		\$930,788
16	Electric Substations and Connecting Power Lines	\$724,777		\$1,082,017
17	Telecommunications Equipment	\$2,395,101		\$593,964
18	Transportation Equipment	\$283,516		\$627,874
19	Mechanical Equipment	\$109,038		\$43,405
20	Minor Projects	(\$871,914)		\$6,831,228
21				
22				
23				
24				
25				
26				
27				
28				
29				
30				
31				
32				
33				
34				
35	<b>TOTAL</b>	<b>431,278,095</b>	<b>0</b>	<b>373,094,161</b>

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) 04/19/06	Year of Report December 31, 2005
<b>CONSTRUCTION OVERHEADS - ELECTRIC</b>				
<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	60,794,437		
2	Administrative and General	29,067,989		
3				
4				
5				
6				
7				
8				
9				
10				
11				
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37				
38				
39	<b>TOTAL</b>	<b>89,862,426</b>		

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) 04/19/06	Year of Report December 31, 2005
<b>GENERAL DESCRIPTION OF CONSTRUCTION OVERHEAD PROCEDURE</b>			
<p>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.</p> <p>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.</p>			
ENGINEERING AND SUPERVISION			
<p>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.</p>			
ADMINISTRATIVE AND GENERAL			
<p>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.</p> <p>Pension expenses and payroll taxes were allocated directly, based on payroll charges, to the various work orders.</p>			
ALLOWANCE FOR FUNDS USED DURING CONSTRUCTION			
<p>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.</p>			
INSURANCE			
Insurance costs have been charged directly to the major construction jobs to which they apply.			
PROPERTY TAXES			
<p>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.</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) 04/19/06	Year of Report December 31, 2005
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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	3,377,274,729	3,377,269,434	5,295	
2	Depreciation Prov. for Year, Charged to	0			
3	(403) Depreciation Expense	185,528,249	185,528,249		
4	(403.1) Decommissioning Expense	6,107,312	6,107,312		
5	(413) Exp. Of Elec. Plt. Leas. to Others	0			
6	Transportation Expenses-Clearing	304,314	304,314		
7	Other Clearing Accounts	14,568,000	14,568,000		
8	Other Accounts (Specify):	0			
9					
	TOTAL Deprec. Prov. For Year (Enter Total of Lines 3 thru 9)	<b>206,507,875</b>	206,507,875	0	0
11	Net Charges for Plant Retired:	0			
12	Book Cost of Plant Retired	48,352,188	48,352,188		
13	Cost of Removal	67,426,513	67,426,513		
14	Salvage (Credit)	(3,209,670)	(3,209,670)		
	TOTAL Net Chrgs. For Plant Ret. (Enter Total of lines 12 thru 14)	<b>112,569,031</b>	112,569,031	0	0
16	Net Earnings of Decommissioning Funds	28,261,392	28,261,392		
17	Other Debit or Credit Items (Described)	13,232,377	13,232,377		
18	Retirement WIP	0			
19	Balance End of Year (Enter total of lines 1, 10, 15, 16 & 17)	<b>3,512,707,342</b>	3,512,702,047	5,295	0

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

20	Steam Production	847,635,585	847,635,343	242	
21	Nuclear Production-Depreciation	739,841,215	739,841,215		
22	Nuclear Production-Decommissioning	103,806,921	103,806,921		
23	Hydraulic Production-Conventional	15,235,970	15,235,970		
24	Hydraulic Production-Pumped Storage	106,185,200	106,185,200		
25	Other Production	38,647,999	38,647,999		
26	Transmission	0	0		
27	Distribution	1,592,744,761	1,592,739,708	5,053	
28	General	68,609,691	68,609,691		
29	TOTAL (Enter total of lines 20 thru 28)	<b>3,512,707,342</b>	3,512,702,047	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) 49,690,962  
Nondepreciable Property (14,960)  
Other Adjustments (1,323,814)  
Book Cost of Plant Retired -Line12, Col (c) 48,352,188

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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	Leasees: Midland Cogeneration Venture			
15	Limited Partnership (Associated Company)			
16	Other Nonutility Property			
17	MCV Electric Transmission Facilities	318,362		318,362
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	5,845,952	(478,631)	5,367,321
23	Minor Items - Other Nonutility Property			
24	<b>TOTAL</b>	15,007,071	(478,631)	14,528,440

**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	1,620,352
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	(640,272)
6		
7	TOTAL Accruals for Year (Enter Total of lines 3 thru 6)	(640,272)
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)	980,080

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) 04/19/06	Year of Report December 31, 2005	
<b>INVESTMENTS (Accounts 123, 124, 136)</b>				
<p>1. Report below the investments in Accounts 123, <i>Investments in Associated Companies</i>, 124, <i>Other Investment</i>, and 136, <i>Temporary Cash Investments</i>.</p> <p>2. Provide a subheading for each account and list thereunder the information called for:</p> <p>(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</p>		<p>in Account 124, <i>Other Investments</i>), state number of shares, class, and series of stock. Minor investments may be grouped by classes. Investments included in Account 136, <i>Temporary Cash Investments</i>, also may be grouped by classes.</p> <p>(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</p>		
Line No.	Description of Investment  (a)	Book Cost at Beginning of Year <i>(If book cost is different from cost to respondent, give cost to respondent in a footnote and explain difference)</i> (b)		Purchases or Additions During Year  (c)
		Original Cost	Book Value	
1	Account 123 (Excluding 123.1)			
2				
3	CMS Energy Common Stock		10,410,638	0
4	FAS 115 CMS Stock Adjustment (1)		14,258,562	13,020,744
5				
6	Total Account 123 (Excluding 123.1)		24,669,200	13,020,744
7				
8	Account 124			
9	Contracts Receivable		528,086	9,483
10	Detroit Investment Fund		1,144,550	42,674
11	Commercial Loans		37,163	0
12	Customer Loans		50,597	0
13	Aegis Insurance Recovery - MGP		3,649,506	182,866
14	Alpena Power Liquidated Damages Note		326,574	27,197
15	Miscellaneous		915,712	191,190
16				
17	Total Account 124		6,652,188	453,410
18				
19	Account 136			
20	Other Temporary Cash Investments		32,074,158	9,186,267,305
21				
22	Total 136		32,074,158	9,186,267,305
23				
24	(1) Includes the unrealized investment gain from book value			
25	as required under SFAS 115.			
26				
27				
28				
29				
30				

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) 04/19/06	Year of Report December 31, 2005
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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 of Loss from Improvement Disposed of (h)	Line No.
		Original Cost	Book Value			
418,800	2265723		9,991,838	0	581,192	1
4,395,503	0		22,883,803	0	0	2
4,814,303	2265723		32,875,641	0	581,192	3
24,754	0		512,815	0	0	4
0	0		1,187,224	0	0	5
14,969	0		22,194	0	0	6
42,126	0		8,471	0	0	7
0	0		3,832,372	0	0	8
353,771	0		0	0	0	9
177,055	0		929,847	0	0	10
612,675	0		6,492,923	0	0	11
9,185,541,463	0		32,800,000	0	0	12
9,185,541,463	0		32,800,000	0	0	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) 04/19/06	Year of Report December 31, 2005	
<b>INVESTMENT IN SUBSIDIARY COMPANIES (Account 123.1)</b>				
<p>Report below the investments in Accounts 123.1, <i>Investments in Subsidiary Companies</i>.</p> <p>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).</p> <p>(a) Investment in Securities - List and describe each security owned. For bonds give also principal amount, date of issue, maturity, and interest rate.</p> <p>(b) Investment Advances - Report separately the</p>		<p>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.</p> <p>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.</p>		
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			(86,603)
4				
5	Subtotal			554,397
6				
7	CMS ENGINEERING COMPANY			
8	Investment in Common Stock	04/30/94		81,001
9	Equity in Undistributed Earnings			114,544
10				
11	Subtotal			195,545
12				
13	CMS MIDLAND, INC.			
14	Investment in Common Stock	12/31/94		192,541,728
15	Equity in Undistributed Earnings			162,401,942
16	Notes Payable	12/31/97		10,000,000
17				
18	Subtotal			364,943,670
19				
20	CMS MIDLAND HOLDINGS COMPANY			
21	Investment in Common Stock	12/31/94		42,642,117
22	Equity in Undistributed Earnings			42,414,891
23				
24	Subtotal			85,057,008
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	CONSUMERS POWER COMPANY FINANCING I			
33	Investment in Common Stock	01/02/96		3,092,800
34	Equity in Undistributed Earnings			0
35				
36	Subtotal			3,092,800
37	TOTAL Cost of Account 123.1 \$0		TOTAL	761,190,933



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) 04/19/06	Year of Report December 31, 2005	
<b>INVESTMENT IN SUBSIDIARY COMPANIES (Account 123.1) (Continued)</b>				
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
		(40,122)	(126,725)	2
				3
		(40,122)	514,275	4
				5
				6
		81,001		7
		(16,436)	98,108	8
				9
				10
		(16,436)	179,109	11
				12
				13
		223,597,745		14
		(309,635,122)	(147,233,180)	15
			10,000,000	16
				17
		(309,635,122)	86,364,565	18
				19
				20
		54,391,746		21
		24,657,844	67,072,735	22
				23
		24,657,844	121,464,481	24
				25
				26
		6,391		27
			(5,411)	28
				29
		980		30
				31
				32
			0	33
			0	34
				35
			0	36
		(283,991,860)	(468,876)	37
		665,202,802		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) 04/19/06	Year of Report December 31, 2005
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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 ENERGY FINANCING II			
39	Investment in Common Stock	09/30/97		3,711,350
40	Equity in Undistributed Earnings			
41				
42	Subtotal			3,711,350
43				
44	CONSUMERS ENERGY FINANCING III			
45	Investment in Common Stock	11/30/99		5,412,375
46	Equity in Undistributed Earnings			
47				
48	Subtotal			5,412,375
49				
50	CONSUMERS FUNDING LLC.			
51	Investment in Common Stock	10/11/00		2,342,960
52				
53	Subtotal			2,342,960
54				
55	CONSUMERS ENERGY COMPANY FINANCING IV			
56	Investment in Common Stock	10/12/99		3,866,000
57	Equity in Undistributed Earnings			0
58				
59	Subtotal			3,866,000
60				
61	CONSUMERS NUCLEAR SERVICES, LLC			
62	Investment in Common Stock	05/23/01		3,890,446
63	Equity in Undistributed Earnings			(195,545)
64				
65	Subtotal			3,694,901
66				
67	CONSUMERS RECEIVABLE FUNDING II			
68	Investment in Common Stock	04/24/03		288,160,838
69				
70	Subtotal			288,160,838
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
				39
47,340	(47,340)			40
				41
47,340	(47,340)			42
				43
				44
				45
33,376	(33,376)			46
				47
33,376	(33,376)			48
				49
		2,342,960		50
				51
		2,342,960		52
				53
				54
				55
347,940	(347,940)	3,866,000		56
				57
347,940	(347,940)	3,866,000		58
				59
				60
				61
(37,245)		4,382,415	(232,790)	62
				63
(37,245)		4,149,625		64
				65
				66
				67
		445,552,353		68
				69
		445,552,353		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) 04/19/06	Year of Report December 31, 2005
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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)
74	CONSUMERS CAMPUS HOLDINGS LLC			
75	Investment in Common Stock	04/23/01		147,670
76	Equity in Undistributed Earnings			(14,571)
77				
78	Subtotal			133,099
79				
80	CONSUMERS SAGINAW INVESTMENTS, LLC.			
81	Investment in Common Stock	09/23/04		25,010
82				
83	Subtotal			25,010
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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) 04/19/06	Year of Report December 31, 2005
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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.
		147,670		74
(10,275)		(24,846)		75
				76
(10,275)		122,824		77
				78
				79
				80
620,620		645,630		81
				82
620,620		645,630		83
				84
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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) 04/19/06	Year of Report 12/31/05
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**FOOTNOTE DATA**

Page Number (a)	Item Number (b)	Column Number (c)	Comments (d)
224	14	d	Reclassified \$25,214,739 from line 15, Equity in Undistributed Earnings to tie to General Ledger
224	15	d	Reclassified \$25,214,739 from line 14, Investment in Common Stock to tie to General Ledger

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) 04/19/06	Year of Report December 31, 2005
<b>NOTES AND ACCOUNTS RECEIVABLE SUMMARY FOR BALANCE SHEET</b>				
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)	5,942,160	12,491,400	
2	Customer Accounts Receivable (Account 142)	9,529,496	3,414,152	
3	Other Accounts Receivable (Account 143) (Disclose any capital stock subscriptions received)	36,451,751	27,878,110	
4	<b>TOTAL</b>	<b>51,923,407</b>	<b>43,783,662</b>	
5	Less: Accumulated Provision for Uncollectible Accounts-Cr. (Account 144)	9,909,700	13,494,656	
6	<b>TOTAL, Less Accumulated Provision for Uncollectible Accounts</b>	<b>42,013,707</b>	<b>30,289,006</b>	
7				
8				
9				
10				
11				
12				
13				
14				

<b>ACCUMULATED PROVISION FOR UNCOLLECTIBLE ACCOUNT-CR. (Account 144)</b>						
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	9,769,579			140,121	9,909,700
2	Prov. For uncollectibles for current year	5,189,341			(7,417)	5,181,924
3	Account written off (less)	752,938			350,138	1,103,076
4	Coll. Of accounts written off	691,096			281,992	973,088
5	Adjustments (explain): People Care	(1,466,980)				(1,466,980)
6	Balance end of year	13,430,098	0	0	64,558	<b>13,494,656</b>
7						
8	(1) Accounts written off and collection of accounts written off are for Appliance Service Plans. In addition, a net amount of \$18,466,441 (\$19,326,823 Residential, Commercial and Industrial uncollectible accounts was charged to expense (Account 904) and credited to accounts receivable during the year.					
9						
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) 04/19/06	Year of Report December 31, 2005
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**RECEIVABLES FROM ASSOCIATED COMPANIES (Accounts 145, 146)**

- |   |  |
|---|--|
| <p>1. Report particulars of notes and accounts receivable from associated companies* at end of year.</p> <p>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.</p> <p>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.</p> | <p>4. If any note was received in satisfaction of an open account, state the period covered by such open account.</p> <p>5. Include in column (f) interest recorded as income during the year including interest on accounts and notes held any time during the year.</p> <p>6. Give particulars of any notes pledged or discounted, also of any collateral held as guarantee of payment of any note or account.</p> |
|---|--|

\* 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	36,723	259,746	258,626	37,843	1,368
9	CMS Bay Area Pipeline LLC	35,158	105,403	138,055	2,506	205
10	CMS Capital LLC	71,806	496,760	540,772	27,794	8,629
11	CMS Electric & Gas LLC	4,193	58,801	33,052	29,942	514
12	CMS Energy Corporation	9,456,442	18,870,845	26,577,115	1,750,172	80,598
13	CMS Energy Resource Management Company	694,692	7,378,700	7,668,684	404,708	12,031
14	CMS Engineering Company	3,705	22,647	21,469	4,883	230
15	CMS Enterprises Company	1,352,939	12,180,635	12,379,523	1,154,051	65,736
16	CMS Gas Transmission Company	254,903	1,222,906	1,365,893	111,916	5,582
17	CMS Generation Company	334,698	2,951,277	2,799,015	486,960	24,620
18	CMS Generation Filer City Operating Company	47,406	396,149	384,596	58,959	2,603
19	CMS Generation Genesee Company	1,787	182,509	152,614	31,682	0
20	CMS Generation Michigan Power LLC	0	22,496	15,602	6,894	0
21	CMS Generation Operating Company	100,247	882,349	844,221	138,375	5,306
22	CMS Generation Operating Company II, Inc.	59,729	444,041	444,694	59,076	2,747
23	CMS Grands Lacs LLC	1,640	199,078	197,687	3,031	199
24	CMS International Operating Company	10,490	58,152	60,129	8,513	507
25	CMS International Ventures LLC	18,958	846,323	691,227	174,054	6,688
26	CMS Land Company	513,147	1,211,238	1,525,873	198,512	8,130
27	CMS Midland Holdings Company	3,692	28,972	27,584	5,080	254
28	CMS Midland, Inc.	4,593	147,616	37,613	114,596	345
29	CMS Resource Development Company	13,048	330,909	284,251	59,706	2,627
30	CMS Texas LLC	4,456	60,503	59,162	5,797	521
31	Consumers Campus Holdings LLC	2,362	15,808	15,500	2,670	143



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) 04/19/06	December 31, 2005	
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	313,175	1,187,536	1,202,862	297,849	0
33	Consumers Nuclear Services LLC	24,981	141,241	140,737	25,485	1,414
34	Consumers Saginaw Investments LLC	0	929,790	0	929,790	0
35	Dearborn Generation Operating LLC	81,897	726,160	687,999	120,058	6,382
36	Dearborn Industrial Generation LLC	299	9,687	9,986	0	0
37	EnerBank USA	0	565,589	432,674	132,915	(210)
38	ES Services Company	309,461	1,629,804	1,541,794	397,471	14,590
39	Grayling Generating Station LP	0	5,105	4,519	586	0
40	Jackson Pipeline Company	8,271	105,233	111,007	2,497	138
41	Jorf Lasfar Energy Company SCA	0	8,179	8,179	0	0
42	MEC Development Corporation	700	3,996	4,301	395	36
43	Midland Cogeneration Venture LP	806,141	12,561,043	12,539,156	828,028	862
44	New Bern Energy Recovery, Inc.	0	9,960	7,051	2,909	80
45	T.E.S Filer City Station LP	0	21,060	21,060	0	0
46						
47	TOTAL ACCOUNT 146	14,571,739	66,278,246	73,234,282	7,615,703	252,875
48						
49						
50	It should be noted that column C may					
51	reflect activity in the accounts which					
52	includes estimates.					
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80						
	TOTAL	14,571,739	66,278,246	73,234,282	7,615,703	252,875

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) 04/19/06	Year of Report December 31, 2005
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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)	48,732,160	63,882,399	
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)	17,309,417	20,224,670	
6	Assigned to - Operations & Maintenance			
7	Production Plant (Estimated)	37,291,922	42,844,303	
8	Transmission Plant (Estimated)	881,459	1,482,633	
9	Distribution Plant (Estimated)	11,510,329	10,279,263	
10	Assigned to - Other			
11	TOTAL Account 154 (Enter total of line 5 thru 10)	66,993,127	74,830,869	
12	Merchandise (Account 155)			
13	Other Material & Supplies (Account 156)			
14	Nuclear Materials Held for Sale (Account 157) (not applicable to Gas utilities)	20	11,387,952	
15	Stores Expense Undistributed (Account 163)			
16				
17				
18				
19				
20	TOTAL Materials & Supplies (Per Balance Sheet)	115,725,307	150,101,220	

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(Next page is 227A)

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) 04/19/06	Year of Report December 31, 2005
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**PRODUCTION FUEL AND OIL STOCKS (Included in Account 151)**

1. Report below the information called for concerning production fuel and oil stock.      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.

2. Show quantities in tons of 2000 lb. Barrels (42 gals.) or Mcf., whichever unit of quantity is applicable.

3. Each kind of coal or oil should be shown separately.

4. If the respondent obtained any of its fuel from its own coal mines or oil or gas lands or leases or from

Line No.	Item (a)	Total Cost (b)	Coal KINDS OF FUEL AND OIL	
			Quantity (c)	Cost (d)
1	On hand beginning of year	48,732,160	1,201,175	36,258,608
2	Received during year	435,471,875	10,124,746	364,555,710
3	TOTAL	484,204,035	11,325,921	400,814,318
4	Used during year (specify department)			
5	Electric Dept Gen Plants	412,790,075	9,903,628	344,470,486
6	Inventory Adjustments		7,543	
7				
8				
9				
10				
11				
12				
13				
14				
15	Sold or transferred	7,531,561	204,536	7,531,561
16	TOTAL DISPOSED OF	420,321,636	10,115,707	352,002,047
17	BALANCE END OF YEAR	63,882,399	1,210,214	48,812,271

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) 04/19/06		Year of Report December 31, 2005
<b>PRODUCTION FUEL AND OIL STOCKS (Included in Account 151) (Continued)</b>						
KINDS OF FUEL AND OIL (Continued)						
Quantity (e)	Cost (f)	Quantity (g)	Cost (h)	Quantity (i)	Cost (j)	Line No.
379,897	2,297,619	346,686	9,985,155	6,157	190,778	1
4,793,453	45,354,344	629,093	25,561,821			2
5,173,350	47,651,963	975,779	35,546,976	6,157	190,778	3
						4
5,037,198	46,187,668	607,143	22,128,207	122	3,714	5
		(912)		(5)		6
						7
						8
						9
						10
						11
						12
						13
						14
						15
5,037,198	46,187,668	606,231	22,128,207	117	3,714	16
136,152	1,464,295	369,548	13,418,769	6,040	187,064	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) 04/19/06	Year of Report December 31, 2005
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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		2006	
		No. (b)	Amt. (c)	No. (d)	Amt. (e)
1	Balance - Beginning of Year	152,738	14,165,325	103,555	476,250
2-4	Acquired During Year: Issued (Less Withheld Allow.)				
5	Returned by EPA				
6-8	Purchases/Transfers:				
9					
10		1,747	2,661,125	1,700	490,010
11					
12					
13					
14					
15	Total	1,747	2,661,125	1,700	490,010
16-18	Relinquished During Year: Charges to Acct. 509	92,312			
19	Other:				
20					
21-22	Cost of Sales/Transfers:	10,986			
23				1,013	50,194
24		12,391	12,892,966		
25			469,070		
26					
27					
28	Total	23,377	13,362,036	1,013	50,194
29	Balance - End of Year	38,796	3,464,414	104,242	916,066
30-32	Sales:				
	Net Sales Proceeds (Assoc Co.)				
33	Net Sales Proceeds (Other)				
34	Gains				
35	Losses				
	Allowances Withheld				
36	Balance - Beginning of Year	1,358		1,353	
37	Add: Withheld by EPA				
38	Deduct: Returned by EPA				
39	Cost of Sales	1,358			
40	Balance - End of Year			1,353	
41-43	Sales:				
	Net Sales Proceeds (Assoc. Co.)				
44	Net Sales Proceeds (Other)		950,357		
45	Gains		950,357		
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) 04/19/06	Year of Report December 31, 2005
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**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.

7. Report on lines 8-14 the names of vendors/transfersors of allowances acquired and identify associated companies (See "associated co." under "Definitions" in Uniform System of Accounts).

8. Report on lines 22-27 the names of purchasers/transfersors of allowances disposed of and identify associated companies.

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.

2007		2008		Future Years		Totals		Line No.
No. (f)	Amt. (g)	No. (h)	Amt. (i)	No. (j)	Amt. (k)	No. (l)	Amt. (m)	
103,705	476,250	103,505	476,250	2,466,423		2,929,926	15,594,075	1
				93,403		93,403		2-4
								5
								6-8
								9
						3,447	3,151,135	10
								11
								12
								13
								14
0	0	0	0	0	0	3,447	3,151,135	15
						92,312		16-18
								19
								20
						10,986		21-22
200	11,528					1,213	61,722	23
								24
						12,391	12,892,966	25
							469,070	26
								27
200	11,528	0	0	0	0	24,590	13,423,758	28
103,505	464,722	103,505	476,250	2,559,826	0	2,909,874	5,321,452	29
								30-32
								33
								34
								35
1,358		1,358		66,137		71,564		36
				2,699		2,699		37
								38
				1,350		2,708		39
1,358		1,358		67,486		71,555		40
								41-43
					401,409		1,351,766	44
					401,409		1,351,766	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) 04/19/06	Year of Report 12/31/05
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**FOOTNOTE DATA**

Page Number (a)	Item Number (b)	Column Number (c)	Comments (d)
228	1	b	Includes: SO2 balance of 139,450 and NOx balance of 13,288.
228	1	c	\$14,165,325 represents cost of \$13,288 NOx Allowance for vintage year 2005.
228	1	d	Includes: SO2 balance of 95,443 and NOx balance of 8,112.
228	1	e	\$476,250 represents cost of 8,112 NOx allowances for vintage year 2006.
229	1	f	Includes: SO2 balance of 95,443 and NOx balance of 8,262.
229	1	g	\$476,250 represents cost of 8,262 NOx allowances for vintage year 2007.
229	1	h	Includes: SO2 balance of 95,443 and NOx balance of 8,062.
229	1	i	\$476,250 represents cost of 8,062 NOx allowances for vintage year 2008.
229	1	j	Includes: SO2 balance of 2,458,811 and NOx balance of 7,612.
228	25	c	\$469,070 represents the Co-owner's portion of Campbell 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) 04/19/06	Year of Report December 31, 2005
<b>MISCELLANEOUS CURRENT AND ACCRUED ASSETS (Account 174)</b>			
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	156,000,000	
2	Fiscal Year Real and Personal Property Taxes - Electric	54,663,190	
3	PSCR Underrecovery Principal	34,697,434	
4	Fiscal Year Real and Personal Property Taxes - Gas	18,819,800	
5	Accrued Value Services	444,426	
6	Interstate Gas - Pipeline Imbalance	2,229,663	
7	Fiscal Year Real & Personal Property Taxes - Nonutility	154,989	
8	GCR Underrecovery Principal	30,652,023	
9			
10			
11			
12			
13			
14			
15			
16			
17			
18			
19			
20			
21			
22			
23			
24			
25	TOTAL	<b>297,661,525</b>	

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) 04/19/06	Year of Report December 31, 2005
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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						
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
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	9,318,184
22						
23						
24						
25						
26						
27						
28						
29						
30						
31						
32						
33						
34						
35						
36						
37						
38						
39						
40						
41						
42						
43						
44						
45						
46						
47						
48						
49	TOTAL	0	0		517,677	9,318,184

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) 04/19/06	Year of Report December 31, 2005
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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	10,492,256	242/253/925	13,498,141	61,495,720
2	AFUDC in Excess of FERC Rate (Life of Related Property)		407/421	686,286	266,704
3	Postretirement Benefits (20 yrs. - ending 2011)		926	23,178,603	134,822,656
4	SFAS 109 Regulatory Asset		410	1,628,844	26,604,452
5	Securitized Regulatory Asset (1)		407	44,342,181	559,780,271
6	Incremental Gas Choice			0	590,390
7	Green Power - Implementation Costs (U-13029)			0	311,028
8	Other PA 141 Deferrals (8)	75,669,509	421/525	21,771,228	201,404,723
9	PA 141/Enhanced Security Costs (3)	7,905,798	407	8,826,642	24,522,862
10	FAS 143-ARO Asset	143,425,998	108/411	57,070,973	169,146,437
11	Electric Restructuring (4-7)	14,455,492	407	28,065,975	74,273,453
12	Gas Storage Field Inventory Loss	0	164	34,894	8,221,340
13	Stranded Cost (8)	4,262,946	407	4,650,260	62,773,669
14	Additional Minimum Pension Liability	27,129,692		0	399,300,645
15	Regulatory Asset - Palisades DOE Decommissioning	1,216,414		0	1,216,414
16					
17					
18					
19					
20	(1) U12505 (14 Years, Ending 2015)				
21	(2) U-13715 (Costs written off)				
22	(3) U-14126 (5 Years, Ending 2009)				
23	(4) U-11955 (4 Years, Ending 2008)				
24	(5) U-12358 (4 Years, Ending 2008)				
25	(6) U-12891 (4 Years, Ending 2008)				
26	(7) U-13340 (4 Years, Ending 2008)				
27	(8) U-13720 & U-14098 (Amortized until fully recovered)				
28					
29					
30					
31					
32					
33					
34					
35					
36					
37					
38					
39	<b>TOTAL</b>	<b>284,558,105</b>		<b>203,754,027</b>	<b>1,724,730,764</b>

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) 04/19/06	Year of Report December 31, 2005
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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	12,258,986	3,971,257	555	10,370,916	5,859,327
2	Campbell 3 Co-Owner Fuel	58,471	8,342,632	143	8,299,425	101,678
3	Sales of Land & Right of Way	250,817	2,061,019	various	2,272,095	39,741
4	Alliance Bridgeco	4,855,177	0	131	4,855,177	0
5	Additional Pension Liability	21,210,604	30,961,400			52,172,004
6	JH Campbell Transformer loss	2,364,906		131	2,364,906	0
7	FAS 133-Gas Options Prem Paid	775,000	2,071,690	803	2,246,690	600,000
8	Palisades Sale Costs	0	164,736			164,736
9	CRF II Management Fees	0	979,530			979,530
10	Minor items (13 items <\$50,000)	16,824	13,102,846	various	13,038,419	81,251
11						
12						
13						
14						
15						
16						
17						
18						
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21						
22						
23						
24						
25						
26						
27						
28						
29						
30						
31						
32						
33						
34						
35						
36						
37	Misc. Work in Progress					
38	<b>TOTAL</b>	<b>41,790,785</b>	<b>61,655,110</b>		<b>43,447,628</b>	<b>59,998,267</b>

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) 04/19/06	Year of Report December 31, 2005
<b>ACCUMULATED DEFERRED INCOME TAXES (Account 190)</b>				
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	1989 SRS Supplement	499,750	0	0
3	'95 Biennial Conservation Program	(1)	0	0
4	Aetna Reserve	889,586	86,899	463
5	Bad Debt Expense	1,123,812	28,494	505,141
6	Big Rock Decommissioning Costs - FERC	1,554,069	3,883,982	281,505
7	Other	435,732,631	30,212,131	40,846,305
8	TOTAL (Account 190) (Enter total of lines 2 thru 7)	439,799,847	34,211,506	41,633,414
9	Gas			
10	Aetna Reserve	518,872	39,041	208
11	ANR/CE Otisville Agreement	0	0	617,647
12	Bad Debt Expense	1,588,924	205,526	1,238,584
13	Contributions in Aid of Construction	13,637,422	505,429	0
14	Swap Agreement - Deferred Gain	140,232	(5,380)	58,697
15	Other	369,949,827	28,616,367	27,291,243
16	TOTAL Gas (Enter total of lines 10 thru 15)	385,835,277	29,360,983	29,206,379
17	Other (Specify)	59,763,489	0	0
18	TOTAL (Account 190) (Enter total of lines 8, 16 & 17)	<b>885,398,613</b>	<b>63,572,489</b>	<b>70,839,793</b>
19	Classification of Total:			
20	Federal Income Tax	885,398,613	63,572,489	70,839,793
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) 04/19/06	Year of Report December 31, 2005
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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
						499,750	2
						(1)	3
						803,150	4
						1,600,459	5
		283.196	3,060,998	283.196	694,217	318,373	6
			15,296,915		5,349,749	456,313,971	7
0	0		18,357,913		6,043,966	459,535,702	8
							9
						480,039	10
						617,647	11
						2,621,982	12
						13,131,993	13
						204,309	14
			12,680,782		5,819,537	375,485,948	15
0	0		12,680,782		5,819,537	392,541,918	16
11,018,949	(9,466,930)		27,179,064		5,835,054	60,621,620	17
11,018,949	(9,466,930)		58,217,759		17,698,557	912,699,240	18
							19
11,018,949	(9,466,930)		58,217,759		17,698,557	912,699,240	20
							21
							22

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) 04/19/06	December 31, 2005
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	2,076,126	727,515	341,017
25	ARO Profit Margin Accretion - BR	1,108,403	0	149,723
26	ARO Profit Margin Accretion - Palisades	(472,759)	0	50,625
27	CATV Deferred Revenue	588,796	972,074	935,028
28	Campbell 3 Deferred Revenue	243,670	58,559	151,206
29	Swap Agreement - Deferred Gain	428,308	155,633	315,705
30	Clean Air Allowance - 2001	189,645	0	1,568,613
31	Contributions in Aid of Construction	15,003,302	740,066	0
32	Deferred AMT	5,051,081	0	2,560,194
33	Deferred Compensation	1,324,679	1,018,290	436,486
34	DOE Decommissioning	1,468,666	947,270	359,313
35	EISP Deferred Comp	0	0	52,260
36	EICP	4,375,724	3,679,361	3,547,207
37	FAS 148-STK Option Fair Value	307,295	0	0
38	Fly Ash Trust Fund	209,060	0	17,206
39	General Business Credits	412,878	2,627,329	(1)
40	Injuries & Damages	6,387,285	5,825	1,027,571
41	Insurance Recovery	1,239	0	0
42	Like Kind Exchanges	0	0	7,267
43	Loss of General Business Credits	0	0	919,565
44	MSBT Reserve	2,864,750	0	0
45	NOL Carryforward - Electric	9,569,089	0	10,914,382
46	Offshore Insurance Liability (OIL)	1,049,601	0	0
47	OPEB Obligation	51,250,531	10,897,704	12,306,473
48	Outside Services - Audit Accrual	192,158	533,225	492,731
49	Palisades Decommissioning Costs	61,025,596	35,580	4,296,333
50	Payroll Tax Accrued	0	0	662,364
51	Pension Costs	15,485,827	2,064,468	0
52	PSCR Contingency	13,947,016	3,491,923	(1,554,917)
53	Renewable Energy Resources	0	0	812,670
54	Reserve Cap Deferred Revenue	0	0	298,713
55	Sales & Use Tax Reserve	1,750,000	0	0
56	Save & Share	761,887	0	0
57	Savings Plan - Rabbi Trust	59,913	0	157,446
58	Senior Reactor Operator Retention Liability	509,320	108,798	0
59	Special Compensation (SEMP) - Electric	1,463,589	1,468,625	0
60	SRS Supplemental Program	895,863	145,384	17,995
61	SRS Excess Liability (OCI)	398,440	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) 04/19/06	Year of Report December 31, 2005
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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
						1,689,628	24
						1,258,126	25
						(422,134)	26
						551,750	27
						336,317	28
						588,380	29
						1,758,258	30
		282.111	5,000			14,268,236	31
				190.189	2,362,031	5,249,244	32
						742,875	33
						880,709	34
						52,260	35
						4,243,570	36
						307,295	37
						226,266	38
		190.056	2,362,031			147,579	39
						7,409,031	40
						1,239	41
						7,267	42
						919,565	43
						2,864,750	44
						20,483,471	45
						1,049,601	46
		282.126	70,523	282.127	20,521	52,709,302	47
						151,664	48
				283.196	77,636	65,208,713	49
						662,364	50
						13,421,359	51
		190.071	2			8,900,178	52
						812,670	53
						298,713	54
						1,750,000	55
						761,887	56
						217,359	57
						400,522	58
						(5,036)	59
						768,474	60
		219.047	228,445			626,885	61

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) 04/19/06	December 31, 2005
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)
62	Electric Other (Detail of Line 7 - Continued)			
63	Tax Interest During Construction	10,916,178	511,916	0
64	Vacation Pay Accrual	1,576,384	22,586	1
65	Wurtsmith Escrow	42,539	0	3,129
66	FAS 109-Accumulated Def.Tax Benefits-ITC	19,708,316	0	0
67	FAS 109-Accumulated Def.Tax Benefits-Other	(88)	0	0
68	FAS 109-Accumulated DFIT Benefit-Reg Lia	77,952,688	0	0
69	FAS 109-Accumulated DFIT Benefit-Property	125,609,636	0	0
70	Total Electric Other	435,732,631	30,212,131	40,846,305
71				
72				
73	Gas Other (Detail of Line 15)			
74	Deferred AMT	5,999,607	0	2,653,540
75	Deferred Compensation	1,224,189	978,359	419,370
76	Deferred Revenue-Appliance Service Program	234,285	48,901	118,379
77	EISP Deferred Comp	0	0	50,210
78	EICP	2,713,882	2,493,676	2,227,840
79	FAS 148-Stock Option Fair Value	295,245	0	0
80	Gas Inventory Capitalization	9,624,708	7,937,451	0
81	Gas Inventory Linepack	2,323,707	0	585,104
82	GCR Contingency	4,151,334	4,451,053	151,246
83	General Business Credit	1,572,736	3,806,008	0
84	Grand Lacs Deferred Revenue	(320,480)	0	0
85	Injuries & Damages	2,320,271	0	187,823
86	Insurance Recovery - MGP	4,689,257	668,216	25,001
87	Loss of General Business Credits	0	0	1,332,103
88	Manufactured Gas Plants Environmental Clean-up	13,251,699	0	0
89	MSBT Reserve	1,335,250	0	0
90	NOL Carryforward - Gas	4,657,885	0	11,307,275
91	Offshore Insurance Liability (OIL)	1,095,941	0	0
92	OPEB Obligation	31,413,001	5,812,559	7,359,292
93	Outside Service - Audit Expense	183,383	512,083	473,176
94	Payroll Tax Accrued	0	0	317,878
95	Pension Costs	8,081,299	1,034,880	31
96	Ray Storage Field Losses	2,640,799	0	0
97	Sales & Use Tax Reserve	840,000	0	0
98	Save & Share	342,297	0	0
99	Savings Plan - Rabbi Trust	27,495	0	74,219
100	Special Compensation (SEMP) - Gas	726,167	726,168	0
101	SRS Supplemental Payment	679,211	70,747	8,756

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) 04/19/06	Year of Report December 31, 2005
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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)		
Electric Other (Detail of Line 7 - Continued)							62
						10,404,262	63
						1,553,799	64
						45,668	65
				286.101	2,889,561	16,818,755	66
		286.103	86			(2)	67
		286.103	3,412,507			81,365,195	68
		286.103	9,218,321			134,827,957	69
			15,296,915		5,349,749	456,313,971	70
							71
							72
							73
				190.190	2,447,059	6,206,088	74
						665,200	75
						303,763	76
						50,210	77
						2,448,046	78
						295,245	79
						1,687,257	80
						2,908,811	81
						(148,473)	82
		190.057	2,447,059			213,787	83
						(320,480)	84
				283.046	87,630	2,420,464	85
						4,046,042	86
						1,332,103	87
				283.137	3,005,582	10,246,117	88
						1,335,250	89
						15,965,160	90
						1,095,941	91
		282.128	20,429			32,980,163	92
						144,476	93
						317,878	94
						7,046,450	95
						2,640,799	96
						840,000	97
						342,297	98
						101,714	99
						(1)	100
						617,220	101

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) 04/19/06	Year of Report December 31, 2005
<b>ACCUMULATED DEFERRED INCOME TAXES (Account 190) (Continued)</b>				
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)
102	Gas Other (Detail of Line 15 - Continued)			
103	SRS Excess Liability (OCI)	179,010	0	0
104	Take or Pay Order 500	27,983,752	0	0
105	Tax Interest During Construction	1,861,846	65,515	0
106	Vacation Pay Accrual	741,952	10,752	0
107	FAS 109-Accumulated DFIT Benefit-ITC	6,388,586	0	0
108	FAS 109-Accumulated DFIT Benefit-Reg Liability	83,678,035	(1)	0
109	FAS 109-Accumulated DFIT Benefit-Property	149,013,478	0	0
110	Total Gas Other	369,949,827	28,616,367	27,291,243
111				
112	Other (Detail of Line 17)			
113	Bad Debt Expense	182,175	0	0
114	Swap Agreement - Deferred Gain	68,320	0	0
115	CP Foundation	403,284	0	0
116	Contribution Carryover	4,392,981	0	0
117	Deferred AMT	6,727,787	0	0
118	Energyguard	908	0	0
119	FAS 115 - Nuclear Decommissioning	38,376,479	0	0
120	General Business Credit	1,972,947	0	0
121	Loss of General Business Credits	0	0	0
122	MCV Land Rent	0	0	0
123	NOL Carryforward - Other	3,929,439	0	0
124	Nuclear Simulator	2,595,826	0	0
125	PSCR Contingency - Interest	755,727	0	0
126	PSI Line Write-off	(140,499)	0	0
127	Realized Gain SERP Plan Assets	498,115	0	0
128	Total Other	59,763,489	0	0
129				
130				
131				
132				
133				
134				
135				
136				
137				
138				
139				

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) 04/19/06	Year of Report December 31, 2005
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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)		
Gas Other (Detail of Line 15 - Continued)							102
		219,047	115,995			295,005	103
						27,983,752	104
						1,796,331	105
						731,200	106
				286.102	279,266	6,109,320	107
		286.100	3,436,311			87,114,347	108
		286.100	6,660,988			155,674,466	109
			12,680,782		5,819,537	375,485,948	110
							111
							112
22,872	22,509					181,812	113
(826)	16,825					85,971	114
700,000	350,000					53,284	115
	100,352					4,493,333	116
	(2,429,301)	190/191	3,466,404	190.193	1,225,328	6,539,562	117
				190/191	908	0	118
		283.112	11,486,524	283.xxx	1,142,512	48,720,491	119
10,747,086		190/234	12,226,136	190.xxx	3,466,304	(14,307)	120
	3,761,479					3,761,479	121
6,062	80,871					74,809	122
	(10,351,747)					(6,422,308)	123
						2,595,826	124
(456,245)	(1,351,118)			190.021	2	(139,148)	125
						(140,499)	126
	333,200					831,315	127
11,018,949	(9,466,930)		27,179,064		5,835,054	60,621,620	128
							129
							130
							131
							132
							133
							134
							135
							136
							137
							138
							139

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) 04/19/06	Year of Report December 31, 2005
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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	<b><u>Installment Sales Contracts</u></b>			
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			(846,579)
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			(633,292)
18			30,000,000	(933,220)
19	<b><u>First Mortgage Bonds</u></b>			
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	9-18-98		
23	7.5% FMB due 2001		57,164,000	(554,491)
24	Refunded by 6-7/8% due 3/1/18	9-18-98		
25	7.5% FMB due 2002		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) 04/19/06	Year of Report December 31, 2005	
<b>UNAMORTIZED LOSS AND GAIN ON REACQUIRED DEBT (Account 189, 257) (Continued)</b>				
4. Show loss amounts in red or by enclosure in parentheses. 5. Explain any debits and credits other than amortization debited to Account 428.1,		Amortization of Loss on Reacquired Debt or credited to Account 429.1, Amortization of Gain on Reacquired Debt-Credit.		
Balance Beginning of Year (e)	Debits During Year (f)	Credits During Year (g)	Balance End of Year (h)	Line No.
				1
				2
205,369		15,412	189,957	3
118,455		8,880	109,575	4
252,053		18,900	233,153	5
282,134		21,159	260,975	6
858,011	0	64,351	793,660	7
				8
16,581		3,085	13,496	9
18,014		3,332	14,682	10
33,282		5,924	27,358	11
67,877	0	12,341	55,536	12
				13
20,371		2,928	17,443	14
22,111		3,180	18,931	15
40,604		5,869	34,735	16
603,439		112,845	490,594	17
686,525	0	124,822	561,703	18
				19
				20
18,694,148		1,823,820	16,870,328	21
				22
271,528		20,492	251,036	23
				24
334,564		25,250	309,314	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) 04/19/06	Year of Report December 31, 2005
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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 4/15/11			
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			
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				
20				
21				
22				
23				
24				
25	<b>Total</b>			



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) 04/19/06	Year of Report December 31, 2005
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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
24,829,394		4,534,063	20,295,331	2
				3
			0	4
5,606,873		1,035,115	4,571,758	5
1,827,232		310,468	1,516,764	6
				7
4,390,689		567,833	3,822,856	8
9,211,748		1,191,324	8,020,424	9
4,606,198		595,704	4,010,494	10
				11
0	10,690,959	533,556	10,157,403	12
0	17,583,846	372,337	17,211,509	13
				14
0	33,952	2,385	31,567	15
0	1,236,385	86,856	1,149,529	16
0	3,061,790	215,091	2,846,699	17
0	18,938	210	18,728	18
				19
				20
				21
				22
				23
				24
			92,494,639	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) 04/19/06	Year of Report December 31, 2005
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**CAPITAL STOCK (Accounts 201 and 204)**

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.

2. Entries in column (b) should represent the number of shares authorized by the articles of incorporation as amended to end of year.

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				
17				
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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) 04/19/06	Year of Report December 31, 2005
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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				
		AS REACQUIRED STOCK (Account 217)		IN SINKING AND OTHER FUNDS		
Shares (e)	Amount (f)	Shares (g)	Cost (h)	Shares (i)	Amount (j)	Line No.
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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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) 04/19/06	Year of Report December 31, 2005
<b>CAPITAL STOCK SUBSCRIBED, CAPITAL STOCK LIABILITY FOR CONVERSION, PREMIUM ON CAPITAL STOCK AND INSTALLMENTS RECEIVED ON CAPITAL STOCK (Accounts 202 &amp; 205, 203 &amp; 206, 207, 212)</b>			
<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 style="margin-left: 400px;">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			
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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) 04/19/06	Year of Report December 31, 2005
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**OTHER PAID - IN CAPITAL (Accounts 208-211, inc.)**

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.

(a) *Donations Received from Stockholders* (Account 208)-State amount and give brief explanation of the origin and purpose of each donation.

(b) *Reduction in Par or Stated Value of Capital Stock* (account 209)-State amount and give brief explanation

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.

(c) *Gain on Resale or Cancellation of Reacquired Capital Stock* (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.

(d) *Miscellaneous Paid-In Capital* (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.

Line No.	Item (a)	Amount (b)
1	Account 208	
2	Donations Received form Stockholders:	
3	Cash Infusions-CMS Energy-Prior to 2004	298,198,250
4	CMS Engineering Stock-Prior to 2004	81,351
5	Cash Infusions-CMS Energy-August 2004	150,000,000
6	Cash Infusions-CMS Energy-Nov 04, Jan 05, Apr 05	400,000,000
7	Cash Infusions-CMS Energy-Apr 05	250,000,000
8	Cash Infusions-CMS Energy-Dec 05	150,000,000
9		
10	Subtotal - 208	1,248,279,601
11		
12	Account 209 - None	
13		
14	Account 210	
15	Gain on Reacquired Capital Stock-Prior to 2005	20,440,268
16		
17	Account 211	
18	Paid-in-Capital - Prior to 2005	293,744
19		
20		
21		
22		
23		
24		
25		
26		
27		
28		
29		
30		
31		
32		
33		
34		
35	TOTAL	1,269,013,613

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) 04/19/06	Year of Report December 31, 2005
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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		
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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) 04/19/06	Year of Report December 31, 2005
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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 issued in 2005			
5.15% FMB due 2-17-17	242,480,032	2,087,841	(250,000,000)
5.65% FMB due 4-15-20	285,422,649	2,698,392	(300,000,000)
5.65% FMB due 4-15-35	127,225,544	5,023,944	(150,000,000)
5.80% FMB due 9-15-35	172,806,737	1,836,575	(175,000,000)
First Mortgage Bonds paid down in 2005			
5.65% FMB due 4-15-35	(12,806)	(493)	15,000
Other Long Term Debt			
Senior Notes Retired			
6.5% Senior Note due 10-1-28	(124,674,910)	(8,119,830)	
6.25% Senior Note due 09-06	(333,729,280)	(685,815)	
Other Debt Retired, Issued or Paid Down			
Bank One Term Loan due 11-06	(60,269,248)	(33,952)	
TOPR's I due 12-15	(72,806,946)	(1,236,385)	
TOPR's II due 9-27	(122,232,567)	(3,056,790)	
TOPR's III due 12-29	(181,524,918)	(4,783,189)	
DOE SNF Disposal Contract (1)	4,248,841		
\$35M PCRB due 4-1-35 issued	33,183,704	1,816,296	
<b>TOTAL</b>	<b>(29,883,168)</b>	<b>(4,453,406)</b>	<b>(874,985,000)</b>

(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) 04/19/06	Year of Report December 31, 2005
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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 Recquired Debt	Account 182 Regulatory Asset	
			1,100,000			4,332,127		
			1,188,000			10,690,959		
			-			17,750,512		
			337,750			18,938		
					35	(1,736)		
141,033,000			(9,305,235)		1,066,975			
332,250,000			(303,736)		2,375,446			
60,000,000					303,200			
73,092,800					950,531			
123,711,350					1,578,007			
180,412,375					1,112,543			
(4,248,841)								
(35,000,000)							708,489	
871,250,684			(6,983,221)		7,386,737	33,499,289		

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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>  (a)	Principal Amount of Debt Issued  (b)	Total Expense, Premium or Discount  (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	5,349,274,525	202,342,998

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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 10
8/26/2003	2/17/2009	8/26/2003	2/17/2009	200,000,000	9,600,000	11 12 13
8/26/2003	2/15/2014	8/26/2003	2/15/2014	200,000,000	12,000,000	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	12,159,722	29 30 31
3/24/2005	4/15/2020	3/24/2005	4/15/2020	300,000,000	12,995,000	32
				4,235,557,301	227,731,278	33

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

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			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			18,938
8	Subtotal Account 221 - First Mortgage Bonds	3,175,000,000	149,726,702
9			
10	ACCOUNT 222		
11	None		
12			
13	ACCOUNT 223		
14	Subordinated Deferred Interest Note - Consumers Power Company Financing I	103,092,800	3,079,085
15	Subordinated Deferred Interest Note - Consumers Power Company Financing III	123,711,350	4,018,291
16	Subordinated Deferred Interest Note - Consumers Power Company Financing III	180,412,375	5,572,625
17	Subordinated Deferred Interest Note - Consumers Power Company Financing IV	128,866,000	4,239,936
18			
19	Note Payable - Consumers Funding - LLC # 2	84,000,000	11,423 D
20			8,333
21	Note Payable - Consumers Funding - LLC # 3	31,000,000	6,040 D
22			8,333
23	Note Payable - Consumers Funding - LLC # 4	95,000,000	21,872 D
24			8,333
25	Note Payable - Consumers Funding - LLC # 5	117,000,000	28,148 D
26			8,333
27	Note Payable - Consumers Funding - LLC # 6	115,592,000	30,529 D
28			8,335
29	Subtotal Account 223 - Advances from Associated Companies	978,674,525	17,049,616
30			
31			
32			
33			

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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-Discout 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	149,985,000	6,237,750	1 2 3 4
8/11/2005	9/15/1935	8/11/2005	9/15/1935	175,000,000	3,919,028	5 6 7
				3,174,985,000	149,792,750	8 9 10 11 12 13
1/23/1996	12/31/2015	1/23/1996	12/31/2015		950,531	14
9/11/1997	9/1/2027	9/11/1997	9/1/2027		1,578,007	15
11/4/1999	12/31/2029	11/4/1999	12/31/2029		1,112,543	16
5/31/2001	6/30/1931	5/31/2001	6/30/1931	128,866,000	11,597,940	17 18
11/8/2001	1/20/2006	11/8/2001	1/20/2006		891,364	19 20
11/8/2001	1/20/2007	11/8/2001	1/20/2007	3,447,581	1,410,500	21 22
11/8/2001	1/20/2010	11/8/2001	1/20/2010	95,000,000	4,731,000	23 24
11/8/2001	1/20/2013	11/8/2001	1/20/2013	117,000,000	6,353,100	25 26
11/8/2001	7/20/2015	11/8/2001	7/20/2015	115,592,000	6,658,099	27 28
				459,905,581	35,283,084	29 30 31 32
						33

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

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 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	Long-Term Bank Credit Agreement, Docket No. ES02-36-000 et al., 06/27/03	60,000,000	9,538
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	6-1/2% Due 10/1/28 Docket No. ES98-31-000, 6/8/98	150,000,000	11,237,264
22			12,681,925
23	6.25% Due 9/15/06 Docket No. ES00-28-000, 6/15/00	350,000,000	2,329,665
24			1,064,000 D
25	JP Morgan Revolver - May 2010		
26			
27	Subtotal Account 224 - Other Long-Term Debt	1,195,600,000	35,566,680
28			
29			
30			
31			
32			
33			

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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	2,062,149	1				
						2				
						3				
						4				
						5				
						6				
6/29/1993	6/15/2010	6/29/1993	6/15/2010	27,900,000	843,318	7				
						6/29/1993	6/15/2010	30,000,000	1,012,500	8
						4/14/2005	4/1/1935	35,000,000	707,729	9
				100,827,720	4,248,840	10				
						11				
11/7/2003	11/7/2006	11/7/2003	11/7/2006		151,600	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				
10/1/1998	10/1/2028	10/1/1998	10/1/2028		3,356,567	21				
						22				
9/26/2001	9/15/2006	9/26/2001	9/15/2006		7,024,821	23				
						24				
					721,434	25				
						26				
				600,666,720	42,655,444	27				
						28				
						29				
						30				
						31				
						32				
						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> <tr> <td>Balance, Beginning of Year</td> <td align="right">\$</td> <td align="right">865,895,379</td> </tr> <tr> <td>Additions During the Year</td> <td></td> <td align="right">0</td> </tr> <tr> <td colspan="3">Retirements During the Year:</td> </tr> <tr> <td colspan="3">Subordinated Deferred Interest Notes:</td> </tr> <tr> <td>Consumers Power Company Financing I</td> <td></td> <td align="right">(73,092,800)</td> </tr> <tr> <td>Consumers Power Company Financing II</td> <td></td> <td align="right">(123,711,350)</td> </tr> <tr> <td>Consumers Power Company Financing III</td> <td></td> <td align="right">(180,412,375)</td> </tr> <tr> <td>Note payable-Consumers Funding-LLC #2</td> <td></td> <td align="right">(1,220,854)</td> </tr> <tr> <td>Note payable-Consumers Funding-LLC #3</td> <td></td> <td align="right">(27,552,419)</td> </tr> <tr> <td>Balance, End of Year</td> <td align="right">\$</td> <td align="right"><u>459,905,581</u></td> </tr> </table> <p>NET CHANGES TO ACCOUNT 224, OTHER LONG-TERM DEBT</p> <table> <tr> <td>Balance, Beginning of Year</td> <td align="right">\$</td> <td align="right">1,095,436,983</td> </tr> <tr> <td colspan="3">Additions During the Year:</td> </tr> <tr> <td>Department of Energy - Increase in Spent Nuclear Fuel Liability</td> <td></td> <td align="right">4,248,841</td> </tr> <tr> <td>Michigan Strategic Fund Series 2005</td> <td></td> <td align="right">35,000,000</td> </tr> <tr> <td colspan="3">Retirements During the Year</td> </tr> <tr> <td>Long-Term Bank Debt</td> <td></td> <td align="right">(60,000,000)</td> </tr> <tr> <td>Senior Note</td> <td></td> <td align="right">(141,033,000)</td> </tr> <tr> <td>Senior Note</td> <td></td> <td align="right">(332,250,000)</td> </tr> <tr> <td>Change in Interest Rate Hedges - Net Deferred Gains</td> <td></td> <td align="right">(736,104)</td> </tr> <tr> <td>Balance, End of Year</td> <td align="right">\$</td> <td align="right"><u>600,666,720</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</p> <p>Account 427, Interest on Long-Term Debt, includes \$19,917,884 reversal of previously recorded Interest During Construction on capital expenditures. Account 430, Interest on Debt to Associated Companies, includes interest on short-term debt with associated companies</p>	Balance, Beginning of Year	\$	865,895,379	Additions During the Year		0	Retirements During the Year:			Subordinated Deferred Interest Notes:			Consumers Power Company Financing I		(73,092,800)	Consumers Power Company Financing II		(123,711,350)	Consumers Power Company Financing III		(180,412,375)	Note payable-Consumers Funding-LLC #2		(1,220,854)	Note payable-Consumers Funding-LLC #3		(27,552,419)	Balance, End of Year	\$	<u>459,905,581</u>	Balance, Beginning of Year	\$	1,095,436,983	Additions During the Year:			Department of Energy - Increase in Spent Nuclear Fuel Liability		4,248,841	Michigan Strategic Fund Series 2005		35,000,000	Retirements During the Year			Long-Term Bank Debt		(60,000,000)	Senior Note		(141,033,000)	Senior Note		(332,250,000)	Change in Interest Rate Hedges - Net Deferred Gains		(736,104)	Balance, End of Year	\$	<u>600,666,720</u>
Balance, Beginning of Year	\$	865,895,379																																																													
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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 April 2005, the FERC issued an authorization to permit Consumers to issue to an additional \$1.0 billion (\$2.0 billion in total) of long-term securities for refinancing or refunding purposes, and up to \$1.0 billion (\$2.5 billion in total) of long-term securities for general corporate purposes during the period ending June 30, 2006. Combined with the remaining availability from previously issued FERC authorizations, Consumers can now issue up to:</p> <p>\$876 million of long-term securities for refinancing or refunding purposes, \$1.159 billion of long-term securities for general corporate purposes, and \$1.935 billion of long-term first mortgage bonds to be issued solely as collateral for other long-term securities.</p>
256.2	17,20	c	Gain on Hedge Agreement
256.2	22	c	Loss 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	0	389,000,000	416,000,000	27,000,000	296,160
4	CMS Midland, Inc.	10,000,000	0	0	10,000,000	388,092
5	Consumers Funding LLC	28,218,389	29,596,269	28,773,273	27,395,393	19,705,134
6						
7	TOTAL ACCOUNT 233	38,218,389	418,596,269	444,773,273	64,395,393	20,389,386
8						
9	ACCOUNT 234					
10	Accounts Payable to Associated Companies					
11	CMS Bay Area Pipeline LLC	341,063	3,612,197	3,613,374	342,240	
12	CMS Electric & Gas LLC	601,782	601,782	0	0	
13	CMS Energy Corporation	1,081,123	374,776,888	386,037,265	12,341,500	
14	CMS Energy Resource Management Co.	778	10,327	9,549	0	
15	CMS Enterprises Company	448,916	2,080,214	1,686,302	55,004	
16	CMS Generation Company	0	267	267	0	
17	CMS Midland Holdings Company	0	10,026,556	10,026,556	0	
18	CMS Midland, Inc.	0	8,756,669	8,756,669	0	
19	CMS Resource Development Company	0	1,050	1,150	100	
20	Consumers Campus Holdings LLC	2,567	1,515,573	1,520,852	7,846	
21	Consumers Funding LLC	(135,301)	50,433,954	50,431,196	(138,059)	
22	ES Services Company	215,073	1,656,864	1,441,791	0	
23	Genesee Power Station LP	2,435,754	17,441,089	17,228,127	2,222,792	
24	Grayling Generating Station LP	3,039,852	17,826,503	17,859,375	3,072,724	
25	Midland Cogeneration Venture LP	50,334,244	394,359,662	370,387,701	26,362,283	
26	T.E.S. Filer City Station LP	5,759,522	31,777,624	32,457,898	6,439,796	
27						
28	TOTAL ACCOUNT 234	64,125,373	914,877,219	901,458,072	50,706,226	
29						
30						
31	Line 3 - Purpose: Working Capital					
32	Date of issue: 11-1-04, 11-1-05					
33	Maturity: 10-31-05, 10-31-06, Interest Rate: Variable					
34						
35	Line 4 - Purpose: Working Capital					
36	Date of issue: 12-31-04, 12-30-05					
37	Maturity: 12-31-05, 12-29-06, Interest Rate: Variable					
38						
39	Line 5 - Purpose: Securitization Bond Issuance					
40	Date of issue: 11-08-01					
41	Maturity: Various, Interest Rates: Various					
42						
43	It should be noted that column D may reflect					
44	activity in the accounts which includes estimates					
45						
	TOTAL	102,343,762	1,333,473,488	1,346,231,345	115,101,619	20,389,386

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(Next page is 261A)

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**RECONCILIATION OF REPORTED NET INCOME WITH TAXABLE INCOME FOR FEDERAL INCOME TAXES**

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.

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.

Line No.		TOTAL AMOUNT
1	Utility net operating income (page 114 line 20)	
2	Allocations: Allowance for funds used during construction	
3	Interest expense	
4	Other (specify)	
5	Net income for the year (page 117 line 68)	(96,224,014)
6	Allocation of Net income for the year	
7	Add: Federal income tax expenses	128,183,757
8		
9	Total pre-tax income	31,959,743
10		
11	Add: Taxable income not reported on books:	318,304,173
12		
13		
14		
15	Add: Deductions recorded on books not deducted from return	1,035,368,166
16		
17		
18		
19	Subtract: Income recorded on books not included in return:	112,123,790
20		
21		
22		
23	Subtract: Deductions on return not charged against book income:	815,385,424
24		
25		
26	Federal taxable income for the year	458,122,868

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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.
389,897,563		1
37,971,563		2
(237,811,682)		3
		4
		5
190,057,444	(286,281,458)	6
120,136,361	8,047,396	7
310,193,805	(278,234,062)	8
		9
		10
33,843,437	284,460,736	11
		12
		13
		14
1,034,209,106	1,159,060	15
		16
		17
		18
110,181,944	1,941,846	19
		20
		21
		22
808,146,276	7,239,148	23
		24
		25
459,918,128	(1,795,260)	26

Name of Respondent	This Report Is:	Date of Report	Year of Report
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<b>FOOTNOTE DATA</b>			
Line No.		TOTAL AMOUNT	
11	Add: Taxable income not reported on books		
	Campbell 3 Backup Capacity	264,705	
	Clean Air Allowances - Revenue	4,481,750	
	Contributions in Aid of Construction	21,362,887	
	Equity Earnings in Subs & Branches	284,460,736	
	Interest Income	7,525,398	
	PSCR Underrecovery - 1997 Principle	1,250	
	Service Programs (ASP/Housecalls/Etc)	198,508	
	Wurtsmith Escrow - Interest Income	8,939	
		318,304,173	
15	Add: Deductions recorded on books not deducted from return		
	263A SSCM Non-Inventory - Generation (Sec. 481 Adjustment)	27,903,251	
	263A SSCM Non-Inventory - Non Generation (Sec. 481 Adjustment)	325,987,744	
	263A SSCM - Gas Inventory (Sec. 481 Adjustment)	4,870,182	
	263A SSCM - Electric Inventory (Sec. 481 Adjustment)	761,334	
	Accrued Bonus - EICP Incentive	4,164,700	
	AFUDC - Excess FERC Calc Rate	3,790,251	
	ANR/CE Otisville Agreement	1,764,706	
	ARO Transition/Accretion	572,412	
	Bad Debt Reserve	3,297,390	
	Depreciation - Book (Generation)	65,005,000	
	Depreciation - Book (Includes Computer Software Depr)	266,855,877	
	EISP - Executive Incentive Separation Plan - Deferred Comp	2,027	
	Electric Restructuring Costs - Line 26	6,500,751	
	Executive Compensation - Sec 162(M)	595,000	
	FAS 133 Electric Call Option - Accretion Exp	974,333	
	Fly Ash Trust Fund	31,322	
	Fly Ash Trust Fund - Interest Expense	17,837	
	Hesson Gas Storage	34,894	
	Injuries & Damages	3,222,193	
	Interest During Construction (IDC) - Generation - Tax	17,976,000	
	Interest During Construction (IDC) - Non-Generation - Tax	10,199,000	
	Linepack Adjustment	1,671,726	
	Lobbying and Political Contributions	1,044,000	
	Ludington Settlement - Line 2	948,272	
	Meals & Entertainment - Nondeductible Portion	402,983	
	Midland Amortization - FERC	517,677	
	Nuclear Decommissioning - FERC - Palisades	601,877	
	Nuclear Decommissioning - MPSC - Palisades	3,824,488	
	Nuclear Fuel-Book Amortization	19,078,496	
	OPEB Payments - Contribution Carryover	9,099,480	
	OPEB - Def Service & Interest - Book Expense	46,090,036	
	OPEB - Transition Adj. Book Expense	23,178,603	
	PA 141 Nuclear Security	3,163,578	
	Payroll Taxes Accrued	1,200,166	
	Penalties	4,205	
	Pensions (Including SERP)	48,956,648	
	R&PP Tax-Book Exp Deducted on Prior Yr FIT Return	79,659,000	
	Renewable Energy Reserve	2,321,918	
	Reserve Capacity - Deferred Revenue	853,467	
	Securitized Assets - Book Amortization	43,575,082	
	Stranded Costs - Line 26	4,650,260	
		1,035,368,166	

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<b>FOOTNOTE DATA</b>			
Utility		Other	Line No.
			11
	264,705		
	4,481,750		
	21,362,887		
		284,460,736	
	7,525,398		
	1,250		
	198,508		
	8,939		
	33,843,437		
		284,460,736	
			15
	27,903,251		
	325,987,744		
	4,870,182		
	761,334		
	4,164,700		
	3,790,251		
	1,764,706		
	572,412		
	3,345,535	(48,145)	
	65,005,000		
	266,855,877		
	2,027		
	6,500,751		
	595,000		
	974,333		
	31,322		
	17,837		
	34,894		
	3,222,193		
	17,976,000		
	10,199,000		
	1,671,726		
		1,044,000	
	948,272		
	402,983		
	517,677		
	601,877		
	3,824,488		
	19,078,496		
	9,099,480		
	46,090,036		
	23,178,603		
	3,163,578		
	1,200,166		
		4,205	
	48,956,648		
	79,500,000	159,000	
	2,321,918		
	853,467		
	43,575,082		
	4,650,260		
	1,034,209,106		
		1,159,060	

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**FOOTNOTE DATA**

Line No.		TOTAL AMOUNT
19	Subtract: Income recorded on books not included in return	
	CATV Pole Attachments - Deferred Revenue	105,845
	Gain/(Loss) on CMS Stock	581,192
	GCR Underrecovery - Principal & Interest Income	30,652,023
	Interest Income - Tax Exempt	7,525,398
	MCV Land Rent	18,895
	OPEB Medicare Subsidy - Tax Exempt	16,508,836
	PA 141 Capital Expenditure - Return On	1,852,000
	Partnership Income/(Loss)	42,674
	PSCR Underrecovery - 2005 Principle & Interest	34,510,689
	Regulatory Contingency A	14,419,543
	Regulatory Contingency B	344,664
	SERP Interest Income - Book to Tax	1,299,085
	Stranded Costs	4,262,946
		<b>112,123,790</b>
23	Subtract: Deductions on return not charged against book income	
	Aetna/Blues Reserve	357,907
	AFUDC - Generation (Book)	53,721,586
	AFUDC - Non Generation (Book)	502,223
	Bond Premium, Discount, Expense Amortization	21,003,770
	Charitable Contributions - CP Foundation Commitment	1,000,000
	Cost of Removal - ADR Property - Generation	3,394,000
	Cost of Removal - ADR Property - Non Generation	4,033,000
	Deferred Compensation	3,259,407
	Depreciation - Tax (Generation)	80,475,000
	Depreciation - Tax (Includes Capitalized Computer Software Depr)	276,240,000
	DOE Decommissioning	2,706,483
	Financial Transmission Rights - MTM	650,252
	Gain/Loss on Disposition of ACRS Property - Generation (Book)	12,949,000
	Gain/Loss on Disposition of ACRS Property - Non-Generation (Book)	2,889,000
	Gas Inventory Adjustment	67,214,556
	Injuries & Damages - Environmental Clean-up	5,598,139
	Insurance Recovery - Manufactured Gas Plant (MGP) Sites	1,837,757
	Nuclear Decommissioning Expenditures	9,690,331
	Nuclear Decommissioning - FERC - Big Rock	1,044,670
	Nuclear Fuel Disposal - Dry Cask/Transportation System	7,661,743
	Nuclear Fuel-Tax Amortization	18,916,000
	OPEB - 401H Contribution	2,921,600
	OPEB - Payments - Key Employees	69,417
	OPEB - Payments - Tax	45,475,434
	Outside Services - Accrued Auditing Expense	226,863
	PA 141 - Capital Expenditure - Return of	14,568,000
	PA 141 - Recoverable NOX Costs	6,186,097
	PA 141 - Recoverable SCR Equipment	891,189
	PA 141 - Recoverable Transmission Costs	31,292,186
	Pensions (Including SERP) - Deduction	8,750,400
	Preferred Stock Dividend	671,672
	R&PP Tax-Book Change to Fiscal Yr Method - Adjustment	9,349,226
	R&PP Tax-Next Yr Exp Deducted in Current Yr (Deduction)	85,800,000
	Regulatory Contingency A1 - Interest Expense	2,556,779
	Securitized Assets - Palisades Tax Depreciation	15,051,000
	SEMP - Special Comp - Salaries & Payroll Taxes	6,256,440
	Software - Non-capitalized Current Year Expenditures	9,288,000
	SRO Retention	310,850
	Supplemental Pay-Special Retirement - ERIP	541,057
	Swap Agreements - Deferred Gain	34,390
	Rounding	0
		<b>815,385,424</b>



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	04/19/06	12/31/05
FOOTNOTE DATA			
Utility	Other	Line No. 11	
105,845			
		581,192	
30,652,023			
7,525,398			
		18,895	
16,508,836			
1,852,000			
		42,674	
34,510,689			
14,419,543			
344,664			
		1,299,085	
4,262,946			
110,181,944		1,941,846	
357,907			
53,721,586			
502,223			
19,470,495		1,533,275	
		1,000,000	
3,394,000			
4,025,000		8,000	
3,259,407			
80,475,000			
274,335,000		1,905,000	
2,706,483			
650,252			
12,949,000			
2,889,000			
67,214,556			
5,598,139			
1,837,757			
9,690,331			
1,044,670			
7,661,743			
18,916,000			
2,921,600			
69,417			
45,475,434			
226,863			
14,568,000			
6,186,097			
891,189			
31,292,186			
8,750,400			
622,640		49,032	
9,329,676		19,550	
85,635,000		165,000	
		2,556,779	
15,051,000			
6,256,440			
9,288,000			
310,850			
541,057			
31,879		2,511	
(1)		1	
808,146,276		7,239,148	

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) 04/19/06	Year of Report December 31, 2005
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**Name of Member of the Affiliated Group**

**CMS Energy Corporation**

**Consumers Energy Company**

- CMS Engineering Co.
- CMS Midland Holdings Company
- CMS Midland, Inc.
- Consumers Nuclear Services LLC
- ES Services Company
- MEC Development Corp.

**CMS Enterprises Company**

- EnerBank USA
- CMS Capital Financial Services, Inc.
- Explotaciones CMS Oil and Gas Company

- CMS Land Company
- CMS Special Member Company

**CMS Energy Resource Management Corporation**

- 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 Filer City Operating Company
- CMS Generation Genesee Company
- CMS Generation Grayling Company
- CMS Generation Grayling Holdings Company
- CMS Generation Holdings Company
- CMS Generation Honey Lake Company
- CMS Generation Operating Company
- CMS Generation Recycling Company
- Exeter Management Company

**Hydra-Co Enterprises, Inc.**

- CMS Generation Operating Company II, Inc.
- HCO - Jamaica, Inc.
- CMS Generation Stratton Company
- HCE - Biopower, Inc.
- HCE - Jamaica Development, Inc.
- HCE - Rockfort Diesel, Inc.
- New Bern Energy Recovery, Inc.
- Oxford Tire Recycling, Inc.
- Oxford Tire Supply, 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 2005, current federal income tax expense is allocated as follows:

	In thousands
Consumers Energy Company	\$ 145,782
All other members of the group	\$ (138,751)
CMS Energy Consolidated	<u>\$ 7,031</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) 04/19/06	Year of Report December 31, 2005
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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)	16,107,305	
3	Unemployment (B)	17,341	
4	FICA (B)	1,530,230	
5			
6	TOTAL FEDERAL	17,654,876	0
7			
8	--STATE--		
9	Income (A)	250	
10	Unemployment (B)	52,194	
11	MI Single Business Tax (A)	17,360,727	
12	MPSC Assessment (E)	0	(1,465,182)
13	Surplus Lines Premium Tax	0	
14	State Sales & Use Tax Absorbed By Co (C)	7,400,000	
15			
16	TOTAL STATE	24,813,171	(1,465,182)
17			
18	--LOCAL--		
19	Real & Personal Property (D)	225,463,197	
20	City Income Tax (A)	(23,800)	
21			
22	TOTAL LOCAL	225,439,397	0
23			
24			
25	Account 236 Reconciliation		
26			
27			
28	TOTAL	267,907,444	(1,465,182)

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) 04/19/06	Year of Report December 31, 2005
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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.

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)	
145,781,994	(20,549,985)	(12,485)	141,326,829		1
504,929	(491,143)	0	31,127		2
41,920,500	(40,775,492)	0	2,675,238		3
188,207,423	(61,816,620)	(12,485)	144,033,194	0	4
750	(1,000)	0	0		5
1,534,628	(1,492,731)	0	94,091		6
23,291,310	(19,715,903)	(25,134)	20,911,000		7
5,703,975	(5,931,043)	0	0	(1,692,250)	8
2,147	(2,147)	0	0		9
296,186	(296,186)	0	7,400,000		10
30,828,996	(27,439,010)	(25,134)	28,405,091	(1,692,250)	11
128,418,851	(147,201,945)	19,521,525	226,201,628		12
200	23,600	0	0		13
128,419,051	(147,178,345)	19,521,525	226,201,628	0	14
					15
					16
					17
					18
					19
					20
					21
					22
					23
					24
					25
					26
					27
347,455,470	(236,433,975)	19,483,906	398,639,913	(1,692,250)	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) 04/19/06	Year of Report December 31, 2005
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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	131,265,714	28,212,249	0	(13,695,969)
3	213,644	117,901	0	0
4	17,737,306	9,788,401	0	0
5				
6	149,216,664	38,118,551	0	(13,695,969)
7				
8				
9	0	0	0	750
10	649,328	358,334	0	0
11	16,116,405	6,356,973	0	32,839
12	3,258,336	2,445,639	0	0
13	0	2,147	0	0
14	151,055	145,131	0	0
15				
16	20,175,124	9,308,224	0	33,589
17				
18				
19	94,458,479	33,677,857	0	282,515
20	0	0	0	200
21				
22	94,458,479	33,677,857	0	282,715
23				
24				
25				
26				
27				
28	263,850,267	81,104,632	0	(13,379,665)

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) 04/19/06	Year of Report December 31, 2005
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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
			173,384	3
			14,394,793	4
				5
			14,568,177	6
				7
				8
			0	9
			526,966	10
			785,093	11
			0	12
			0	13
			0	14
				15
			1,312,059	16
				17
				18
			0	19
			0	20
				21
			0	22
				23
				24
				25
				26
				27
0	0	0	15,880,236	28

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	04/19/06	12/31/05
<b>FOOTNOTE DATA</b>			
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.			(12,485)
Total (Ties to Line 6(f))			(12,485)
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.			(25,134)
Total (Ties to Line 16(f))			(25,134)
LOCAL (Line 22(f)):			
1. Adjustment to reflect increase (decrease) in 2005 estimated property tax over 2004 property tax estimate.			4,100,000
2. Real and Personal Property Tax fiscal year adjustments recorded in 174 accounts.			9,349,226
3. Michigan Tax Tribunal property tax refunds of prior years' taxes.			6,072,299
Total (Ties to Line 22(f))			19,521,525
TOTAL ADJUSTMENTS (Ties to Line 28(f))			19,483,906
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 \$5,379,176 for 2005.			
Line 25 - Account 236 Reconciliation			
MPSC Account 236 ending balance			392,821,087
MPSC Account 244 ending balance			6,061,485
MPSC Account 245 ending balance			(242,659)
Page 263, Line 28, Column (g), Total			398,639,913



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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) 04/19/06		Year of Report December 31, 2005	
<b>ACCUMULATED DEFERRED INVESTMENT TAX CREDITS (Account 255)</b>							
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
	(a)		(b)	Account No. (c)	Amount (d)	Account No. (e)	
1	Electric Utility						
2	3%	19,386			411.4	12,367	
3	4%	7,867,587			411.4	434,653	
4	7%						
5	10%	43,089,265			411.4	2,475,631	
6							
7							
8	TOTAL	50,976,238		0		2,922,651	0
9	Other (List separately and show 3%, 4%, 7%, 10% and TOTAL)						
10	Gas Utility						
11	3%	122,961			411.4	50,777	
12	4%	1,062,373			411.4	44,752	
13	7%	585,867			411.4	64,586	
14	10%	16,481,900			411.4	637,786	
15							
16	Total Gas	18,253,101				797,901	
17							
18							
19							
20							
21							
22							
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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) 04/19/06	Year of Report December 31, 2005
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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
7,019	38 years		2
7,432,934	38 years		3
			4
40,613,634	38 years		5
			6
			7
48,053,587			8
			9
			10
72,184	38 years		11
1,017,621	38 years		12
521,281	38 years		13
15,844,114	38 years		14
			15
17,455,200			16
			17
			18
			19
			20
			21
			22
			23
			24
			25
			26
			27
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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) 04/19/06	Year of Report December 31, 2005
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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	7,060,902
2	OPEB Current Obligations	25,198,459
3	Employee Incentive Compensation Plan	20,030,090
4	Accrued Vacation Liability	11,505,816
5	Estimated Cost of Purchased Power	12,063,752
6	Margins Deposits - Electric	100,000
7	Healthcare and Life Insurance Accruals	4,295,135
8	Other Miscellaneous Liabilities (10 Items)	793,425
9	Special Retirement Supplements	1,261,214
10	Environmental Clean-up (35 sites)	2,343,468
11	DOE Decontamination & Decommissioning Fund - Current	2,706,483
12	Ludington Fish Settlement	1,061,470
13	Customer Deposits	1,220,852
14	Hydro Plant Fish Compensation	1,045,460
15	Peoplecare - Customer Contribution	41,615
16	Employee Retention Liabilities	1,144,350
17	Hydro and Ludington FERC fees	985,061
18	Accrued Audit Fees	769,711
19	Deferred Employee Compensation	1,008,532
20	Miscellaneous Payroll Deductions (4 Items)	10,406
21	Oil Avoided Premium Surcharge	6,130,120
22	Accrued Gas Transition	599,096
23	Paid Absence	1,665,998
24	Gas Imbalances	3,823,029
25	<b>TOTAL</b>	<b>106,864,444</b>

**CUSTOMER ADVANCES FOR CONSTRUCTION (Account 252)**

Line No.	List Advances by department (a)	Balance End of Year (b)
26	Electric	36,347,568
27	Gas	159,447
28		
29		
30		
31		
32		
33		
34		
35	<b>TOTAL</b>	<b>36,507,015</b>

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) 04/19/06	December 31, 2005	
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	1,036,899	232	433,489	446,973	1,050,383
2	DOE Decommissioning of Enrichmt Fac	2,611,399	242	2,611,399	0	0
3	Envir Clean-Up Manufactured Gas	37,861,995	182	9,221,074	633,697	29,274,618
4	Adrian Energy Performance Contingency	287,101	242		36,002	323,103
5	Electric Contingency Reserve	46,958,352	Various	24,233,900	2,704,625	25,429,077
6	Transmission Relocation Advance	1,167,113	107	1,267,413	871,882	771,582
7	Backup Capacity Agreement-Campbell 3	1,585,415	447	3,662,691	3,927,396	1,850,120
8	Directors Deferred Compensation Plans	1,370,438	232	1,201,233	591,943	761,148
9	Executive Deferred Compensation Plans	4,341,099	232	3,614,967	1,573,346	2,299,478
10	Intercompany MCV Income (1)	382,630	418	18,895	0	363,735
11	Consumers Energy Foundation Commit	749,549	426	0	49,162	798,711
12	Adv Pymt-Billed Costs	386,695	172\143	419,311	529,895	497,280
13	OIL Insur limited-Premium Liability	6,130,120	242	6,130,120		0
14	Undistr Insurance-Aetna	20,782	134	0	208	20,990
15	Cash Receipts	6,117	Various	314,206,394	314,207,895	7,621
16	Insurance Recovery-MGP	17,050,923	131\925	1,910,967	256,078	15,396,033
17	Deferred ASP Rev-Gas	669,384	488	139,713	338,221	867,892
18	Elec Call Options-Noncurr	8,680,744	242	7,832,223	553,395	1,401,916
19	Gas Contingency	(79,544)	Various	739,611	394,947	(424,208)
20	Deferred Interest-Escrow Agreements	2,697,964	431	3,121,868	2,522,320	2,098,416
21	Interconnection Advances	929,202	107	3,280,594	3,207,679	856,287
22	Deferred Lease Rev-METC	0	454	10,040,900	10,040,900	0
23	Electric Generation Supplier-Deposits	2,816,203	131	0	99,249	2,915,452
24	MGS Refund (Pepl)	96,821	496	96,821	0	0
25	Financial Solutions-Defd Rev	91,988	131\454	5,990	5,015	91,013
26	Deferred Rev-Pole Attachments	1,682,276	454	3,266,957	3,161,117	1,576,432
27	Gas Options	956,772	175\421	3,445,604	3,545,080	1,056,248
28	Reserve Capacity Def Rev 2004	340,609	456	98,450	611,309	853,468
29	Northville Base Gas\Storage	169,362	101	169,362	0	0
30	MiJuns Membership fees	25,315	131	19,863	31,700	37,152
31	FAMS Project	431,351	131	111,900	19,140	338,591
32	Renewable Energy Resources	0	426	0	4,761,933	4,761,933
33	ANR\CE Otisville Agreement	0	131	735,294	2,500,000	1,764,706
34	Entergy Mail-Prepayment	0	131	0	94,026	94,026
35	Minor Items (2 Items less than 10000)	3,621	various	4,621	24,598	23,599
36						
37						
38						
39						
40						
41						
42						
43						
44						
45						
46	TOTAL	141,458,695		402,041,624	357,739,731	97,156,802

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) 04/19/06	Year of Report December 31, 2005
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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	848,227,522	(20,061,338)	32,450,592
3	Gas	305,783,099	(7,701,597)	12,541,024
4	Other (Define)			
5	TOTAL (Enter total of lines 2 thru 4)	1,154,010,621	(27,762,935)	44,991,616
6	Other (Specify)			
7	Non-Utility	1,230,523		
8				
9	TOTAL Account 282 (Enter total of lines 5 thru 8)	1,155,241,144	(27,762,935)	44,991,616
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) 04/19/06	Year of Report December 31, 2005
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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	Amounts Credited to Acct. 411.2	Account Credited	Amount	Account Debited	Amount		
(e)	(f)	(g)	(h)	(i)	(j)	(k)	
							1
		190;282;283	7,774,954	190;282;283	3,247,656	791,188,294	2
		190;282	129,325		20,429	285,431,582	3
							4
0	0		7,904,279		3,268,085	1,076,619,876	5
							6
	(21,105)					1,251,628	7
							8
0	(21,105)		7,904,279		3,268,085	1,077,871,504	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) 04/19/06	Year of Report December 31, 2005
<b>ACCUMULATED DEFERRED INCOME TAXES - OTHER (Account 283)</b>				
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)	918,764	0	42,435
3	Bond Premium, Disc & Exp Amortized	18,499,414	7,867,236	2,593,167
4	Construction OH (FPC 530/MPSC U-5281)	600,476	0	31,608
5	DOE Decommissioning	(129)	0	(129)
6	Other (See Line 49, Page 276A)	474,647,578	63,673,637	54,014,732
7	TOTAL Electric ( total of lines 2 thru 6 )	494,666,103	71,540,873	56,681,813
8	Gas			
9	AFUDC (U-8638)	(5,021)	0	572
10	Bond Premium, Disc & Exp Amortized	5,968,002	3,216,893	1,017,159
11	AFUDC Excess FERC - Gas	(61,523)	(105)	26,680
12	Brownfield Credit - MSBT	1,290,360	0	0
13	Other (See Line 64, Page 276B)	259,492,312	47,117,351	19,994,272
14	TOTAL Gas ( Total of lines 9 thru 13 )	266,684,130	50,334,139	21,038,683
15	Other (Specify) (See Line 78, Page 276B)	52,901,172	0	0
16	TOTAL (Account 283) ( Enter total of lines 7, 14 and 15 )	814,251,405	121,875,012	77,720,496
17	Classification of TOTAL			
18	Federal Income Tax	814,251,405	121,875,012	77,720,496
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) 04/19/06	Year of Report December 31, 2005
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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.
		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)		
							1
				283.176	13,973	862,356	2
		283.124	1,729			23,775,212	3
						568,868	4
						0	5
			10,057,341		4,811,166	489,552,658	6
0	0		10,059,070		4,825,139	514,759,094	7
							8
		282.112	19,895			14,302	9
		283.124	63			8,167,799	10
		282.112	109,430			21,122	11
						1,290,360	12
					3,093,273	283,522,118	13
0	0		129,388		3,093,273	293,015,701	14
1,869,596	633,215		14,582,861		1,142,512	67,577,902	15
1,869,596	633,215		24,771,319		9,060,924	875,352,697	16
							17
1,869,596	633,215		24,771,319		9,060,924	875,352,697	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) 04/19/06	Year of Report December 31, 2005
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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	(228,812)	(123,364)	1,176,439
23	Big Rock Decommissioning Plan Development	0	33,847	0
24	Big Rock Site Restoration	0	2,620,359	0
25	Big Rock Decommissioning-Spent Fuel Storage	20,833,164	719,356	0
26	Brownfield Credit - MSBT	1,514,771	0	0
27	Electric Restructuring Implementation Project (ERIP)	28,270,972	3,262,271	5,537,535
28	FAS133-Call Options	243,994	0	0
29	FAS133-Fuel Options	0	0	0
30	Financial Transmission Rights MTM	0	304,903	77,315
31	Greenpower Reprogram Costs	108,859	0	0
32	Ludington Settlement	(93,972)	75,129	407,024
33	Midland Amort - FERC (U-8776)	2,677,343	0	140,913
34	OPEB Regulatory Asset	33,172,216	656,040	4,307,110
35	PA 141 Sec 10(D)3 Capital Expend-Return of	9,923,900	5,098,800	0
36	PA 141 Sec 10(D)3 Capital Expend-Return on	39,527,250	648,200	0
37	PA 141 Sec 10(D)3 Costs-Palisades Security	4,002,718	956,876	2,064,127
38	PA 141 Sec 10(D)3 Costs-Recoverable SCR Equipment	146,485	325,894	13,978
39	PA 141 Sec 10(D)3 Costs-Recoverable NOX Costs	1,120,657	1,550,639	(616,022)
40	PA 141 Sec 10(D)3 Costs-Recoverable Transmission Cost	984,321	4,708,448	(6,242,293)
41	Potential Audit Deficiency	534,692	0	0
42	Prepaid Pension Expense	86,933,713	0	11,447,677
43	PSCR Underrecovery (U-10445)	65,800	10,331,513	(1,746,789)
44	Real & Personal Property Taxes (U-5584)	36,711,253	25,413,264	21,599,675
45	Securitized Regulatory Assets	175,691,535	5,275,180	15,251,279
46	Stranded Costs	22,106,344	(108,980)	26,580
47	Reg Asset-Transmission Assets	9,881,742	1,628,844	570,184
48	Sec 263A Adj Fuel Supply Inventory	(29,952)	296,418	0
49	SFAS 109 - Accumulated DFIT Liab - Midland Abandonment	548,585	0	0
50	Total Electric Other	474,647,578	63,673,637	54,014,732

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) 04/19/06	Year of Report December 31, 2005
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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.
		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)		
		283.082/282.110	118,720			(1,409,895)	21
		282.111	1,483,429			1,517,276	22
		283.196	2,421,679			5,042,038	23
				282.111	3,172,133	18,380,387	24
						1,514,771	25
						25,995,708	26
						243,994	27
						0	28
						227,588	29
						108,859	30
						(425,867)	31
						2,536,430	32
						29,521,146	33
						15,022,700	34
						40,175,450	35
						2,895,467	36
						458,401	37
				283.192	1,523	3,285,795	38
		283.191	1,523			11,936,585	39
						534,692	40
						75,486,036	41
						12,144,102	42
						40,524,842	43
		282.111	6,031,990			171,747,426	44
						21,970,784	45
				192.102	1,628,844	9,311,558	46
						266,466	47
				286.103	8,666	539,919	48
			10,057,341		4,811,166	489,552,658	49
							50

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) 04/19/06	Year of Report December 31, 2005
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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)
51	Gas Other (Detail of Line 16)			
52	Customer Choice-Deferred Expense	206,637	0	0
53	Gas Cost Recovery - Under Recovery 2003	0	12,286,805	1,558,597
54	Gas Inventory Adjustment	125,616,779	23,525,094	1,344,076
55	Hesson Gas Storage Field Inventory Adj	2,889,682	(12,213)	0
56	I&D MGP - Environmental Remediation	9,323,863	2,041,212	0
57	Manufactured Gas Plants Environmental Clean-up	13,251,699	0	0
58	OPEB Regulatory Asset	27,632,655	366,520	3,805,401
59	Potential Audit Deficiency	534,692	0	0
60	Prepaid Pension Expense	38,945,745	0	5,678,512
61	Real & Personal Property Taxes (U-5584)	13,463,252	8,909,933	7,607,686
62	Take or Pay Order 500	27,627,308	0	0
63	Total Gas Other	259,492,312	47,117,351	19,994,272
64				
65	Other (Detail of line 18):			
66	Bond Premium, Discount & Expense Amortized	2,933,429		
67	Dow Chemical (U-8448)	1,002,022		
68	FAS 115 - CMS Stock	4,990,497		
69	FAS 115 - Nuclear Decommissioning	38,376,480		
70	FAS 115 - SERP	1,872,537		
71	Marysville Deferred Gain - Basis	3,391,409		
72	Midland Abandonment Allocated to Bechtel (U-9096)	(519,247)		
73	Midland Demobilization (U-8448)	6,667		
74	Midland Land (U-9096)	9,425		
75	Real & Personal Property Taxes (U-5584)	127,840		
76	SERP Plan Assets-Interest Income	710,113		
77	Total Other	52,901,172	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) 04/19/06	Year of Report December 31, 2005
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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.
		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)		
							51
						206,637	52
						10,728,208	53
						147,797,797	54
						2,877,469	55
				190.135	87,691	11,277,384	56
				190.137	3,005,582	10,246,117	57
						24,193,774	58
						534,692	59
						33,267,233	60
						14,765,499	61
						27,627,308	62
0	0		0		3,093,273	283,522,118	63
							64
							65
1,449,962	316,697					4,066,694	66
						1,002,022	67
		219.002	3,018,834			8,009,331	68
		190.142	11,486,523	190.141/152	1,142,512	48,720,491	69
		219.004	77,504			1,950,041	70
84,338						3,475,747	71
						(519,247)	72
						6,667	73
						9,425	74
52,731	43,788					136,783	75
282,565	272,730					719,948	76
1,869,596	633,215		14,582,861		1,142,512	67,577,902	77

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) 04/19/06	Year of Report December 31, 2005
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**OTHER REGULATORY LIABILITIES**

- 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).
- For regulatory liabilities being amortized, show period of amortization in column (a).
- Minor items (amounts less than \$50,000) may be grouped by classes.
- Give the number and name of the account(s) where each amount is recorded.

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			1,611,877	5,023,594
2	Gain on Sale of METC				3,850,000
3	AFUDC Deficient from FERC Rate			2,682,460	4,234,623
4	FAS 143 ARO Liability	108/182/411	25,571,078	26,803,185	164,981,967
5	SFAS 109 Regulatory Liability			85,638,410	481,370,123
6					
7					
8					
9					
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					
38					
39	TOTAL		25,571,078	116,735,932	659,460,307

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) 04/19/06	Year of Report December 31, 2005
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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 -- 18 sales				
4	under \$100,000 original cost	179,771		295,442	
5					
6	NON-UTILITY LAND SALES -- 1 sale				
7	with original cost < \$100,000	291		45,000	
8					
9	NON-UTILITY				
10	Sale of Charlotte Service Center:				
11	Service Center	984,315			
12	Land	28,143		30,000	
13					
14	Adjust gain on METC sale (Electric				
15	Transmission System)			(111,867)	
16					
17	Total Gain	1,192,520		258,575	

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) 04/19/06	Year of Report December 31, 2005
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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 -- 67 sales under				
21	\$100,000 original cost	329,020			388,325
22					
23					
24					
25					
26					
27					
28					
29					
30					
31					
32					
33					
34	Total Loss	329,020			388,325



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) 04/19/06	December 31, 2005
<b>PARTICULARS CONCERNING CERTAIN OTHER INCOME ACCOUNTS</b>			
<p>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.</p> <p>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.</p> <p>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.</p> <p>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.</p> <p>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.</p> <p>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.</p> <p>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.</p>			
Line No.	Item (a)	Amount (b)	
	REV FROM MERCHANDISING, JOBBING AND CONTRACT WORK-ACCT 415		
1	Gas Fuel Line Installation	466,467	
2	Joint Trench Revenue	14,585,212	
3	Michigan Electric Transmission Company Revenue	29,732,193	
4	Gas Meters Covers	22,928	
5	Water Meter Reading	283,619	
6	Lab Commercial Services\Calibration and Analytical Testing	995,125	
7	Gas T&S Operation\Maintenance of Third Party Equipment	916,683	
8	Other	124,095	
9	Total	47,126,322	
10			
11	COSTS AND EXPENSES OF MERCHANDISING, JOBBING AND CONTRACT-416		
12	Gas Fuel Line Installation	(410,257)	
13	Joint Trench Expense	(11,914,869)	
14	Michigan Electric Transmission Company Expense	(23,026,813)	
15	Gas Meters Covers	(8,365)	
16	Water Meter Reading Expense	(276,134)	
17	Labor Commercial Services\Calibration Analytic Testing Expense	(933,281)	
18	Gas T&S Operation\Maintenance of Third Party Equipment Expense	(609,874)	
19	Other	(101,979)	
20	Total	(37,281,572)	
21			
22	REVENUES AND EXPENSES RELATING TO NONUTILITY OPS-417 AND 417.1		
23	Revenues	2,125,080	
24	Expenses	(1,563,863)	
25	Total Revenues and Expenses Relating to Nonutility Operations	561,217	
26			
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) 04/19/06	Year of Report December 31, 2005
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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	123,304
31	Approximately 11 parties	
32	MCV-(Assoc Co)	
33	Land Lease	600,000
34	Amortization	18,896
35		742,200
36	EQUITY EARNINGS IN SUBSIDIARY COMPANIES-ACCOUNT 418.1	
37	ES Services Co	(40,122)
38	CMS Engineering	(16,436)
39	CMS Midland, INC	(309,635,122)
40	CMS Midland Holdings	24,657,844
41	CE Finance I-IV	468,877
42	Campus Holdings	(10,275)
43	Saginaw Investment	620,620
44	CE Nuclear Services	(37,245)
45	Total	(283,991,859)
46		
47	INTEREST AND DIVIDEND INCOME-ACCOUNT 419	
48	WPS Secured Borrowing-Account 141	1,598,992
49	Investments Included in Accounts 123, 124 & 136	8,588,142
50	Notes and Accounts Receivable	635,306
51	Interest Income-Associated & Subsidiary Companies-Account 146	252,793
52	SERP Interest-Account 128	1,854,325
53	Gas Margin	288,628
54	GCR Interest Income	652,342
55	Topper IV Trust	1,948,668
56	JP Morgan Waste Disposal-PCRB	754,547
57	Other	259,020
58	Total Interest And Dividend Income	16,832,763
59		
60	ALLOWANCE FOR OTHER FUNDS USED DURING CONSTRUCTION-419.1	16,252,245
61		
62	MISCELLANEOUS NONOPERATING INCOME-ACCOUNT 421	
63	Royalties and Working Interest From Oil and Gas Leases	1,371,562
64	MTM Gain\Loss on FTR's	650,252
65	Cost of money-Electric Restructuring	6,218,983
66	AFUDC	(3,710,377)
67	Bill Payment Fees	2,003,538
63	PA 141: Return on Capital Exp	3,650,954
64	Return on Security Costs	1,831,859
65	Return on Stranded Costs	4,262,946
66	Gain on CMS Stock Held by CE	581,192
67	Other	916,833
68	Total Miscellaneous Nonoperating Income	17,777,742

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) 04/19/06	Year of Report December 31, 2005
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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	258,575
71		
72	LOSS ON DISPOSITION OF PROPERTY-ACCOUNT 421.2	
73	See page 280b for details	(388,325)
74		
75		
76		
77		
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107		
108	Total Other Income	(222,110,692)

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) 04/19/06	12/31/05
<b>ELECTRIC OPERATING REVENUES (Account 400)</b>				
<p>1. Report below operating revenues for each prescribed account.</p> <p>2. 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.</p> <p>3. 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.</p>				
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	1,069,385,896	996,750,374	
3	(442) Commercial and Industrial Sales			
4	Small (or Commercial)	844,878,127	817,839,440	
5	Large (or Industrial)	532,989,619	527,064,400	
6	(444) Public Street and Highway Lighting	23,203,135	23,063,179	
7	(445) Other Sales to Public Authorities			
8	(446) Sales to Railroads and Railways			
9	(448) Interdepartmental Sales	3,223,810	3,179,000	
10	(449) Other Sales			
11				
12	TOTAL Sales to Ultimate Consumers	2,473,680,587	2,367,896,393	
13				
14	(447) Sales for Resale	64,205,542	115,757,563	
15	TOTAL Sales of Electricity	2,537,886,129 *	2,483,653,956	
16				
17	(Less) (449.1) Provision for Rate Refunds	(49,573,728)	3,792,355	
18	TOTAL Revenue Net of Provision for Refunds	<b>2,587,459,857</b>	<b>2,479,861,601</b>	
19	Other Operating Revenues			
20	(450) Forfeited discounts	9,305,327	8,967,526	
21	(451) Miscellaneous Service Revenues	1,858,046	2,378,060	
22	(453) Sales of Water and Water Power			
23	(454) Rent from Electric Property	21,871,638	21,472,797	
24	(455) Interdepartmental Rents			
25	(456) Other Electric Revenues	35,187,803	30,099,090	
26				
27				
28				
29				
30	TOTAL Other Operating Revenues	68,222,814	62,917,473	
31				
32	TOTAL Electric Operating Revenues	<b>2,655,682,671</b>	<b>2,542,779,074</b>	

Name of Respondent Consumers Energy Company	This Report Is: (1) [ ] An Original (2) [ X ] A Resubmission	Date of Report (Mo, Da, Yr) 08/09/06	Year of Report 12/31/05
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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)	
13,286,010	12,346,200	1,558,388	1,542,527	1
				2
				3
11,220,743	10,785,207	210,333	208,015	4
9,684,905	9,677,929	8,504	8,576	5
181,024	181,710	1,959	1,762	6
				7
				8
49,050	48,272			9
				10
				11
34,421,732	33,039,318	1,779,184	1,760,880	12
4,091,499	2,941,428	2	4	13
				14
38,513,231 **	35,980,746	1,779,186	1,760,884	15
				16
				17
38,513,231	35,980,746	1,779,186	1,760,884	18

\* Include \$ (12,121,051) unbilled revenues.

\*\* Includes (88,829) MWH relating to unbilled revenues.

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) 04/19/06	Year of Report 12/31/05
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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	MWh Sold	Revenue	Avg. No. of Customers	KWh of Sales per Customer	Revenue per KWh Sold
	(a)	(b)	(c)	(d)	(e)	(f)
1	RESIDENTIAL					
2						
3	A-1 RESIDENTIAL SERVICE	12,690,360	1,018,431,062	1,447,585	8,767	0.0803
4	A-3 TIME-OF DAY FARM & SH	45,143	3,068,253	1,505	29,995	0.0680
5	A-4 ALTERNATE RESIDENCE	316,201	31,786,239	96,587	3,274	0.1005
6	A-5 FARM	279,855	21,081,576	12,711	22,017	0.0753
7	UNBILLED REVENUE	(45,549)	(4,981,274)			0.1094
8	RENEWABLE ENERGY					
9	PLANNED LOAD MGMNT					
10	SECURITIZATION SAVINGS RES					
11	SURCHARGE 1997 PSCR					
12	5% RATE REDUCTION					
13	ERIP					
14	SECURITY		37			
15	DIRECT CREDITS TO 44X ACCTS		3			
16						
17	TOTAL RESIDENTIAL	13,286,010	1,069,385,896	1,558,388	8,525	0.0805
18						
19	COMMERCIAL					
20						
21	B-GENERAL SECONDARY	2,512,280	262,041,535	172,680	14,549	0.1043
22	C-GENERAL SECONDARY	4,336,850	332,388,913	24,905	174,136	0.0766
23	B-1 GENERAL PRIMARY SERV	215,868	18,139,307	447	482,926	0.0840
24	D-PRIMARY SERVICE	2,726,549	165,126,247	1,082	2,519,916	0.0606
25	F-PRIMARY HI-LOAD FACTOR	457,767	25,468,946	121	3,783,198	0.0556
26	GH-ELECTRIC HEATING SERV	42,651	3,877,341	1,315	32,434	0.0909
27	H-WATER HEATING SERVICE	5,811	474,422	540	10,761	0.0816
28	R-1 SECONDARY RESALE	297	25,907	6	49,500	0.0872
29	R-2 SECONDARY RESALE	8,728	632,377	24	363,667	0.0725
30	R-3 PRIMARY RESALE SERV	270,703	16,588,842	61	4,437,754	0.0613
31	UR-UNMETERED SERVICE	103,600	6,316,219	402	257,711	0.0610
32	PS-1 SECONDARY PUBLIC	65,984	5,315,008	3,270	20,179	0.0806
33	PS-2 PRIMARY PUBLIC PUMP	69,853	4,666,108	323	216,263	0.0668
34	PS-3 OPT PRIMARY PUBLIC	396,658	20,437,071	117	3,390,239	0.0515
35	L-4 COM OUTDOOR LIGHTING	15,175	2,399,156	5,040	3,011	0.1581
36	UNBILLED REVENUE	(26,913)	(4,830,848)			0.1795
37	RENEWABLE ENERGY					
38	PLANNED LOAD MGMNT		(372,217)			
39	SECURITIZATION SAVINGS		9,969,413			
40	SECURITIZATION SAVINGS		(12,569,004)			
41						
42	Total Billed	34,510,276	2,488,534,391			0.0721
43	Total Unbilled Rev. (See Instr. 6)	(88,544)	5,085,023			(0.0574)
44	TOTAL	34,421,732	2,493,619,414	0	0	0.0724

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) 04/19/06	Year of Report 12/31/05
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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	MWh Sold	Revenue	Avg. No. of Customers	KWh of Sales per Customer	Revenue per KWh Sold
	(a)	(b)	(c)	(d)	(e)	(f)
1	SURCHARGES 1997 PSCR					
2	ERIP					
3	SECURITY		2,669			
4	SPECIAL CONTRACT DISC		(1,602,284)			
5	DIRECTLY CREDITED TO 44X		(10)			
6						
7	TOTAL COMMERCIAL	11,201,861	854,495,118	210,333	53,258	0.0763
8						
9	INDUSTRIAL					
10						
11	B-GENERAL SECONDARY	319,085	31,927,052	5,503	57,984	0.1001
12	C-GENERAL SECONDARY	641,467	51,081,913	1,526	420,358	0.0796
13	CG-COGEN & SMALL POWER	31,514	1,783,504	9	3,501,556	0.0566
14	B-1 GENERAL PRIMARY SERVICE	173,919	14,504,227	318	546,915	0.0834
15	D-PRIMARY SERVICE	4,492,508	265,316,152	877	5,122,586	0.0591
16	F-PRIMARY HI-LOAD FACTOR	578,853	28,957,737	22	26,311,500	0.0500
17	GH-ELECTRIC HEATING SERV	485	44,294	21	23,095	0.0913
18	H-WATER HEATING SERVICE	16	1,419	3	5,333	0.0887
19	I-PRIMARY INTERRUPTIBLE	15,606	772,744	1	15,606,000	0.0495
20	J-PRIMARY ELECE FURNACE	77,325	4,246,372	10	7,732,500	0.0549
21	J-1 ALTERNATE METAL MELT	278,236	13,382,484	6	46,372,667	0.0481
22	R-3 PRIMARY RESALE SERV	10,355	630,345	1	10,355,000	0.0609
23	L-4 IND OUTDOOR LIGHTING	869	130,021	180	4,828	0.1496
24	SPECIAL CONTRACTS	3,099,414	131,519,874	27	114,793,111	0.0424
25	UNBILLED REVENUE	(15,866)	(2,342,508)			0.1476
26	RENEWABLE ENERGY		26			
27	PLANNED LOAD MGMNT		(700,961)			
28	SECURITIZATION SAVINGS		9,969,413			
29	SECURITIZATION SAVINGS		(7,911,733)			
30	SURCHARGES 1997 PSCR					
31	ERIP					
32	SECURITY		(999)			
33	DIRECTLY CREDITED TO 44X		79			
34						
35	TOTAL INDUSTRIAL	9,703,786	543,311,455	8,504	1,141,085	0.0560
36						
37						
38	PUBLIC STREET & HIGHWAY					
39						
40	L-1 ENERGY ONLY	21,300	1,406,835	312	68,269	0.0660
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) 04/19/06	Year of Report 12/31/05
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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	L-2 CUSTOMER OWNED	813	65,607	35	23,229	0.0807
2	L-3 COMPANY OWNED	134,603	20,571,011	1,611	83,552	0.1528
3	SPECIAL CONTACT GR	24,308	1,350,623	1	24,308,000	0.0556
4	UNBILLED REVENUE					
5	RENEWABLE ENERGY					
6	PLANNED LOAD MGMNT					
7	SECURITIZATION SAVINGS					
8	SECURITIZATION SAVINGS		(190,945)			
9	SURCHARGES 1997 PSCR					
10	ERIP					
11	SECURITY		3			
12	DIRECTLY CREDITED TO 44X		1			
13						
14	TOTAL STREET LIGHTING	181,024	23,203,135	1,959	92,406	0.1282
15						
16						
17	INTERDEPARTMENTAL SALES					
18						
19	INTERDEPARTMENTAL	49,266	3,249,330			0.0660
20	UNBILLED REVENUE	(216)	(25,626)			0.1186
21	RENEWABLE ENERGY					
22	PLANNED LOAD MGMNT					
23	SECURITIZATION SAVINGS					
24	SURCHARGES 1997 PSCR					
25	ERIP					
26	SECURITY		104			
27	DIRECTLY CREDITED TO 44X		2			
28						
29	TOTAL INTERDEPARTMENTAL	49,050	3,223,810			0.0657
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		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) 04/19/06	12/31/05
FOOTNOTE DATA					
Page Number (a)	Item Number (b)	Column Number (c)	Comments (d)		
304	1	C	ESTIMATED REVENUE FROM FUEL ADJUSTMENT CLAUSES		
			A-1	29,427,415	
			A-3	110,197	
			A-4	737,962	
			A-5	643,426	
			B	13,844,473	
			C	24,300,298	
			B-1	1,912,212	
			D	35,253,463	
			F	5,222,379	
			GH	233,455	
			H	28,621	
			I	91,892	
			J	376,976	
			J-1	1,369,876	
			CG	157,657	
			R-1	(1,075)	
			R-2	11,978	
			R-3	1,289,399	
			UR	508,244	
			PS-1	328,604	
			PS-2	339,306	
			PS-3	1,912,744	
			L-1	112,863	
			L-2	4,258	
			L-3	705,130	
			L-4	84,569	
			SPECIAL CONTRACT - GR	123,875	
			SPECIAL CONTRACTS	751,155	
			INTERDEPARTMENTAL	241,644	
			TOTAL EST REVENUE FROM FUEL ADJUSTMENT CLAUSES PRIOR TO EFFECTS OF UNBILLED SALES	120,122,996	
			PROVISION FOR RATE REFUNDS	49,586,620	
			ESTIMATED AMOUNT OF UNBILLED REVENUE ATTRIBUTABLE TO FUEL CLAUSE REVENUE	(5,103,771)	
			TOTAL ESTIMATED REVENUE FROM FUEL ADJUSTMENT CLAUSES	164,605,845	
304	42	C	TOTAL UNBILLED REVENUE	(12,180,256)	
			RENEWABLE ENERGY	26	
			PLANNED LOAD MGMT	(1,073,178)	
			SECURITIZATION SAVINGS RESERVE	19,938,826	
			SECURITY	1,814	
			SPECIAL CONTRACT DISCOUNT COMMERCIAL	(1,602,284)	
			DIRECTLY CREDITED TO 44X	75	
				5,085,023	

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) 04/19/06	Year of Report December 31, 2005
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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		31	31
3	Edison Sault	RQ	1		20	20
4						
5	Unbilled	RQ				
6						
7						
8						
9						
10						
11						
12						
13						
14						
	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) 04/19/06	Year of Report 12/31/05
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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)	
				0	1
251,206	5,609,760	4,551,784		10,161,544	2
175,200	2,949,200	2,507,374		5,456,574	3
				0	4
(285)		59,203		59,203	5
				0	6
				0	7
				0	8
				0	9
				0	10
				0	11
				0	12
				0	13
				0	14
426,121	8,558,960	7,118,361	0	15,677,321	
3,665,378	1,068,668	41,620,911	5,838,642	48,528,221	
4,091,499	9,627,628	48,739,272	5,838,642	64,205,542	

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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	INTERRUPTIBLE					
2	Alpena	OS	1		20	12
3	Edison Sault	OS	1		0	0
4						
5						
6						
7						
8						
9						
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) 04/19/06	Year of Report 12/31/05
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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)	
				0	1
41,624	582,669	1,854,978		2,437,647	2
				0	3
				0	4
				0	5
				0	6
				0	7
				0	8
				0	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) 04/19/06	Year of Report December 31, 2005
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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	INTERSYSTEM SALES					
2	Campbell 3 (backup)					
3	Wolverine Power Supply Cooperative	OS	7,9,48			
4	Michigan Public Power Agency Backup	OS	7,47,71,72			
5	Michigan Municipals & Co Ops					
6	Holland Board of Public Works	OS	7,9			
7	Michigan South Central Power Agency	OS	7,9,55			
8	Third Parties					
9	Ontario Power Generation	OS	9			
10	The Detroit Edison Company	OS	9			
11	American Electric Power Service Comp	OS	3,9,23			
12	Northern Indiana Public Service Comp	OS	7,9,45			
13	Ameren Energy	OS	9			
14	Entergy-Koch Trading	OS	9			

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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.

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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
				0	2
18,480	140,021	622,886		762,907	3
38,493	345,978	1,186,348		1,532,326	4
				0	5
4,142		234,061		234,061	6
405		25,684		25,684	7
				0	8
20,960		826,144		826,144	9
26,481		1,806,062		1,806,062	10
3,106		212,439		212,439	11
14,645		747,904		747,904	12
350		15,700		15,700	13
5,630		261,902		261,902	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) 04/19/06	Year of Report December 31, 2005
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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:

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**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	Exelon Generating	OS	8			
2	Coral Power	OS				
3	Carolina Power & Light	OS	9			
4	Cinergy Services	OS	8,9			
5	Constellation Power Source	OS	8			
6	Cargill Power Markets	OS	7,9			
7	Duke Energy Trading & Marketing	OS	9			
8	Dayton Power & Light	OS	9			
9	DTE Energy Trading	OS	9			
10	Dynegy	OS				
11	Engage Energy America	OS	9			
12	PP&L Energy Plus	OS				
13	First Energy Solutions	OS	2,8,22			
14	Louisville Gas & Electric Energy Corp	OS	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) 04/19/06	Year of Report 12/31/05
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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).

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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).

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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).

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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
				0	2
				0	3
13,525		808,023		808,023	4
17,475		821,873		821,873	5
19,180		670,164		670,164	6
14,713		1,281,795		1,281,795	7
150		7,350		7,350	8
33,039		1,469,710		1,469,710	9
2,240		304,575		304,575	10
1,404		122,148		122,148	11
				0	12
4,551		295,308		295,308	13
250		12,100		12,100	14

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**SALES FOR RESALE (Account 447)**

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					Avg. Monthly NCP Demand (e)	Avg. Monthly CP Demand (f)
1	Mirant Americas Energy Marketing	OS				
2	Transalta	OS	9			
3	Tenaska Power Services	OS	7			
4	Tennessee Valley Authority	OS				
5	Wisconsin Electric Power	OS	8,9			
6	Other Sales	OS	9			
7	CMS Marketing Services & Trading	OS				
8	Split Rock Energy					
9	PJM					
10	Wolverine Power Supply					
11	Midwest ISO					
12						
13	Intersystem Ancillary					
14	Ancillary Services - METCO					

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) 04/19/06	Year of Report 12/31/05
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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.

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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)	
23,160		744,080		744,080	1
6,966		230,688		230,688	2
(17,929)		(623,191)		(623,191)	3
				0	4
200		11,500		11,500	5
		49,078		49,078	6
154,626		5,579,981		5,579,981	7
				0	8
3,806		217,081		217,081	9
2,267		98,158		98,158	10
3,211,439		21,726,382		21,726,382	11
				0	12
			5,838,642	5,838,642	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) 04/19/06	Year of Report 12/31/05
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**FOOTNOTE DATA**

Page Number (a)	Item Number (b)	Column Number (c)	Comments (d)
310.4	11	a	MISO energy market transactions were recorded on a net daily basis in 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) 04/19/06	December 31, 2005
<b>ELECTRIC OPERATION AND MAINTENANCE EXPENSES</b>				
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	<b>1. POWER PRODUCTION EXPENSES</b>			
2	<b>A. Steam Power Generation</b>			
3	Operation			
4	(500) Operation Supervision and Engineering	16,169,214	15,101,249	
5	(501) Fuel	434,758,492	305,563,127	
6	(502) Steam Expenses	14,086,570	13,452,097	
7	(503) Steam from Other Sources			
8	(Less) (504) Steam Transferred - CR.			
9	(505) Electric Expenses	9,114,451	8,563,900	
10	(506) Miscellaneous Steam Power Expenses	9,341,545	8,606,745	
11	(507) Rents			
12	Allowances	8,207,640	3,810,149	
13	TOTAL Operation ( Enter Total of Lines 4 thru 12 )	491,677,912	355,097,267	
14	Maintenance			
15	(510) Maintenance Supervision and Engineering	6,314,633	5,961,842	
16	(511) Maintenance of Structures	6,808,673	5,202,336	
17	(512) Maintenance of Boiler Plant	29,233,842	30,013,572	
18	(513) Maintenance of Electric Plant	10,546,778	14,198,452	
19	(514) Maintenance of Miscellaneous Steam Plant	2,525,524	2,233,259	
20	TOTAL Maintenance ( Enter Total of Lines 15 thru 19 )	55,429,450	57,609,461	
21	TOTAL Power Production Expenses-Steam Power ( Total of lines 13 & 20 )	547,107,362	412,706,728	
22	<b>B. Nuclear Power Generation</b>			
23	Operation			
24	(517) Operation Supervision and Engineering	10,637,427	13,806,240	
25	(518) Fuel	25,131,764	19,724,960	
26	(519) Coolants and Water	4,907,396	4,676,138	
27	(520) Steam Expenses	10,878,831	12,428,650	
28	(521) Steam from Other Sources			
29	(Less) (522) Steam Transferred - CR			
30	(523) Electric Expenses	5,326,073	5,599,915	
31	(524) Miscellaneous Nuclear Power Expenses	36,850,612	37,157,559	
32	(525) Rents	840,665	598,360	
33	TOTAL Operation ( Enter Total of lines 24 thru 32 )	94,572,768	93,991,822	
34	Maintenance			
35	(528) Maintenance Supervision and Engineering	9,158,893	11,101,926	
36	(529) Maintenance of Structures	913,639	855,567	
37	(530) Maintenance of Reactor Plant Equipment	7,719,016	27,894,724	
38	(531) Maintenance of Electric Plant	3,795,250	7,485,874	
39	(532) Maintenance of Miscellaneous Nuclear Plant	3,170,567	3,480,625	
40	TOTAL Maintenance ( Enter Total of Lines 35 thru 39 )	24,757,365	50,818,716	
41	TOTAL Power Production Expenses-Nuclear Power ( Total of lines 33 & 40 )	119,330,133	144,810,538	
42	<b>C. Hydraulic Power Generation</b>			
43	Operation			
44	(535) Operation Supervision and Engineering	726,517	721,428	
45	(536) Water for Power	1,093,952	1,089,259	
46	(537) Hydraulic Expenses	2,573,488	1,627,449	
47	(538) Electric Expenses	1,585,829	1,491,287	
48	(539) Miscellaneous Hydraulic Power Generation Expenses	1,035,224	1,019,714	
49	(540) Rents	2,142	84	
50	TOTAL Operation ( Enter Total of Lines 44 thru 49 )	7,017,152	5,949,221	

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) 4/19/2006	December 31, 2005
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	<b>C. Hydraulic Power Generation (Continued)</b>			
52	Maintenance			
53	(541) Maintenance Supervision and Engineering	381,146	317,899	
54	(542) Maintenance of Structures	403,331	277,542	
55	(543) Maintenance of Reservoirs, Dams, and Waterways	1,312,988	1,554,467	
56	(544) Maintenance of Electric Plant	1,944,462	1,887,409	
57	(545) Maintenance of Miscellaneous Hydraulic Plant	1,067,342	842,789	
58	TOTAL Maintenance ( Total of Lines 53 thru 57 )	5,109,269	4,880,106	
59	TOTAL Pwr. Production Expenses-Hydraulic Pwr.( Total of lines 50 & 58 )	12,126,421	10,829,327	
60	<b>D. Other Power Generation</b>			
61	Operation			
62	(546) Operation Supervision and Engineering	156,974	171,275	
63	(547) Fuel	8,572,397	1,455,873	
64	(548) Generation Expenses	225,642	174,785	
65	(549) Miscellaneous Other Power Generation Expenses	57,834	55,262	
66	(550) Rents			
67	TOTAL Operation ( Total of Lines 62 thru 66 )	9,012,847	1,857,195	
68	Maintenance			
69	(551) Maintenance Supervision and Engineering	149,029	153,125	
70	(552) Maintenance of Structures	5,766	18,717	
71	(553) Maintenance of Generating and Electric Plant	779,652	1,196,432	
72	(554) Maintenance of Miscellaneous Other Power Generation Plant			
73	TOTAL Maintenance ( Total of Lines 69 thru 72 )	934,447	1,368,274	
74	TOTAL Pwr. Production Expenses-Other Power ( Total of Lines 67 & 73 )	9,947,294	3,225,469	
75	<b>E. Other Power Supply Expenses</b>			
76	(555) Purchased Power	753,507,480	807,712,378	
77	(556) System Control and Load Dispatching	9,958,114	8,876,746	
78	(557) Other Expenses			
79	Total Other Power Supply Expenses ( Total of Lines 76 thru 78 )	763,465,594	816,589,124	
80	Total Pwr. Production Expenses ( Total of lines 21, 41, 59, 74 & 79 )	1,451,976,804	1,388,161,186	
81	<b>2. TRANSMISSION EXPENSES</b>			
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	60,830,098	85,821,622	
89	(566) Miscellaneous Transmission Expenses			
90	(567) Rents			
91	TOTAL Operation ( Total of Lines 83 thru 90 )	60,830,098	85,821,622	
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)	60,830,098	85,821,622	
101	<b>3. DISTRIBUTION EXPENSES</b>			
102	Operation			
103	(580) Operation Supervision and Engineering	18,252,992	18,040,955	

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) 4/19/2006	December 31, 2005
<b>ELECTRIC OPERATION AND MAINTENANCE EXPENSES (cont'd)</b>				
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	<b>3. DISTRIBUTION EXPENSES (Continued)</b>			
105	(581) Load Dispatching			
106	(582) Station Expenses	3,969,218	3,420,873	
107	(583) Overhead Line Expenses	11,865,485	8,594,000	
108	(584) Underground Line Expenses	3,542,426	3,290,539	
109	(585) Street Lighting and Signal System Expenses	1,091,223	938,426	
110	(586) Meter Expenses	4,726,294	4,523,855	
111	(587) Customer Installations Expenses	8,789,466	9,037,921	
112	(588) Miscellaneous Expenses	17,634,973	15,674,808	
113	(589) Rents	2,208,311	2,291,108	
114	TOTAL Operation (Total of Lines 103 thru 113)	72,080,388	65,812,485	
115	Maintenance			
116	(590) Maintenance Supervision and Engineering	6,153,710	5,287,316	
117	(591) Maintenance of Structures	921,089	811,428	
118	(592) Maintenance of Station Equipment	5,239,282	5,331,170	
119	(593) Maintenance of Overhead Lines	44,238,911	32,775,310	
120	(594) Maintenance of Underground Lines	3,270,596	2,468,031	
121	(595) Maintenance of Line Transformers	511,418	516,955	
122	(596) Maintenance of Street Lighting and Signal Systems	570,877	572,748	
123	(597) Maintenance of Meters	1,024,980	694,008	
124	(598) Maintenance of Miscellaneous Distribution Plant	3,096	4,125	
125	TOTAL Maintenance (Total of Lines 116 thru 124)	61,933,959	48,461,091	
126	TOTAL Distribution Expenses (Total of Lines 114 & 125)	134,014,347	114,273,576	
127	<b>4. CUSTOMER ACCOUNTS EXPENSES</b>			
128	Operation			
129	(901) Supervision	5,926,616	8,559,012	
130	(902) Meter Reading Expenses	9,645,889	9,172,039	
131	(903) Customer Records and Collection Expenses	27,631,861	23,563,509	
132	(904) Uncollectible Accounts	8,751,266	7,899,306	
133	(905) Miscellaneous Customer Accounts Expenses	653,028	577,191	
134	TOTAL Customer Accounts Expenses (Total of Lines 129 thru 133)	52,608,660	49,771,057	
135	<b>5. CUSTOMER SERVICE AND INFORMATIONAL EXPENSES</b>			
136	Operation			
137	(907) Supervision	303,419	150,159	
138	(908) Customer Assistance Expenses	4,679,348	4,762,189	
139	(909) Informational and Instructional Expenses	482,311	375,065	
140	(910) Miscellaneous Customer Service and Informational Expenses			
141	TOTAL Cust. Service and Informational Exp. (Total of Lines 137 thru 140)	5,465,078	5,287,413	
142	<b>6. SALES EXPENSE</b>			
143	Operation			
144	(911) Supervision	1,181,162	1,121,366	
145	(912) Demonstrating and Selling Expenses	271,395	128,142	
146	(913) Advertising Expenses			
147	(916) Miscellaneous Sales Expenses			
148	Total Sales Expenses (Total of Lines 144 thru 147)	1,452,557	1,249,508	
149	<b>7. ADMINISTRATIVE AND GENERAL EXPENSES</b>			
150	Operation			
151	(920) Administrative and General Salaries	26,227,927	27,328,868	
152	(921) Office Supplies and Expenses	9,376,798	6,559,374	
153	(Less) (922) Administrative Expenses Transferred - CR	2,657,811	2,558,400	

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) 4/19/2006	Year of Report December 31, 2005
<b>ELECTRIC OPERATION AND MAINTENANCE EXPENSES (cont'd)</b>				
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	<b>7. ADMINISTRATIVE AND GENERAL EXPENSES (Continued)</b>			
155	(923) Outside Services Employed	4,388,918	5,367,924	
156	(924) Property Insurance	8,548,871	8,335,510	
157	(925) Injuries and Damages	13,678,074	14,650,104	
158	(926) Employee Pensions and Benefits	93,023,076	58,477,000	
159	(927) Franchise Requirements			
160	(928) Regulatory Commission Expenses	378,635	(414,822)	
161	(929) Duplicate Charges - CR.			
162	(930.1) General Advertising Expenses	1,556,975	1,088,322	
163	(930.2) Miscellaneous General Expenses	3,714,070	3,241,508	
164	(931) Rents	589,531	757,476	
165	TOTAL Operation (Total of Lines 151 thru 164)	158,825,064	122,832,864	
166	Maintenance			
167	(935) Maintenance of General Plant	4,082,922	2,356,668	
168	TOTAL Administrative and General Expenses (Total of Lines 165 & 167)	162,907,986	125,189,532	
169	TOTAL Electric Operation and Maintenance Expenses (Enter total of lines 80, 100, 126, 134, 141, 148, and 168)	1,869,255,530	1,769,753,894	

<b>NUMBER OF ELECTRIC DEPARTMENT EMPLOYEES</b>		
<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\2005
2. Total Regular Full-Time Employees		5118
3. Total Part-Time and Temporary Employees		26
4. Total Employees		5144



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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) 4/19/2006	Year of Report December 31, 2005
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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	BLACK RIVER	LU				
2	CITY OF BEAVERTON	LU				
3	COMMONWEALTH HUBBARDSTON	LU				
4	COMMONWEALTH IRVING	LU				
5	COMMONWEALTH LABARGE	LU				
6	COMMONWEALTH MIDDLEVILLE	LU				
7	GRAND VALLEY STATE UNIVERSITY	LU				
8	GRANGER - SEYMOUR	LU				
9	GREAT LAKE TISSUE	LU				
10	GRENFELL HYDRO	LU				
11	MICHIANA HYDRO	LU				
12	MICHIGAN STATE UNIVERSITY	LU				
13	NORTH AMERICAN RESOURCE 4THH UNIT	OS				
14	SD WARREN	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) 4/19/2006	Year of Report December 31, 2005
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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)	
	2,881			60,813	59,603		
1,601			49,443	43,980		93,423	2
4			165	84		249	3
532			17,074	11,804		28,878	4
2,880			110,182	59,907		170,089	5
567			20,785	12,038		32,823	6
41				1,980		1,980	7
3,217			150,433	54,153		204,586	8
						0	9
1,554			57,335	32,619		89,954	10
172			8,651	3,515		12,166	11
503				12,595		12,595	12
103				5,931		5,931	13
1,630				47,611		47,611	14
14,394,835			400,873,287	352,634,193		753,507,480	

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) 4/19/2006	Year of Report December 31, 2005
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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	STS CASCADES	LU				
2	STS FALLASBURG	LU				
3	STS MORROW	LU				
4	THORNAPPLE	LU				
5	WESTERN MICHIGAN UNIVERSITY	LU				
6	WHITE'S BRIDGE	LU				
7	WHITE LAKE GENERATING STATION	OS				
8	MIDLAND COGENERATION VENTURE	LU				
9	PETER JOHN MOEHN	LU				
10	ADA COGENERATION	LU				
11	ADRIAN ENERGY	LU				
12	BIO ENERGY POWER	LU				
13	CADILLAC RENEWABLE	LU				
14	FILER CITY	LU				

Name of Respondent Consumers Energy Company	This Report Is: (1) [ ] An Original (2) [ X ] A Resubmission	Date of Report (Mo, Da, Yr) 8/9/2006	Year of Report December 31, 2005
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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)	
	6,222			235,573	168,686		
4,695			132,986	127,080		260,066	2
3,868			141,547	104,524		246,071	3
4,599			141,388	125,271		266,659	4
1,877				47,669		47,669	5
2,668			92,144	55,876		148,020	6
1,721				63,853		63,853	7
5,792,423			344,575,852	140,696,347	(141,685,725)	343,586,474	8
1				95		95	9
212,432			15,194,332	3,880,120		19,074,452	10
18,748			817,727	399,418		1,217,145	11
9,100			405,040	159,813		564,853	12
219,150			12,520,616	3,848,245		16,368,861	13
452,390			22,351,526	10,106,370		32,457,896	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) 4/19/2006	Year of Report December 31, 2005
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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	GAS RECOVERY SYSTEMS	LU				
2	GENESEE POWER STATION	LU				
3	GRANGER - GRAND BLANC	LU				
4	GRANGER RENEWAL RES LANDFILL (1A)	LU				
5	GRANGER RENEWAL RES LANDFILL (2A)	LU				
6	GRANGER - OTTAWA	LU				
7	GRAYLING	LU				
8	HILLMAN LIMITED	LU				
9	KENT COMPANY	LU				
10	MICHIGAN POWER LIMITED	LU				
11	NORTH AMERICAN RESOURCES	LU				
12	VIKING - LINCOLN	LU				
13	VIKING - MCBAIN	LU				
14	WOLVERINE POWER COMPANY	OS				

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) 4/19/2006	Year of Report December 31, 2005
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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)	
	21,000			978,266	363,916		
233,503			12,985,874	4,242,254		17,228,128	2
32,165			1,488,008	553,360		2,041,368	3
27,489			1,252,759	480,390		1,733,149	4
27,113			1,229,597	473,666		1,703,263	5
39,937			1,853,722	696,277		2,549,999	6
254,721			13,245,145	4,614,232		17,859,377	7
134,572			4,743,051	2,891,789		7,634,840	8
86,676			4,241,569	1,910,890		6,152,459	9
1,054,419			55,138,048	23,629,297		78,767,345	10
28,135			1,265,040	459,349		1,724,389	11
144,360			5,675,718	3,111,646		8,787,364	12
138,971			5,468,915	2,989,405		8,458,320	13
27,958			246,393	679,402		925,795	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) 4/19/2006	Year of Report December 31, 2005			
<b>PURCHASED POWER (Account 555) (Including power exchanges)</b>						
<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><b>RQ</b> - 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><b>LF</b> - 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 <b>LF</b> service). This category should not be used for long-term firm service, which meets the definition of <b>RQ</b> service. For all transactions identified as <b>LF</b>, 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><b>IF</b> - for intermediate-term firm service. The same as <b>LF</b> service except that "intermediate-term" means longer than one year but less than five years.</p> <p><b>SF</b> - 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><b>LU</b> - 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><b>IU</b> - for intermediate-term service from a designated generating unit. The same as <b>LU</b> service except that "intermediate-term" means longer than one year but less than five years.</p> <p><b>EX</b> - 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	BAY WINDPOWER	LU				
2						
3						
4	PP OPTION 3RD PARTIES					
5						
6						
7						
8	AMERICAN ELECTRIC POWER	OS				
9	AMEREN ENERGY	OS				
10	ENTERGY-KOCH TRADING	OS				
11	CARGILL POWER MARKETS	OS				
12	CAROLINA P&L	OS				
13	CINERGY SERVICES	OS				
14	CONSTELLATION POWER SOURCE	OS				



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) 4/19/2006	Year of Report December 31, 2005
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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)	
	2,569				146,929		
						0	2
						0	3
				9,028,000		9,028,000	4
						0	5
						0	6
						0	7
						0	8
24,145				865,338		865,338	9
7,607				316,246		316,246	10
48,504				1,703,479		1,703,479	11
4,200				180,650		180,650	12
69,455				2,996,063		2,996,063	13
37,340				3,672,200		3,672,200	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) 4/19/2006	Year of Report December 31, 2005
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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	CMS MARKETING SERVICES & TRADING	OS				
2	DAYTON PWR & LIGHT	OS				
3	DTE ENERGY TRADING	OS				
4	DETROIT EDISON MERCHANT					
5	DUKE POWER	OS				
6	DUKE ENERGY TRADING & MARKETING	OS				
7	DYNEGY POWER MARKETING	OS				
8	ENGAGE ENERGY AMERICA	OS				
9	EXCELON GENERATING	OS				
10	FIRST ENERGY SOLUTIONS	OS				
11	MICHIGAN PUBLIC POWER AGENCY	OS				
12	NORTHERN INDIANA PUBLIC SERVICE	OS				
13	AEP	OS				
14	PUR POWER - OTHER PURCH	OS				

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) 4/19/2006	Year of Report December 31, 2005
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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)	
1,175				44,700		44,700	2
95,905				5,453,638		5,453,638	3
4,991				352,779		352,779	4
						0	5
1,050				47,225		47,225	6
32,000				3,143,017		3,143,017	7
116,181				6,970,860		6,970,860	8
1,725				53,650		53,650	9
5,151				179,325		179,325	10
2,768				77,888		77,888	11
20,604				678,234		678,234	12
78,469				3,707,556		3,707,556	13
100,524				2,294,072		2,294,072	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) 4/19/2006	Year of Report December 31, 2005
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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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**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.

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**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	SOUTHERN COMPANY SERVICES	OS				
2	SPLIT ROCK ENERGY	OS				
3	TENASKA POWER SERVICES	OS				
4	TRANSALTA	OS				
5	THE DETROIT EDISON COMPANY	OS				
6	WILLIAMS ENERGY MARKETING &	OS				
7	LG&E ENERGY CORP	OS				
8	MIRANT AMERICAS ENERGY MKT	OS				
9	PJM	OS				
10	WPS	OS				
11	WOLVERINE SUPPLY CORPORATION	OS				
12	MISO					
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) 4/19/2006	Year of Report December 31, 2005
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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)	
100				3,600		3,600	2
5,319				170,369		170,369	3
						0	4
						0	5
40,424				3,955,384		3,955,384	6
80,359				3,314,032		3,314,032	7
						0	8
21,819				613,966		613,966	9
3,000				173,000		173,000	10
215				6,195		6,195	11
4,592,638				130,924,033		130,924,033	12
						0	13
						0	14

Name of Respondent Consumers Energy Company	This Report Is: (1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 08/09/06	Year of Report 12/31/05
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**FOOTNOTE DATA**

Page Number (a)	Item Number (b)	Column Number (c)	Comments (d)
326	13	a	North American Resources - Peoples 4th Generating Unit is under the Green Power (energy only) contract
326.1	7	a	White Lake Generating Station is under the Green Power (energy only) contract
326.1	8,14	a	An affiliated company has an ownership interest in this company
326.2	2,7	a	An affiliated company has an ownership interest in this company
326.3	4	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
326.5	12	a	MISO energy market transactions were recorded on a net daily basis during 2005.
326.1	8	l	Reflects Hold Harmless (\$108,999,086) and PSCR Offset (\$32,686,639) credits related to Resource Conservation Plan. See U-14031 for details.

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) 04/19/06	Year of Report 12/31/05
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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	49,050,081	3,223,810	6.6
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	3,141,109
18	Verizon Telephone Company	Poles	1,972,145
19	Century Telephone Company	Poles	75,968
20	Cable Television Companies and Internet Connectio	Poles	3,061,351
21	Other Miscellaneous Pole Rentals:		
22	5 Various Telephone Companies Operating		
23	in the Company Service Area	Poles	70,315
24	Miscellaneous Rentals, Including Utility		
25	Property Leased to Various Parties		
26	Throughout the Company's Service Area	Various	3,509,850
27	Lease Rev - Mich. Electric Transmission Company	Transmission Rights of Way	10,040,900
28			
29	Total Account 454		21,871,638
30			
31	ACCOUNT 455 - None		
32			

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<b>SALES OF WATER AND WATER POWER (Account 453)</b>				
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

<b>MISCELLANEOUS SERVICE REVENUES AND OTHER ELECTRIC REVENUES (Accounts 451, 456)</b>		
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	
13	installing and removing temporary services.	1,858,046
14		
15	OTHER ELECTRIC REVENUES-ACCOUNT 456	
16	Retail Open Access	38,000,871
17	Sub Station Maintenance Rev-Non Consumers Equipment	269,456
18	Rate Of Return Billed To Others	2,924,514
19	Network Wholesale Revenue	1,045,141
20	Sales and Use Tax Discount	364,271
21	Securitization Reduction Credit	(8,181,278)
22	Other Electric Revenue	764,828
23		
24		
25		
26		
27		
28		
29		
30	TOTAL	37,045,849



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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		77,054,794			77,054,794
2	Midwest ISO			16,899,354			16,899,354
3	PJM Interconnections			775,365			775,365
4	Recov Tran Costs			(31,292,186)			(31,292,186)
5	MISO - Recovery			(2,607,229)			(2,607,229)
6							
7							
8							
9							
10							
11							
12							
13							
14							
15							
	<b>TOTAL</b>			60,830,098			60,830,098

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**FOOTNOTE DATA**

Page Number (a)	Item Number (b)	Column Number (c)	Comments (d)
332	2	b	SFP, FNS, LFP
332	3	b	LFP, SFP, NF
332	4	a	Consumers Energy has recorded this as a regulatory asset under public act 141.
332	5	a	Reflects the authorized recovery of certain RTO costs expensed in previous years.

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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) 4/19/2006	Year of Report December 31, 2005
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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.  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	Vehicles, Office Equipment, EDP Equip., Material Handling Equip., Tools & Garage Equip., Lab & Instrument Equip, Constr. & Maint. Equip. and Communications Equip. (Note 1)  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) 4/19/2006	Year of Report December 31, 2005
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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 (f)	Other (g)	Lessor (h)	Other (i)		
4,198,449(O)	O&M, T	9,048,015		2,181,185		(Note 3)	3,608,997
		836,445				(Note 3)	
		582,898				589	
		1,520,201				589	
		47,514				921	
		33,660				(Note 3)	
		46,769				(Note 3)	
		43,214				(Note 3)	

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<b>A. LEASE RENTALS CHARGED TO ELECTRIC OPERATING EXPENSES (Continued)</b>			
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		
GE Capital Fleet Services	Vehicles (Note 1)		
Altec Capital Services	Vehicles (Note 1)		
<b>B. OTHER LEASE RENTALS CHARGED (Such as to Deferred Debits, Etc.)</b>			
General Amer. Transport. Corp.	Railroad Tank Cars (Note 5)		2005 ( P )
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)		2005 ( 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 )

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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	Other	Lessor	Other		
		(f)	(g)	(h)	(i)	(j)	(k)
		185,735				(Note 3)	
		158,449				(Note 3)	
		61,603				(Note 3)	
		54,324				(Note 3)	
		134,496				(Note 3)	
		65,474				(Note 3)	
		26,468				(Note 3)	
		134,693				(Note 3)	
		1,049,964				(Note 3)	

**B. OTHER LEASE RENTALS CHARGED (Such as to Deferred Debits, Etc.)**

1,442,490 ( O )	O&M T I	263,250		2,619,762		151	0
1,442,490 ( O )	O&M T I	63,000		63,000		151	693,000
9,532,341 ( O )	O&M T I	1,103,953		19,508,544		151	2,759,883
9,455,321 ( O )	O&M T I	1,343,241		14,746,640		151	9,402,684
38,004,357 ( O )	O&M T I	3,997,599		36,438,855		151	39,975,990
1,442,490 ( O )	O&M T I	133,500		1,909,050		151	0
1,442,490 ( O )	O&M T I	175,021		175,021		151	804,750
13,593,159 ( O )	O&M T I	1,345,896		2,591,352		151	1,639,404
22,814,286 ( O )	O&M T I	2,191,860		3,653,100		151	7,306,200
16,121,700 ( O )	O&M T I	1,514,700		2,209,050		151	5,616,450
10,799,319 ( O )	O&M T I	1,308,747		2,063,046		151	546,000

Name of Respondent	This Report Is:	Date of Report	Year of Report
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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.



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<b>MISCELLANEOUS GENERAL EXPENSES (Account 930.2) (ELECTRIC)</b>				
Line No.	Description (a)	Amount (b)		
1	Industry Association Dues	677,035		
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 <i>(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)</i>			
6				
7	COMPANY COMMUNICATION SERVICES			
8	Learning Center LTD	17,030		
9	The David Group	8,886		
10	Miscellaneous under \$5000 (51 items)	9,269		
11				
12	EMPLOYEE'S RELOCATION EXPENSE			
13	Cendant Mobility Service	629,487		
14	Company Reimbursed Employee Expenses	313,381		
15				
16	EXEMPT VACATION LIABILITY			
17	To Accrue Vacation Earned	684,410		
18				
19	BOARD OF DIRECTORS FEES	655,177		
20				
21	OTHER			
22	Various Banks-Service Charges	440,474		
23	Company Labor and Expenses-Commercial Services	240,866		
24	Billing Credits	(107,845)		
25	Trustee Fees-Bonds	133,712		
26	Miscellaneous under \$5000 (37 items)	12,188		
27				
28				
29				
30				
31				
32				
33				
34				
35				
36				
37				
38				
39				
40				
41				
42				
43				
44				
45				
46	TOTAL	3,714,070		

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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). 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.

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. 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.

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. 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		574,870	903,126	1,477,996
2	Steam Production Plant	56,610,500			56,610,500
3	Nuclear Prod Plant-Depreciation	6,627,100			6,627,100
	Nuclear Prod Plant- Decommissioning	6,107,313			0
4	Hydraulic Prod Plant-Conventional	1,666,500			6,107,313
5	Hydraulic Prod Plant-Pumped Storage	5,584,800			1,666,500
					5,584,800
6	Other Production Plant	952,200			0
7	Transmission Plant				952,200
8	Distribution Plant	106,586,500			0
9	General Plant	7,500,647			106,586,500
10	Common Plant-Electric	11,352,897	608,384	7,011,941	7,500,647
					18,973,222
11	TOTAL	202,988,457	1,183,254	7,915,067	212,086,778

**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 7 202,988,457  
Total Depreciation and Amortization Expense per line 11, above 212,086,776  
Electric ARO accretion/transition expense recorded in 411.0XX accounts 9,098,319

5. Common Plant Depreciation and Amortization Expenses:

	Account 403	Account 404	Account 406	Total
A. Allocation of Common Depreciation & Amortization Expenses	11,352,897	608,384	7,011,941	18,973,222
B. Allocation of Gas Depreciation Expense	-	-	-	-
Total	11,352,897	608,384	7,011,941	18,973,222

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) 4/19/2006	Year of Report December 31, 2005
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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	197,772	43.00	(5.70)	2.54		
15	312.0	877,806	38.00	(7.00)	3.04		
16	314.0	238,051	43.00	(6.20)	2.40		
17	315.0	74,066	40.00	(6.10)	2.69		
18	316.0 & 316.1	16,736	26.00	(8.30)	4.74		
19							
20	Total	1,405,267					
21							
22	Campbell #3						
23	310.2	19	39.00		2.37		
24	311.0	196,889	39.00	(5.40)	2.60		
25	312.0	314,089	37.00	(5.70)	2.88		
26	314.0	61,963	38.00	(5.50)	2.72		
27	315.0	44,084	39.00	(5.40)	2.61		
28	316.0 & 316.1	5,460	33.00	(6.60)	3.22		
29							
30	Total	622,504					
31							
32	Hydro						
33	330.3	41	105.00		2.47		
34	331.0 & 331.3	4,861	71.00		2.15		
35	332.0 & 332.1	48,107	76.00	(30.00)	2.70		
36	333.0	5,344	85.00		2.16		
37	334.0	5,443	68.00		2.40		
38	335.0	1,801	45.00		2.64		
39	336.0	64	54.00		2.18		
40							
41	Total	65,661					
42							
43	Ludington Pumped Storage						
44	331.0	16,867	55.00	(47.00)	3.23		
45	332.0	95,356	55.00	(47.00)	3.27		
46	333.0	41,659	55.00	(47.00)	3.91		
47	334.0	2,885	55.00	(47.00)	3.25		
48	335.0	1,871	55.00	(47.00)	3.57		
49	336.0	1,536	55.00	(47.00)	3.22		
50							
51	Total	160,174					
52							
53							
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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) 4/19/2006	Year of Report December 31, 2005
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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	851	32.00	(5.00)	3.76		
14	342.0	401	35.00	(5.00)	2.75		
15	344.0	39,878	36.00	(5.00)	1.79		
16	345.0	2,744	28.00	(5.00)	5.32		
17	346.0	369	18.00	5.00	9.42		
18							
19	Total	44,243					
20							
21	Distribution Prod						
22	361.2	1,166	60.00	(15.00)	2.01	R4	
23	362.2	25,393	50.00	(12.00)	2.33	R2	
24							
25	Total	26,559					
26							
27	Distribution - HV						
28	360.4	39,766	75.00		1.38	R3	
29	361.1	12,311	60.00	(15.00)	2.01	R4	
30	362.1	201,986	50.00	(12.00)	2.33	R2	
31	364.1	3,155	75.00	(90.00)	2.62	R3	
32	364.2	160	75.00		1.38	R3	
33	364.3	100,036	60.00	(45.00)	2.50	R2.5	
34	364.4	11,288	70.00		1.51	R5	
35	365.2	83,836	60.00	(40.00)	2.44	R3	
36	366.1	836	55.00	(20.00)	2.29	S3	
37	367.1	3,397	40.00	(10.00)	2.81	R2	
38	367.2	5	50.00		2.10	R2	
39							
40	Total	456,776					
41							
42	Distribution						
43	360.2	16,284	60.00		1.50	R2	
44	361.0	29,000	50.00	(15.00)	2.17	S0.5	
45	362.0	391,228	38.00	(2.00)	2.55	S-.5	
46	364.0	662,678	50.00	(132.00)	4.39	R2	
47	365.0	657,080	55.00	(30.00)	2.26	R1.5	
48	366.0	62,435	50.00	(30.00)	2.46	S0.5	
49	367.0	380,710	45.00	(25.00)	2.64	L2	
50	368.0	599,036	40.00	(25.00)	2.92	S2	
51	369.1	155,481	45.00	(87.00)	3.95	R1	
52	369.2	353,996	40.00	(25.00)	3.01	R3	
53	370.0	157,501	29.00	(19.00)	3.85	R1	
54	371.0	6,815	12.00	(6.00)	8.41	L1	
55	373.0	84,496	30.00	(90.00)	6.01	R0.5	
56							
57	Total	3,556,740					
58							

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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	42,317	40.00	(15.00)	5.20	R2	
15	391.0 & 391.1	1,624	27.00	10.00	5.93	S-0.5	
16	391.2 & 391.3	13,804	7.00		24.60	R4	
17	393.0 & 393.1	85	35.00	5.00	8.37	S1.5	
18	394.0 & 394.1	5,306	26.00	10.00	5.67	L2	
19	395.0 & 395.1	4,727	25.00		5.55	S2	
20	396.0	1,735	12.00	20.00	17.50	L1	
21	397.0 & 397.1	36,974	20.00	(10.00)	9.21	L2	
22	398.0 & 398.1	1,366	24.00		5.37	L2	
23							
24	Total	108,128					
25							
26							
27							
28							
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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) 04/19/06	Year of Report 12/31/05
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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.)

Name of Respondent	This Report Is:	Date of Report	Year of Report
Consumers Energy Company	(1) <input checked="" type="checkbox"/> An Original	(Mo, Da, Yr)	December 31, 2005
	(2) <input type="checkbox"/> A Resubmission	4/19/2006	
<b>PARTICULARS CONCERNING CERTAIN INCOME DEDUCTIONS AND INTEREST CHARGES ACCOUNTS</b>			
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	<b>ACCOUNT 425 - MISCELLANEOUS AMORTIZATION - NONE</b>		
2			
3	<b>ACCOUNT 426 - MISCELLANEOUS INCOME DEDUCTIONS</b>		
4	426.1 - Donations		
5	United Way Organizations	4,810	
6	Other Donations	129,253	
7	Educational Institutions	20,130	
8	Various Chambers of Commerce	14,681	
9	Youth Programs	18,385	
10	Cultural	10,865	
11	Improvements	9,510	
12	Hospitals	18,270	
13			
14	Total - 426.1	225,904	
15			
16			
17	426.3 - Penalties and Other Deductions		
18	ASP - Code of Conduct Fines	4,205	
19	Utility Outage Credits	5,628	
20			
21	Total - 426.3	9,833	
22			
23	426.4 - Expenditures of Civic & Political Activities		
24	Governmental Affairs Activity	2,658,910	
25			
26	Total 426.4	2,658,910	
27			
28	426.5 - Other Deductions		
29	CMS Energy Costs	(283,479)	
30	Promotional Practices	1,540	
31	Loss on supplemental Retirement Plan Assets	935,212	
32	Accretion Expense - Electric Call Options	974,333	
33	Discriminatory Practices Expense o- AR-12	413,073	
34	MCV PPA Contract Loss	29,292,252	
35	Economic Development activity	506,680	
36	Other Deductions	32,670	
37	Loss on Reacquired Debt	5,865,506	
38	MCV Renewal Contribution - RCP	2,321,917	
39	MCV Miscellaneous Fees	100,873	
40	Total 426.5	40,160,577	

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) 4/19/2006	Year of Report December 31, 2005
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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	299,818
3	Lobbying	65,023
4	Governmental Affairs Activity	2,294,069
5		
6	Total Account 426.4	2,658,910
7		
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<b>REGULATORY COMMISSION EXPENSES</b>					
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			0	
2	Legal Publishing		109,529	109,529	
3				0	
4	Minor Items		88,256	88,256	
5				0	
6				0	
7	MICHIGAN DEPARTMENT OF MANAGEMENT AND BUDGET			0	
8				0	
9	Payment Intervenor Funding	445,737		445,737	
10				0	
11	REGULATORY COMMISSION EXPENSE BILLED TO OTHERS			0	
12			1,120	1,120	
13				0	
14				0	
15				0	
16				0	
17				0	
18				0	
19				0	
20				0	
21				0	
22				0	
23				0	
24				0	
25				0	
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31				0	
32				0	
33				0	
34				0	
35				0	
36				0	
37				0	
38				0	
39				0	
40				0	
41				0	
42				0	
43				0	
44	TOTAL	445,737	198,905	644,642	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) 4/19/2006		Year of Report December 31, 2005		
<b>REGULATORY COMMISSION EXPENSES (Continued)</b>									
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.					
<b>EXPENSES INCURRED DURING YEAR</b>				<b>AMORTIZED DURING YEAR</b>				Line No.	
<b>CHARGED CURRENTLY TO</b>			Deferred (i)	Contra Account (j)	Amount (k)	Deferred at End of Year (l)			
Department (f)	Account No. (g)	Amount (h)							
Electric	928	79,725					1		
Gas	928	29,804					2		
Electric	928	70,771					3		
Gas	928	17,485					4		
							5		
							6		
							7		
Electric	928	227,020					8		
Gas	928	218,717					9		
							10		
Electric	928	1,120					11		
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		644,642	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) 4/19/2006	Year of Report 12/31/05	
<b>DISTRIBUTION OF SALARIES AND WAGES</b>				
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	<b>ELECTRIC</b>			
2	Operation			
3	Production	51,119,095		
4	Transmission			
5	Distribution	31,320,302		
6	Customer Accounts	28,467,430		
7	Customer Service and Informational	3,891,225		
8	Sales	1,158,926		
9	Administrative and General	25,757,978		
10	TOTAL Operation <i>(Enter Total of lines 3 thru 9)</i>	141,714,956		
11	Maintenance			
12	Production	20,683,851		
13	Transmission			
14	Distribution	18,527,440		
15	Administrative and General	51,313		
16	TOTAL Maint. <i>(Total of lines 12 thru 15)</i>	39,262,604		
17	Total Operation and Maintenance			
18	Production <i>(Enter Total of lines 3 and 12)</i>	71,802,946		
19	Transmission <i>(Enter Total of lines 4 and 13)</i>	0		
20	Distribution <i>(Enter Total of lines 5 and 14)</i>	49,847,742		
21	Customer Accounts <i>(Transcribe from line 6)</i>	28,467,430		
22	Customer Svc. And Informational <i>(Transcribe from line 7)</i>	3,891,225		
23	Sales <i>(Transcribe from line 8)</i>	1,158,926		
24	Administrative and General <i>(Enter Total of lines 9 &amp; 15)</i>	25,809,291		
25	TOTAL Oper. And Maint. <i>(Total of lines 18 thru 24)</i>	180,977,560	60,425,157	241,402,717
26	<b>GAS</b>			
27	Operation			
28	Production-Manufactured Gas			
29	Production-Nat. Gas (Including Expl. And Dev.)			
30	Other Gas Supply			
31	Storage, LNG Terminaling and Processing	2,472,374		
32	Transmission	6,382,620		
33	Distribution	38,068,155		
34	Customer Accounts	25,063,965		
35	Customer Service and Informational	619,453		
36	Sales	197,926		
37	Administrative and General	19,423,044		
38	TOTAL Operation <i>(Enter Total of lines 28 thru 37)</i>	92,227,537		

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) 04/19/06	Year of Report 12/31/05
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**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	1,615,567		
44	Transmission	1,039,177		
45	Distribution	15,060,174		
46	Administrative and General	4,283		
47	TOTAL Maint. (Enter Total of lines 40 thru 46)	17,719,201		
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)	4,087,941		
53	Transmission (Lines 32 and 44)	7,421,797		
54	Distribution (Lines 33 and 45)	53,128,329		
55	Customer Accounts (Line 34)	25,063,965		
56	Customer Service and Informational (Line 35)	619,453		
57	Sales (Line 36)	197,926		
58	Administrative and General (Lines 37 and 46)	19,427,327		
59	TOTAL Operation & Maint. (total of lines 49 thru 58)	109,946,738	36,508,761	146,455,499
60	OTHER UTILITY DEPARTMENTS			
61	Operation and Maintenance			
62	TOTAL All Utility Dept. (Total of lines 25, 59 & 61)	290,924,298	96,933,918	387,858,216
63	UTILITY PLANT			
64	Construction (By Utility Departments)			
65	Electric Plant	26,963,785	63,366,969	90,330,754
66	Gas Plant	12,373,247	25,114,729	37,487,976
67	Other	884,561	2,786,768	3,671,329
68	TOTAL Construction (Total of lines 65 thru 67)	40,221,593	91,268,466	131,490,059
69	Plant Removal (By Utility Departments)			
70	Electric Plant	9,950,552	4,933,969	14,884,521
71	Gas Plant	1,749,342	2,187,439	3,936,781
72	Other	3,471	153	3,624
73	TOTAL Plant Removal (Total of lines 70 thru 72)	11,703,365	7,121,561	18,824,926
74	Other Accounts (Specify):			
69	Labor Billed to Others (143)	2,834,745	2,916,185	5,750,930
70	Labor Billed to Assoc Companies (146)	11,326,889	3,072,636	14,399,525
71	Stores expense (163)	9,445,458	(9,346,287)	99,171
72	Clearing Accounts (184)	214,072,090	(199,058,424)	15,013,666
73	Injuries & Damages (228)	3,673,696	(7,088)	3,666,608
74	Job Work (416)	2,077,058	7,151,703	9,228,761
75	Other Income Deductions (426)	667,796	263,179	930,975
76	Other Miscellaneous	(291,578)	(315,849)	(607,427)
77	TOTAL Other Accounts	243,806,154	(195,323,945)	48,482,209
78	TOTAL SALARIES AND WAGES	586,655,410	0	586,655,410

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) 04/19/06	Year of Report 12/31/05
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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	89,792,180	74,421,755	164,213,935
389.1	Land	2,726,009	1,288,731	4,014,740
389.2	Right of Way	40,752	21,021	61,773
390.0	Structures & Improvements	80,432,003	67,802,430	148,234,433
390.1	Structures & Improvements - Leased	8,488,294	6,895,131	15,383,425
391.0	Office Furniture & Equipment	4,690,559	4,473,389	9,163,948
391.1	Office Furniture & Equipment - Mass	1,084,252	1,034,051	2,118,303
391.2	Computer Equipment	25,375,776	21,032,007	46,407,783
391.3	Computer Equipment - Mass	10,501,977	8,704,272	19,206,249
392.0	Transportation Equipment	2,068,336	1,972,573	4,040,909
392.3	Equipment Installed on Leased Vehicles	6,925	6,605	13,530
393.0	Stores Equipment	131,873	125,768	257,641
393.1	Stores Equipment - Mass	98,043	93,504	191,547
394.0	Tools, Shop & Garage Equipment	1,656,865	1,580,154	3,237,019
394.1	Tools, Shop & Garage Equipment - Mass	1,329,602	1,268,043	2,597,645
395.0	Laboratory Equipment	844,523	805,421	1,649,944
395.1	Laboratory Equipment - Mass	1,646,919	1,570,668	3,217,587
396.0	Power Operated Equipment	949,144	905,200	1,854,344
397.0	Communication Equipment	27,425,247	17,234,006	44,659,253
397.1	Communication Equipment - Mass	3,076,677	1,527,993	4,604,670
398.0	Miscellaneous Equipment	1,081,575	1,031,498	2,113,073
398.1	Miscellaneous Equipment - Mass	788,713	752,197	1,540,910
<b>Total</b>		<b>264,236,244</b>	<b>214,546,417</b>	<b>478,782,661</b>

NOTE: Accounts 303, 389, 390, and 391 were allocated per Functional Use Surveys and the Customer Basis Percentages as of December 31, 2005 submitted to the Property Accounting Department. Account 397 is allocated on the Radio Base Station Survey and the Customer Basis Percentages.

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**COMMON UTILITY PLANT AND EXPENSES (Continued)**

2. Accumulated Provision for Depreciation and Amortization of Common Utility Plant & Changes During 2005:

Balance at Beginning of Year	245,552,530
Depreciation Accrual for 2005	
Account 403 Electric (A)	11,352,897
Account 404 Electric	608,384
Account 405 Electric	7,273,960
Account 403 Gas (A)	9,316,290
Account 404 Gas	493,603
Account 405 Gas	<u>6,102,607</u>
Total Depreciation Accrual	35,147,741
Net Charge for Plant Retired:	
Book Costs of Plant Retired	3,406,726
Cost of Removal	406,295
Salvage	<u>(105,402)</u>
Total Net Charges	3,707,619
Net Additions (Reduction) Resulting from Transfers and/or Adjustments of Property Between Departments	<u>161,190</u>
Balance at End of the Year	<u><u>277,153,842</u></u>

Estimated Allocation of Common Utility Accumulated Provision for Depreciation at December 31, 2005: (B)

Electric	153,513,675
Gas	<u>123,640,167</u>
Total	<u><u>277,153,842</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, 2004 Common Utility allocation of original cost by department

(B) Based on December 31, 2004 Common Utility off 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	A Rieli & Associates LLC				
2	5626 Scotch Settlement Rd	Technical	Fee &		
3	Almont MI 48003	Services	Expenses	543E	36,199
4	Acro Services Corporation				
5	17187 N Laurel Park Drive	Technical	Fee &		
6	Livonia, MI 48152	Services	Expenses	Various	8,287,392
7	Adams & Reese LLP				
8	1221 McKinney #4400	Legal	Fee &		
9	Houston TX 77010	Services	Expenses	228E, 923E&G	89,885
10	Administrative Controls				
11	525 Avis Drive				
12	Suite #2	Consulting	Fee &		
13	Ann Arbor, MI 48108	Services	Expenses	184	434,413
14	AG&E Inc.	Consulting/			
15	405-A Parkway Drive	Technical	Fee &		
16	Greensboro, NC 2740 1116	Services	Expenses	107E,184,416E,543E	250,809
17	AGP & Associates	Professional			
18	6105 Jefferson Avenue	Advertising	Fee &		
19	Midland, MI 48640	Services	Expenses	912G	1,484,711
20	Air Improvement Resources				
21	47298 Sunnybrook Lane Suite 103	Consulting	Fee &		
22	Novi, MI 48374	Services	Expenses	184	57,141
23	Apcompower Inc				
24	P O Box 392	Consulting	Fee &		
25	Bath, MI 48808	Services	Expenses	107E	231,974
26	Arcadis G&M Inc				
27	41511 Eleven Mile Road				
28	Dept 547	Consulting	Fee &		
29	Novi, MI 48374	Services	Expenses	184	719,640
30	Babcock & Wilcox	Engineering/			
31	20 S Vanburen Ave	Consulting	Fee &		
32	Barberton, OH 44203	Services	Expenses	107E	12,317,785
33	Barr Engineering Company	Consulting/			
34	8300 Norman Center Drive	Technical	Fee &		
35	Minneapolis, MN 55437 1026	Services	Expenses	184, 543E	1,311,364
36	Black & Veatch				
37	2200 Commonwealth Blvd	Engineering	Fee &		
38	Ann Arbor, MI 48105	Services	Expenses	107E,442E, 500E	2,403,330
39	Blasland, Bouck & Lee, Inc.				
40	6723 Towpath Road				
41	P.O. Box 66	Professional	Fee &		
42	Syracuse, NY 13214-0066	Services	Expenses	107E, 442E	146,773
43	BP&R Engineering Inc				
44	1161 6 Mile Road	Engineering	Fee &		
45	Comstock Park, MI 49321	Services	Expenses	107E, 184	956,849
46	Buford Goff & Associates				
47	1331 Elmwood Ave	Engineering	Fee &		
48	Columbia, SC 29201	Services	Expenses	184	268,758
49	Chemithon Enterprises, Inc.				
50	5430 W. Marginal Way SW	Technical	Fee &		
51	Seattle, WA 98106-1598	Consultant	Expenses	506E	31,479
52	Cleveland Inspection Services				
53	6 Miles SE on HWY 64 Box 100	Professional	Fee &		
54	Cleveland OK 74020	Services	Expenses	834G, 863G	213,575
55					



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CHARGES FOR OUTSIDE PROFESSIONAL AND OTHER CONSULTATIVE SERVICES (Continued)					
Line No.	Name / Address	Service	Basis of Charges	Acct #	Amount
56	* CMS Energy				
57	One Energy Plaza	Management	Fee &		
58	Jackson MI 49201	Services	Expenses	184,242, 920E&G, 823E&G	3,307,247
59	* CMS Enterprises				
60	One Energy Plaza	Professional	Fee &	146, 184, 416, 556,	
61	Jackson, MI 49201	Services	Expenses	824, 859, 879, 880, 920E&G, 921E&G, 923E&G	1,106,436
62	* CMS Enterprises - Datamart				
63	One Energy Plaza	Professional	Fee &		
64	Jackson, MI 49201	Services	Expenses	879E	655,758
65	Commonwealth Associates Inc				
66	P O Box 1124	Consulting	Fee &		
67	Jackson, MI 49204	Services	Expenses	543E, 539E	28,498
68	Concentric Energy Advisors				
69	313 Boston Post Road West				
70	Suite 210	Consulting	Fees &		
71	Marborough MA 01752	Services	Expenses	186E	135,135
72	Corporate Tax Resources LLC				
73	3871 Winding Pine Dr	Consulting	Fees &		
74	Metamora MI 48455	Services	Expenses	923E&G	44,933
75	Corporate Vision Concepts				
76	20096 76th Street	Technical	Fee &		
77	South Haven, MI 49090	Services	Expenses	506	135,344
78	Cummins & Barnard Inc				
79	5405 Data Court				
80	Suite 100	Consulting	Fee &		
81	Duluth, MN 55802	Services	Expenses	107E	223,175
82	Deloitte Consulting				
83	600 Renaissance Center	Consulting	Fee &	107, 146,165	
84	Detroit MI 48243	Services	Expenses	920E&G, 921E&G	1,319,688
85	Dewitt Communications				
86	PO Box 4952	Consulting	Fee &		
87	East Lansing MI 48826	Services	Expenses	426	44,400
88	Dickson Allan				
89	3001 W Big Beaver #210	Consulting	Fee &		
90	Troy MI 48084	Services	Expenses	920E&G, 921E&G	38,100
91	DJI & Associates				
92	2324 Brooklyn Road	Engineering	Fee &		
93	Jackson MI 49203	Services	Expenses	107E	99,070
94	Earl J Poleski CPA				
95	6810 Spring Arbor Road	Professional	Fee &		
96	Suite D	Consulting	Expenses		
97	Jackson MI 49201	Services		146, 923E&G	58,214
98	Elexco Land Services				
99	106 Huron BLDV Suite A	Consulting	Fee &		
100	Marysville, MI 48040	Services	Expenses	107, 184	210,074
101	Envirologic Technologies, Inc.				
102	2960 Interstate Parkway	Professional	Fee &		
103	Kalamazoo, MI 49048	Consulting	Expenses	108E	114,336
104	Environmental Consulting & Technology				
105	220 Bagley Ave, Suite 600	Technical/ Consulting	Fee &		
106	Detroit, MI 48226	Services	Expenses	184	155,499
107	Environmental Solution Professional LLC				
108	1240 Eagle Point Road	Consulting	Fee &		
109	Clark Lake, MI 49234	Services	Expenses	107E, 184	184,760
110	Envision Telephony Inc.				
111	520 Pike Street, Ste. 1600	Professional	Fee &		
112	Seattle, WA 98101	Services	Expenses	107, 303	139,705
113	EPRI Solutions				
114	942 Corridor Park Blvd	Consulting	Fee &		
115	Knoxville TN 37932 3723	Services	Expenses	500E	29,546
116	Ernst & Young LLC				
117	8484 Westpark Drive	Consulting/ Audit	Fee &	146E, 181, 189, 232,	
118	McLean, VA 22102	Services	Expenses	923E&G	3,229,623
119	* ES Services				
120	212 West Michigan Ave	Professional/ Engineering	Fee &		
121	Jackson, MI 49201	Services	Expenses	107E, 184E	1,656,864
122	ESI International				
123	4301 Fairfax Dr				
124	Suite 800	Consulting	Fee &		
125	Arlington VA 22203	Services	Expenses	184	27,957

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<b>CHARGES FOR OUTSIDE PROFESSIONAL AND OTHER CONSULTATIVE SERVICES (Continued)</b>					
Line No.	Name / Address	Service	Basis of Charges	Acct #	Amount
126	Failure Electrical LLC				
127	11 King Philip Trail	Legal	Fee &		
128	Norfolk MA 02056	Services	Expenses	228E	30,990
129	Fossil Energy Research				
130	23342 C South Pointe	Engineering	Fee &		
131	Laguna Hills, CA 92653	Services	Expenses	107E	49,351
132	Gartner Group				
133	PO Box 911319	Consulting	Fee &		
134	Dallas TX 75391	Services	Expenses	184	88,000
135	Genesys Telecommunications Lab				
136	2001 Junpero Serra Blvd	Professional	Fee &		
137	Daly City CA 94014	Services	Expenses	107E, 184	70,806
138	Golf Project Management Inc				
139	1776 Park Trail NE	Professional	Fee &		
140	Grand Rapids, MI 49526	Services	Expenses	184E	149,415
141	Gourdie Fraser & Associates	Professional/			
142	124 West State St P O Box 927	Consulting/Survey	Fee &		
143	Traverse City, MI 498685 0927	Services	Expenses	184	88,326
144	Greater Talent Networks Inc				
145	437 Fifth Ave	Professional	Fee &		
146	New York NU	Services	Expenses	426 E&G	27,000
147	Harold Moore & Associates Inc				
148	4129 Callaway Dr	Consulting	Fee &		
149	Niceville FL 32578	Services	Expenses	107E	25,145
150	Henningson, Durham, Richardson Archi-				
151	ecture and Engineering				
152	One Blue Hill Plaza Fl-12	Consulting	Fee &		
153	Pearl River NY 10965-3104	Services	Expenses	537E	92,224
154	Hewitt Associates				
155	100 Half Day Road	Actuarial	Fee &	146,184,921E&G,	
156	Lincolnshire, IL 60015	Services	Expenses	921E&G, 923E&G 926E&G	722,804
157	Hoelter Research				
158	26773 Greenville	Consulting	Fee &		
159	Perrysburg OH 43551	Services	Expenses	920E&G, 921E&G	276,700
160	Innovative Learning Group				
161	6632 Telegraph Rd	Professional	Fee &		
162	Bloomfield Hills MI 49301	Services	Expenses	880G	143,665
163	ISH Inc				
164	690 Fremont Ave, Suite 3	Consulting	Fee &		
165	Sunnyvale, CA 94087	Services	Expenses	184	37,626
166	Jacobs & Clevenger				
167	401 N Wabash Suite 620	Consulting	Fee &		
168	Chicago, IL 60601-1692	Services	Expenses	879G, 823E	812,237
169	Jan X-Ray Services, Inc.				
170	8500 E. Michigan Ave.	Technical	Fee &		
171	Parma, MI 49269	Consulting	Expenses	184	52,115
172	JMW3 LLC				
173	2410 Heronwood Drive	Professional	Fee &		
174	Bloomfield, MI 48302	Consulting	Expenses	920, 921	147,237
175	Kelley Drye & Warren				
176	101 Park Ave	Professional	Fee &		
177	New York, NY 10178	Services	Expenses	181	45,493
178	Kema Consulting Inc				
179	One Burlington Business Center				
180	67 S Bedford St Suite201	Consulting	Fee &		
181	Burlington MA 01803-5177	Services	Expenses	583	189,340
182	Kinectrics Inc				
183	800 Kipling Ave				
184	Toronto Ontario M8Z 6C4	Consulting	Fee &		
185	Canada	Services	Expenses	107E	25,000
186	Kleinschmidt & Associates	Technical/			
187	75 Main Street P O Box 576	Consulting	Fee &		
188	Pittsfield, ME 04967	Services	Expenses	537E, 543E, 544E	73,659
189	KPMG LLP				
190	303 E Wacker Dr	Legal	Fee &		
191	Chicago IL 60601	Services	Expenses	426E	52,219
192	Lacey & Jones LLP				
193	600 S Adams Road Suite 300	Legal	Fee &		
194	Birmingham, MI 48009	Services	Expenses	228E&G	70,072
195					

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CHARGES FOR OUTSIDE PROFESSIONAL AND OTHER CONSULTATIVE SERVICES (Continued)					
Line No.	Name / Address	Service	Basis of Charges	Acct #	Amount
196	Lakehead Constructors Inc				
197	2916 Hill Ave	Engineering	Fee &		
198	Superior WI 54880	Services	Expenses	107E	3,000,000
199	Larkin Enterprises Inc				
200	17 Carriage Lane	Professional	Fee &		
201	Hampden, ME 49202	Services	Expenses	184	384,803
202	Loadspring Solutions Inc.				
203	15 Union Street #401	Technical	Fee &		
204	Lawrence, MA 01840	Services	Expenses	184	70,866
205	Longenecker & Assoc., Inc.				
206	P.O. Box 3094	Consulting	Fee &		
207	Del Mar, CA 92014	Services	Expenses	108E	86,283
208	Loomis Ewert Edere Parsley Davis & Gott				
209	232 S Capitol Avenue, Suite 1000	Legal	Fee &		
210	Lansing, MI 48933	Services	Expenses	134E, 923E	2,058,448
211	Management Recruiters of Gross Pointe LLC				
212	119 Kercheval Ste 4	Professional	Fee &		
213	Gross Pointe MI 48236	Services	Expenses	184	45,500
214	Mar/Tec				
215	5437 Trager Road P O Box 3331	Consulting	Fee &		
216	Traverse City, MI 49685	Services	Expenses	184	1,220,807
217	Material Testing Consultants				
218	693 Plymouth NE	Consulting	Fee &		
219	Grand Rapids, MI 49505	Services	Expenses	107E, 501E, 543E	110,079
220	Mayer Brown Rowe & Maw LLP				
221	190 S LaSalle Street	Legal	Fee &		
222	Chicago, IL 60603	Services	Expenses	181, 921E&G	71,083
223	Mc Alvey & Associates				
224	120 West Ottawa Street	Consulting	Fee &		
225	Lansing, MI 48933	Services	Expenses	426, 580E, 920E&G 921E&G	36,000
226	Mc Croskey Feldman Cochrane & Brock				
227	1440 Peck St Box 27	Legal	Fee &		
228	Muskegon MI 49443	Services	Expenses	228E	36,955
229	Medstat Systems Inc				
230	777 E Eisenhower Parkway Suite 500	Consulting	Fee &		
231	Ann Arbor MI 48108	Services	Expenses	923 E&G	60,250
232	Meridian Consulting Group				
233	5 Riverway #300	Professional	Fee &		
234	Houston, TX 77056	Services	Expenses	184, 184G, 442E, 501, 556	97,785
235	Michael T Edwards Attorney				
236	522 W Main St	Legal	Fee &		
237	Gaylord MI 49735	Services	Expenses	228G	33,157
238	Micon, Inc.				
239	8950 South 52nd St., Ste. 210	Consulting	Fee &		
240	Tempe, AZ 85284	Services	Expenses	184	424,729
241	Mid American Inspection SVCS				
242	1206 Effie Road P O Box 1427	Technical	Fee &		
243	Gaylord, MI 49734	Services	Expenses	184	143,785
244	Mid-American Dynamics Inc				
245	4513 Lincoln Ave Ste 200	Technical	Fee &		
246	Lisle IL 60532	Services	Expenses	107E, 512E	141,993
247	Midwestern Audit Services				
248	900 Wilshire, Ste. 350	Collection	Fee &		
249	Troy, MI 48084-1694	Services	Expenses	144, 903G	39,069
250	Miller Canfield Paddock & Stone				
251	150 W Jefferson	Legal	Fee &		
252	Detroit, MI 48226	Services	Expenses	146, 181, 923E	171,127
253	Miner & Miner				
254	4701 Royal Vista Circle	Consulting	Fee &		
255	Fort Collins Co	Services	Expenses	588E	26,240
256	Mitsui Babcock Energy Services Limited				
257	P O Box 888194	Engineering	Fee &		
258	Atlanta, GA 30356	Services	Expenses	107E	1,427,861
259	Morrow & Company, Inc.				
260	909 Third Avenue				
261	Accounting Dept - 20th Floor	Professional	Fee &		
262	New York, NY 10022	Services	Expenses	184	107,975
263					
264					
265					

Name of Respondent		This Report Is:	Date of Report	Year of Report	
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<b>CHARGES FOR OUTSIDE PROFESSIONAL AND OTHER CONSULTATIVE SERVICES (Continued)</b>					
Line No.	Name / Address	Service	Basis of Charges	Acct #	Amount
266	National Center for Dispute Settlement				
267	STE 200				
268	22500 Metropolitan Parkway	Professional	Fee &		
269	Clinton Township MI 48035	Services	Expenses	923	79,635
270	Natural Resource Group Inc				
271	1000 IDS Center 80 South Eight Street	Consulting	Fee &		
272	Minneapolis, MN 55402	Services	Expenses	107E	68,500
273	Natural Resource Technology	Technical			
274	23713 W. Paul Road	Consulting	Fee &		
275	Pewaukee, WI 53072	Services	Expenses	107E	107,902
276	NCO Financial Systems				
277	One Jackson Square, Suite 650	Collection	Fee &		
278	Jackson, MI 49202	Services	Expenses	903G	4,056,571
279	Nexus Energy Software				
280	233 Needham Street	Technical	Fee &		
281	Newton, MA 02164	Services	Expenses	903G, 909E	236,645
282	Niku Corporation				
283	Niku Education Services				
284	305 Main Street	Professional	Fee &		
285	Redwood City, CA 94063	Services	Expenses	184	138,072
286	Novak Engineering Inc				
287	2919 Wildwood Ave	Engineering	Fee &		
288	Jackson, MI 19202	Services	Expenses	107E	118,384
289	Nuclear Management Company				
290	700 1st Street	Management	Fee &		
291	Hudson, WI 54016	Services	Expenses	232, 923	106,380,889
292	Parsons Energy & Chemicals Group Inc				
293	2675 Morgantown Road	Professional	Fee &		
294	Reading PA 19607	Services	Expenses	107	130,359
295	Phasor Labs				
296	5420 Glenway Circle	Legal	Fee &		
297	Oregon WI 53575	Services	Expenses	228E	53,252
298	Pillsbury Winthrop, LLP				
299	One Battery Park Plaza	Legal	Fee &		
300	New York, NY 10004	Services	Expenses	181, 923E&G	121,261
301	Potter Anderson & Corroon LLP				
302	1313 Market St PO Box 951	Legal	Fee &		
303	Wilmington DE 19899	Services	Expenses	146	30,082
304	Prein & Newhof Inc				
305	3355 Evergreen Dr NE	Engineering	Fee &		
306	Grand Rapids MI 49525	Services	Expenses	107E, 511E	44,889
307	Price Waterhouse Cooper LLP				
308	400 Renaissance Center	Consulting	Fee &		
309	Detroit, MI 48243	Services	Expense	146, 181, 232, 923E&G	2,127,800
310	Risk Management, Inc.				
311	Board of Trade Building				
312	141 W. Jackson Blvd., Ste. 1800A	Consulting	Fee &		
313	Chicago, IL 60093	Services	Expenses	851G, 920E&G, 921E&G	84,000
314	Robert Half International Inc				
315	5720 Stoneridge Drive Suite 3	Professional	Fee &		
316	Pleasanton, CA 94588	Services	Expenses	146, 184, 920E&G 921E&G, 923E&G	399,410
317	Roose Services				
318	2373 Musser Road	Consulting	Fee &		
319	Mancelona MI 49659	Services	Expenses	107816832	104,253
320	SAP America				
321	On Site Training Dept				
322	3999 West Chester Pike	Professional	Fee &		
323	Newtown Square PA 19073	Services	Expenses	165	515,470
324	Sargent & Lundy				
325	55 East Monroe Street	Professional	Fee &		
326	Chicago, IL 60603	Services	Expenses	184	719,605
327	SEC Institute				
328	2801 Ponce de Leon				
329	Suite 580	Professional	Fee &		
330	Coral Gables FL 33134 6920	Services	Expenses	146, 184 920E&G, 921E&G	27,750
331	Shaw Environmental Inc				
332	14155 Farmington Road	Professional	Fee &		
333	Livonia MI 48154	Services	Expenses	107E, 864G	39,843
334					
335					

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) 04/19/06	December 31, 2005	
<b>CHARGES FOR OUTSIDE PROFESSIONAL AND OTHER CONSULTATIVE SERVICES (Continued)</b>					
Line No.	Name / Address	Service	Basis of Charges	Acct #	Amount
336	Sheridan Surveying Company				
337	4629 Page Avenue	Survey	Fee &		
338	Michigan Center, MI 49503	Services	Expenses	184	169,748
339	Sidock Group Inc				
340	888 Terrace St	Engineering	Fee &		
341	Muskegon MI 49440	Services	Expenses	107E, 512E	54,968
342	Sigma Technologies				
343	27421 Holiday Lane	Consulting	Fee &		
344	Perrysburg, OH 43551	Services	Expenses	184E	1,476,234
345	Soil and Material Testing	Technical/			
346	43980 Plymouth Oak BLVD	Consulting	Fee &	107E, 146, 184,	
347	Plymouth, MI 48170	Services	Expenses	834G, 853G	631,495
348	South Bend Medical Foundation				
349	530 N Lafayette Blvd	Professional	Fee &		
350	South Bend, IN 46601	Services	Expenses	108, 524E, 926E&G	37,220
351	SSEO Inc				
352	1001 Madison Ave	Engineering	Fee &		
353	Toledo, OH 43624	Services	Expenses	107E	485,107
354	Stanton Catholic Survey & Data Collection				
355	6417 Sugar Creek Dr South	Professional	Fee &		
356	Mobile AL 36695	Services	Expenses	416G, 539E, 817G, 856G	65,181
357	Steven I Simon & Associates				
358	2005 Palmer Ave #105	Consulting	Fee &		
359	Larchmont NY 10538	Services	Expenses	926E&G	131,410
360	STS Consultants	Consulting/			
361	7402 Westshire Drive Suite 100	Engineering	Fee &		
362	Lansing, MI 48917	Services	Expenses	108E	454,663
363	Sullivan Ward Bone Tyler & Asher PC				
364	25800 Northwestern Hwy, Box 22	Legal	Fee &		
365	Southfield, MI 48037	Services	Expenses	228E&G	32,801
366	Sungard Investor Accounting				
367	951 Mariners Island Blvd #500	Professional	Fee &		
368	San Mateo CA 94404	Services	Expenses	146, 184	54,727
369	The Brattle Group, Inc.				
370	44 Brattle Street	Consulting	Fee &		
371	Cambridge, MA 02138-3736	Services	Expenses	556E	90,276
372	Think Energy Group Inc				
373	280 Technology Parkway	Consulting	Fee &		
374	Norcross GA 30092	Services	Expenses	184E	31,631
375	Time Management				
376	W23256815 Millbrook Circle	Professional	Fee &		
377	Big Bend WI 53103	Services	Expenses	184E	42,176
378	TQS Research Inc				
379	2660 Holcomb Bridge Rd #208	Consulting	Fee &		
380	Alpharetta GA 30022	Services	Expenses	921E	30,000
381	Trinity Lane Associates LLC				
382	1937 Trinity Lane	Consulting	Fee &		
383	Jackson MI 49201	Services	Expenses	501E	84,893
384	V Michael Lane DVM				
385	12783 Riverside Road	Consulting	Fee &		
386	Caldwell ID 83605	Services	Expenses	228E	52,568
387	Warner Norcross & Judd				
388	2000 Town Center, Suite 2700	Legal	Fee &		
389	Southfield, MI 48075	Services	Expenses	228E	256,475
390	Watson Wyatt & Company				
391	One Northern Plaza Suite 500	Consulting	Fee &		
392	Southfield, MI 48034	Services	Expenses	146, 923E&G	295,224
393	Wetland and Coastal Resources inc				
394	5801 W Michigan Ave	Consulting	Fee &		
395	Lansing MI 48917	Services	Expenses	107E	43,758
396					
397					
398					
399					
400					
401					
402					
403					
404					
405			TOTAL		175,355,785

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) 04/19/06	December 31, 2005	
SUMMARY OF COSTS BILLED TO ASSOCIATED COMPANIES					
1. In column (a) report the name of the associated company.			services provided (administrative and general expenses, dividends declared, etc.).		
2. In column (b) describe the affiliation (percentage ownership, etc. ).			4. In columns (d) and (e) report the amount classified to operating income and the account(s) in which reported.		
3. In column (c) describe the nature of the goods and					
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)	29,988
2	CMS Bay Area Pipeline LLC	CMS Enterprises Sub, 100%	Professional Svcs	(1)	9,816
3	CMS Capital LLC	CMS Enterprises Sub, 100%	Professional Svcs	(1)	117,345
4	CMS Electric & Gas LLC	CMS Enterprises Sub, 100%	Professional Svcs, Emp Benefits	(1)	3,034
5	CMS Energy Corporation	Parent Company	Professional Svcs, Emp Benefits	(1)	1,968,697
6	CMS Energy Resource Management Co.	CMS Enterprises Sub, 100%	Professional Svcs, Emp Benefits	(1)	665,389
7	CMS Engineering Company	Consumers Sub, 100%	Professional Svcs	(1)	10,909
8	CMS Enterprises Company	CMS Energy Sub, 100%	Professional Svcs, Emp Benefits	(1)	2,780,891
9	CMS Gas Transmission Company	CMS Enterprises Sub, 100%	Professional Svcs, Emp Benefits	(1)	239,924
10	CMS Generation Company	CMS Enterprises Sub, 100%	Professional Svcs, Emp Benefits	(1)	608,629
11	CMS Generation Filer City Operating LLC	CMS Enterprises Sub, 100%	Professional Svcs, Emp Benefits	(1)	18,126
12	CMS Generation Operating Company	CMS Enterprises Sub, 100%	Professional Svcs, Emp Benefits	(1)	89,961
13	CMS Generation Operating Co. II, Inc.	CMS Enterprises Sub, 100%	Professional Svcs, Emp Benefits	(1)	71,100
14	CMS Grand Lacs LLC	CMS Enterprises Sub, 100%	Professional Svcs	(1)	14,284
15	CMS International Operating Company	CMS Enterprises Sub, 100%	Emp Benefits	(1)	0
16	CMS International Ventures LLC	CMS Enterprises Sub, 98.5%	Professional Svcs, Emp Benefits	(1)	182,949
17	CMS Land Company	CMS Enterprises Sub, 100%	Professional Svcs	(1)	520,111
18	CMS Midland Holdings Company	Consumers Sub, 100%	Professional Svcs	(1)	13,048
19	CMS Midland, Inc.	Consumers Sub, 100%	Professional Svcs	(1)	66,168
20	CMS Resource Development Company	CMS Enterprises Sub, 100%	Professional Svcs, Emp Benefits	(1)	10,624
21	CMS Texas LLC	CMS Enterprises Sub, 100%	Professional Svcs, Emp Benefits	(1)	5,128
22	Consumers Campus Holdings LLC	Consumers Sub, 100%	Professional Svcs	(1)	6,871
23	Consumers Nuclear Services LLC	Consumers Sub, 100%	Professional Svcs	(1)	70,841
24	Dearborn Generation Operating LLC	CMS Enterprises Sub, 100%	Professional Svcs, Emp Benefits	(1)	83,518
25	Dearborn Industrial Generation LLC	CMS Energy Sub, 100%	Professional Svcs	(1)	0
26	EnerBank USA	CMS Enterprises Sub, 100%	Professional Svcs, Emp Benefits	(1)	42,904
27	ES Services Company	Consumers Sub, 100%	Professional Svcs, Constr Svcs	(1)	632,868
28	Genesee Power Station LP	CMS Enterprises, 50%	Professional Svcs	(1)	0
29	Grayling Generating Station LP	CMS Enterprises, 50%	Professional Svcs	(1)	0
30	Jackson Pipeline Company	CMS Enterprises Sub, 75%	Professional Svcs	(1)	8,682
31	Jorf Lasfar Energy Company SCA	CMS Enterprises, 50%	Professional Svcs	(1)	13,601
32	MEC Development Corporation	Consumers Sub, 100%	Professional Svcs	(1)	1,752
33	Midland Cogeneration Venture LP	Consumers, 49%	Professional Svcs,	(1), 489,495	48,973
34			Gas Transportation & Storage,		
35			Property Lease, Property Taxes		
36	New Bern Energy Recovery, Inc.	CMS Enterprises Sub, 100%	Professional Svcs, Emp Benefits	(1)	534
37	T.E.S. Filer City Station LP	CMS Enterprises, 50%	Professional Svcs	(1)	11,235
38					
39					
40					
41	NOTES:				
42	(1) Accounts 920, 921, 923-926, 930,				
43	931, 935, 408, 456, 495				
44					
<b>TOTAL</b>					<b>8,347,900</b>

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) 04/19/06	December 31, 2005	
SUMMARY OF COSTS BILLED TO ASSOCIATED COMPANIES (Continued)						
5. In columns (f) and (g) report the amount classified to reported.						
non-operating income and the account(s) in which reported.			7. In column (j) report the total.			
6. In columns (h) and (i) report the amount classified to contract terms, etc.) the balance sheet and the account(s) in which			8. In column (k) indicate the pricing method (cost, per			
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	1,381	146	229,835	261,204	Full Cost	1
419	455	146	95,075	105,346	Full Cost	2
419	10,112	146	370,156	497,613	Full Cost	3
419	554	146	54,970	58,558	Full Cost	4
419	87,978	146,184	17,791,361	19,848,036	Full Cost	5
419	16,188	146	1,393,160	2,074,737	Full Cost	6
419	102	146	13,269	24,280	Full Cost	7
419	76,333	146	10,249,223	13,106,447	Full Cost	8
419	6,186	146	976,257	1,222,367	Full Cost	9
419	30,191	146	2,284,375	2,923,195	Full Cost	10
419	2,386	146	360,598	381,110	Full Cost	11
419	5,537	146	787,059	882,557	Full Cost	12
419	2,758	146	370,084	443,942	Full Cost	13
419	206	146	184,593	199,083	Full Cost	14
419	515	146	57,645	58,160	Full Cost	15
419	7,356	146	656,692	846,997	Full Cost	16
419	46,261	146	648,732	1,215,104	Full Cost	17
419	261	146	15,671	28,980	Full Cost	18
419	8,646	146	87,020	161,834	Full Cost	19
419	2,853	146	305,370	318,847	Full Cost	20
419	509	146	54,856	60,493	Full Cost	21
419	149	146	8,794	15,814	Full Cost	22
419	1,052	146	84,714	156,607	Full Cost	23
419	6,685	146	634,656	724,859	Full Cost	24
419	0	146	33,986	33,986	Full Cost	25
419	3,374	146	524,894	571,172	Full Cost	26
419	14,430	146	984,196	1,631,494	Full Cost	27
419	0	146	256,436	256,436	Full Cost	28
419	0	146	4,172	4,172	Full Cost	29
419	206	146	87,870	96,758	Full Cost	30
419	624	146	56,168	70,393	Full Cost	31
419	36	146	2,209	3,997	Full Cost	32
418, 419	886	146	12,770,042	12,819,901	Full Cost	33
						34
						35
419	95	146	9,343	9,972	Full Cost	36
419	293	146	38,496	50,024	Full Cost	37
						38
						39
						40
						41
						42
						43
						44
	334,598		52,481,977	61,164,475		

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) 04/19/06	Year of Report December 31, 2005	
<b>SUMMARY OF COSTS BILLED FROM ASSOCIATED COMPANIES</b>					
1. In column (a) report the name of the associated company. 2. In column (b) describe the affiliation (percentage ownership, etc. ). 3. In column (c) describe the nature of the goods and			services provided (administrative and general expenses, dividends declared, etc.). 4. In columns (d) and (e) report the amount classified to operating income and the account(s) in which reported.		
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	3,612,197
2					
3	CMS Energy Corporation	Parent Company	Administrative Services,	920,923	2,905,318
4			External Auditing Services,		
5			Restricted Stock		
6					
7	CMS Energy Resource Management Co.	CMS Enterprises Sub, 100%	UPS Charges	921	8
8					
9	CMS Enterprises Company	CMS Energy Sub, 100%	Administrative Services	556,824,859	1,149,214
10			Datamart O&M	879,912,921	
11				923,925	
12					
13	CMS Generation Company	CMS Enterprises Sub, 100%	Environmental Affairs		
14					
15	ES Services Company	Consumers Sub, 100%	Engineering Services		
16					
17	Genesee Power Station LP	CMS Enterprises, 50%	Energy Purchases	555	17,441,090
18					
19	Grayling Generating Station LP	CMS Enterprises, 50%	Energy Purchases	555	17,826,503
20					
21	Midland Cogeneration Venture LP	Consumers, 49%	Energy Purchases	555	394,359,662
22					
23	T.E.S. Filer City Station LP	CMS Enterprises, 50%	Energy Purchases	555	31,777,624
24					
25					
26					
27					
28					
29					
30					
<b>TOTAL</b>					<b>469,071,616</b>



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) 04/19/06	Year of Report December 31, 2005
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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.
				3,612,197	Full Cost	1
		184,242	401,929	3,307,247	Full Cost	2
						3
						4
						5
						6
426	51	146,184	154	213	Full Cost	7
						8
416,417,426	66,365	146,181,184	224,895	1,440,474	Full Cost	9
		228				10
						11
						12
		184	266	266	Full Cost	13
						14
416	1,656,864			1,656,864	Full Cost	15
						16
				17,441,090	Full Cost	17
						18
				17,826,503	Full Cost	19
						20
				394,359,662	Full Cost	21
						22
				31,777,624	Full Cost	23
						24
						25
						26
						27
						28
						29
						30
	1,723,280		627,244	471,422,140		

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) 04/19/06	Year of Report 12/31/05
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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	<b>SOURCES OF ENERGY</b>		18	Net Transmission for other (line 16	0
2	Generation (Excluding Station Use):			minus line 17)	
3	Steam	20,239,779	19	Transmission by others losses	0
4	Nuclear	6,636,399	20	TOTAL (Total of lines 9, 10, 14, 18 & 19)	41,193,605
5	Hydro-Conventional	387,239	21	<b>DISPOSITION OF ENERGY</b>	
6	Hydro-Pumped Storage	1,284,595	22	Sales to Ultimate Consumers	
7	Other	52,290		(Including Interdepartmental Sales)	34,421,732
8	LESS Energy for Pumping	1,801,533	23	Requirements Sales for Resale	
9	Net Generation (Total of lines 3 thru 8)	26,798,769		(See instruction 4, page 311.)	430,642
10	Purchases	14,394,836	24	Non-Requirements Sales For Resale	
11	Power Exchanges:			(See instruction 4, page 311.)	3,660,857
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)	17,221
15	Transmission for other (Wheeling)		27	Total Energy Losses	2,663,153
16	Received		28	TOTAL (Enter total of lines 22 thru	
17	Delivered			27) (MUST equal line 20)	41,193,605

**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	3,343,046	117,845	5486	18	1900
30	February	2,853,847	63,209	5182	17	2000
31	March	3,023,087	53,823	5069	1	2000
32	April	2,903,466	306,323	4628	19	1400
33	May	3,128,409	207,727	4887	10	1700
34	June	3,886,197	537,113	7630	27	1700
35	July	4,158,987	603,908	7556	25	1700
36	August	4,106,664	433,116	7845	3	1700
37	September	3,493,685	356,317	6796	12	1700
38	October	3,439,796	483,170	6069	4	1700
39	November	3,279,063	419,581	5431	30	1900
40	December	3,577,358	331,008	5762	19	1900
41	TOTAL	41,193,605	3,913,140			

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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		04/19/06		12/31/05	
<b>STEAM-ELECTRIC GENERATION PLANT STATISTICS (Large Plants)</b>							
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 therm 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)	770		341			
7	Plant hours connected to load	8614		8720			
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	144		105			
12	Net generation, exclusive of plant use-KWh	4190890400		2053810300			
13	Cost of plant: Land and Land Rights	1949688		113291			
14	Structures and Improvements	76543960		19518858			
15	Equipments costs	335759498		133512200			
16	Asset Retirement Costs	0		0			
17	Total cost	414253146		153144349			
18	Cost per KW of Installed capacity (line 5)	619.1014		490.0619			
19	Production Expenses: Oper., Supv., & Engr.	3008577		2419325			
20	Fuel	78108742		39099460			
21	Coolants and Water (Nuclear Plants only)	0		0			
22	Steam expenses	2332468		2197697			
23	Steam from other sources	0		0			
24	Steam transferred (credit)	0		0			
25	Electric expenses	1645586		1130402			
26	Misc. steam (or nuclear) power expenses	1878308		1248774			
27	Rents	0		0			
28	Allowances	2521803		1395580			
29	Maintenance Supervision and Engineering	1284306		945218			
30	Maintenance of structures	913245		1412331			
31	Maintenance of boiler (or reactor) plant	6500908		3424443			
32	Maintenance of electric plant	1041674		3594130			
33	Maintenance of Misc. steam (or nuclear) plant	456044		116239			
34	Total Production Expenses	99691661		56983599			
35	Expenses per net KWh	0.0238		0.0277			
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	2103784	14995		1068363	212105	
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)	19695072	5838000		19051955	1018002	
40	Avg. cost of fuel per unit, as delvrd. F.o.b. plant during year	35.797	64.659		35.563	10.22	
41	Avg. cost of fuel per unit burned	34.422	64.659		33.534	10.22	
42	Avg. cost of fuel burned per million Btu	1.748	11.076		1.76	10.04	
43	Avg. cost of fuel burned per KWh net gen.	0.017	0		0.017	0	
44	Avg. Btu per KWh net generation	9908	0		10016	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) 04/19/06		Year of Report December 31, 2005	
<b>STEAM-ELECTRIC GENERATION PLANT STATISTICS (Large Plants) (Continued)</b>							
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
474		524			1223		6
8761		8744			2070		7
0		0			0		8
328		515			1276		9
328		515			1276		10
118		130			100		11
2328211000		3745323000			486008000		12
474999		178947			50886		13
20742846		23313784			34365867		14
108007918		298827751			241483622		15
0		0			0		16
129225763		322320482			275900375		17
374.2312		592.5009			196.7555		18
1814849		3223125			1653884		19
44563605		74531738			62391122		20
0		0			0		21
2593380		2187523			1308174		22
0		0			0		23
0		0			0		24
877435		1640982			996954		25
1014224		1349318			1071121		26
0		0			0		27
1287837		516355			684068		28
1102282		1369951			440418		29
1092942		1206275			656727		30
4178034		5621613			2012729		31
1100815		801887			1627430		32
111962		376240			381819		33
59737365		92825007			73224446		34
0.0257		0.0248			0.1507		35
Coal	Oil	Coal	Oil	Gas	Gas	Oil	36
Tons	Barrels	Tons	Barrels	Mcf	Mcf	Barrels	37
1281544	9552	1901542	16533	63723	4184595	552635	38
19038471	5880000	19379179	5796000	1025005	1024809	6413992	39
34.031	73.114	37.682	72.799	9.696	10.328	37.361	40
32.6	73.114	36.811	72.799	9.696	10.328	33.031	41
1.712	12.434	1.899	12560	9.459	10.78	5.15	42
0.018	0	0.019	0	0	0	0.013	43
10504	0	9882	0	0	0	16117	44

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**STEAM-ELECTRIC GENERATION PLANT STATISTICS (Large Plants) (Continued)**

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|--|--|
| <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 term 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 Constrctn. 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)	318	163				
7	Plant hours connected to load	8725	628				
8	Net continuous plant capability (megawatts)	0	0				
9	When not limited by condenser water	310	183				
10	When limited by condenser water	302	183				
11	Average number of employees	121	18				
12	Net generation, exclusive of plant use-KWh	2055002200	43097300				
13	Cost of plant: Land and Land Rights	144060	0				
14	Structures and Improvements	23223648	62857				
15	Equipments costs	88839379	24895866				
16	Asset Retirement Costs	0	0				
17	Total cost	112207087	24958723				
18	Cost per KW of Installed capacity (line 5)	359.0627	120.5735				
19	Production Expenses: Oper., Supv., & Engr.	1691372	289266				
20	Fuel	39926558	5222259				
21	Coolants and Water (Nuclear Plants only)	0	0				
22	Steam expenses	1647146	352093				
23	Steam from other sources	0	0				
24	Steam transferred (credit)	0	0				
25	Electric expenses	1398191	155363				
26	Misc. steam (or nuclear) power expenses	1312389	46777				
27	Rents	0	0				
28	Allowances	1565327	23378				
29	Maintenance Supervision and Engineering	336213	114906				
30	Maintenance of structures	830924	42072				
31	Maintenance of boiler (or reactor) plant	2906235	136447				
32	Maintenance of electric plant	1714604	38545				
33	Maintenance of Misc. steam (or nuclear) plant	305840	9426				
34	Total Production Expenses	53634799	6430532				
35	Expenses per net KWh	0.0261	0.1492				
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	1027166	9710	104323	646161		
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)	19793099	5750784	999995	1017999		
40	Avg. cost of fuel per unit, as delvrd. F.o.b. plant during year	35.732	84.319	9.548	8.45		
41	Avg. cost of fuel per unit burned	35.379	84.319	9.548	8.45		
42	Avg. cost of fuel burned per million Btu	1.787	14.662	9.548	8.301		
43	Avg. cost of fuel burned per KWh net gen.	0.018	0	0	0.121		
44	Avg. Btu per KWh net generation	9971	0	0	15263		

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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
850	793		6
7958	7958		7
0	0		8
820	765		9
0	0		10
163	0		11
5767239000	5337436700		12
1748580	1748580		13
210673144	196889372		14
453847706	425596748		15
0	0		16
666269430	624234700		17
764.7282	767.8541		18
0	2127774		19
0	90915009		20
0	0		21
0	1468091		22
0	0		23
0	0		24
0	1269537		25
0	1420633		26
0	0		27
0	4522168		28
0	721340		29
0	640648		30
0	4453433		31
0	627694		32
0	767953		33
0	108934280		34
0	0.0204		35
	Coal	Oil	36
			37
	Tons	Barrels	
	2521230	12305	38
	20458982	5838000	39
	37.186	66.511	40
	35.654	66.511	41
	1.743	11.393	42
	0.017	0	43
	9678	0	44

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**STEAM-ELECTRIC GENERATION PLANT STATISTICS (Large Plants) (Continued)**

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| <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 term 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> |
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Line No.	Item (a)	Plant Name: Weadock (b)	Plant Name: Thetford (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	1968	1970
4	Year last unit was installed	1969	1971
5	Total Installed cpcty. (max. generator name plate ratings in MW)	18.6	222.15
6	Net Peak Demand on Plant-MW (60 minutes)	15	194
7	Plant hours connected to load	59	380
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	708900	33275720
13	Cost of plant: Land and Land Rights	0	126313
14	Structures and Improvements	4512	493438
15	Equipments costs	1608149	25712200
16	Asset Retirement Costs	0	0
17	Total cost	1612661	26331951
18	Cost per KW of Installed capacity (line 5)	86.7022	118.5323
19	Production Expenses: Oper., Supv., & Engr.	1747	81978
20	Fuel	92429	492447
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	2763	78855
26	Misc. steam (or nuclear) power expenses	438	27480
27	Rents	0	0
28	Allowances	0	78273
29	Maintenance Supervision and Engineering	1313	100711
30	Maintenance of structures	0	0
31	Maintenance of boiler (or reactor) plant	0	0
32	Maintenance of electric plant	-241605	558384
33	Maintenance of Misc. steam (or nuclear) plant	0	0
34	Total Production Expenses	-142915	5850158
35	Expenses per net KWh	-0.2016	0.1758
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	10136	576592
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)	1021113	1000000
40	Avg. cost of fuel per unit, as delvrd. F.o.b. plant during year	9.119	8.541
41	Avg. cost of fuel per unit burned	9.119	8.541
42	Avg. cost of fuel burned per million Btu	8.93	8.541
43	Avg. cost of fuel burned per KWh net gen.	0.13	0.148
44	Avg. Btu per KWh net generation	14600	17328



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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
18.6		36		82.6		5
5		32		82		6
2		79		349		7
0		0		0		8
17		34		85		9
17		34		85		10
0		0		6		11
25000		1322300		14633000		12
0		0		1252		13
42801		12154		231837		14
1625237		3459428		6881879		15
0		0		0		16
1668038		3471582		7114968		17
89.6795		96.4328		86.1376		18
61		3258		64207		19
3714		185629		2924040		20
0		0		0		21
0		0		0		22
0		0		0		23
0		0		0		24
32109		36180		48740		25
12		659		27215		26
0		0		0		27
0		0		0		28
267		2346		40270		29
0		225		5166		30
0		0		0		31
40634		81392		315605		32
0		0		0		33
76797		309689		3425243		34
3.0719		0.2342		0.2341		35
Oil		Gas		Gas		36
						37
Barrels		Mcf		Mcf		38
122		21941		245598		38
5824219		1043298		1000000		39
30.45		8.46		11.906		40
30.45		8.46		11.906		41
5.231		8.109		11.906		42
0.149		0.14		0.2		43
28400		17312		16784		44

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**STEAM-ELECTRIC GENERATION PLANT STATISTICS (Large Plants) (Continued)**

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|--|---|
| <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	18.6
6	Net Peak Demand on Plant-MW (60 minutes)	21	0
7	Plant hours connected to load	184	0
8	Net continuous plant capability (megawatts)	0	0
9	When not limited by condenser water	21	0
10	When limited by condenser water	21	0
11	Average number of employees	0	0
12	Net generation, exclusive of plant use-KWh	2323300	0
13	Cost of plant: Land and Land Rights	4694	0
14	Structures and Improvements	50816	14999
15	Equipments costs	2015443	1670964
16	Asset Retirement Costs	0	0
17	Total cost	2070953	1685963
18	Cost per KW of Installed capacity (line 5)	97.4566	90.6432
19	Production Expenses: Oper., Supv., & Engr.	5723	0
20	Fuel	442109	0
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	23291	3704
26	Misc. steam (or nuclear) power expenses	2029	0
27	Rents	0	0
28	Allowances	0	0
29	Maintenance Supervision and Engineering	4122	0
30	Maintenance of structures	375	0
31	Maintenance of boiler (or reactor) plant	0	0
32	Maintenance of electric plant	21321	3922
33	Maintenance of Misc. steam (or nuclear) plant	0	0
34	Total Production Expenses	498970	7626
35	Expenses per net KWh	0.2148	0
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	41694	0
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	0
40	Avg. cost of fuel per unit, as delvrd. F.o.b. plant during year	10.616	0
41	Avg. cost of fuel per unit burned	10.616	0
42	Avg. cost of fuel burned per million Btu	10.616	0
43	Avg. cost of fuel burned per KWh net gen.	0.19	0
44	Avg. Btu per KWh net generation	17925	0

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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
815	0		6
8443	0		7
798	0		8
813	0		9
778	0		10
482	104		11
6636399000	0		12
2566108	0		13
186783993	0		14
650462650	0		15
0	0		16
839812751	0		17
1034.5707	0		18
9858730	0		19
25131764	0		20
4907396	0		21
10878831	0		22
0	0		23
0	0		24
5326073	0		25
37571364	0		26
840665	0		27
0	0		28
9009019	0		29
913639	0		30
7719016	0		31
3795250	0		32
3246567	0		33
119198314	0		34
0.018	0		35
Nuclear			36
			37
KG of			38
932			39
73101872			40
0			41
26967			42
0.344			43
0.004			44
11000			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) 04/19/06	Year of Report 12/31/05
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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 \$4,723,851.
402	20	c	Includes ash, fuel handling and other non-fuel clause expenses in the amount of \$1,105,639.
403	20	d	Includes ash, fuel handling and other non-fuel clause expenses in the amount of \$2,153,144.
403	20	e	Includes ash, fuel handling and other non-fuel clause expenses in the amount of \$2,717,435.
403	20	f	Includes ash, fuel handling and other non-fuel clause expenses in the amount of \$914,922
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, 2005.
402.1	20	b	Includes ash, fuel handling and other non-fuel clause expenses in the amount of \$1,772,604.
403.1	20	e	JHCampbell 3 (Consumers Share) includes ash, fuel handling, and other non-fuel clause expenses in the amount of \$214,681.
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. The Company has a full-term, 40 year operating license for the Palisades Nuclear Plant. Palisades license expires in the year 2011.</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 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) 04/19/06	Year of Report December 31, 2005
<b>HYDROELECTRIC GENERATING PLANT STATISTICS (Large Plants)</b>			
1. Large plants are hydro plants of 10,000 Kw or more of installed capacity (name plate ratings).		3. If net peak demand for 60 minutes is not available, give that which is available, specifying period.	
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.		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.	
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	15
6	Net peak demand on plant-megawatts (60 minutes)	31	9
7	Plant hours connected to load	6,168	8,719
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	89,295,500	30,741,000
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	3,490,574
17	Equipment costs	2,089,013	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)	8,803,286	5,935,163
21	Cost per KW of installed capacity (Line 20/5 div 1,000)	293.4429	393.0572
22	Production Expenses:		
23	Operation Supervision and Engineering	47,136	16,227
24	Water for power	98,308	38,869
25	Hydraulic Expenses	111,855	91,624
26	Electric Expenses	100,372	77,610
27	Misc. Hydraulic Power Generation Expenses	38,444	15,202
28	Rents	0	0
29	Maintenance Supervision and Engineering	21,922	11,921
30	Maintenance of Structures	13,885	12,183
31	Maintenance of Reservoirs, Dams and Waterways	66,820	275,117
32	Maintenance of Electric Plant	113,858	81,141
33	Maintenance of Misc. Hydraulic Plant	4,752	20,817
34	Total Production Expenses (Total lines 23 thru 33)	617,352	640,711
35	Expenses per net KWh	0.0069	0.0208

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) 04/19/06	Year of Report December 31, 2005
<b>HYDROELECTRIC GENERATING PLANT STATISTICS (Large Plants) (Continued)</b>			
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
16			6
8,757			7
			8
21			9
5			10
7			11
54,260,000			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
28,642			23
46,462			24
197,778			25
153,130			26
57,489			27
0			28
16,207			29
9,502			30
159,927			31
106,455			32
29,691			33
805,283	0	0	34
0.0148			35

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) 04/19/06	Year of Report December 31, 2005
<b>PUMPED STORAGE GENERATING PLANT STATISTICS (Large Plants)</b>			
<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)	1,978.80	
5	Net Peak Demand on Plant-Megawatts (60 minutes)	1,891	
6	Plant Hours Connected to Load While Generating	10,384	
7	Net Plant Capability (In megawatts)	1,872	
8	Average Number of Employees	39	
9	Generation Exclusive of Plant Use-KWh	2,775,666,000	
10	Energy Used for Plumbing-KWh	3,881,907,000	
11	Net Output for Load (line 9 minus line 10)-KWh	(1,106,241,000)	
12	Cost of Plant		
13	Land and Land Rights	4,549,195	
14	Structures and Improvements	35,404,236	
15	Reservoirs, Dams and Waterways	209,558,366	
16	Water Wheels, Turbines, and Generators	85,260,967	
17	Accessory Electric Equipment	16,419,234	
18	Miscellaneous Powerplant Equipment	3,839,079	
19	Roads, Railroads, and Bridges	3,398,333	
20	Asset Retirement Costs		
21	TOTAL Cost (Enter total of lines 13 thru 20)	358,429,410	
22	Cost per KW of Installed Capacity (line 21 ÷ line 4 div 1,000)	181.1347	
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) 04/19/06	Year of Report December 31, 2005
<b>PUMPED STORAGE GENERATING PLANT STATISTICS (Large Plants) (Continued)</b>			
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
964			5
			6
955			7
			8
1,284,595,000			9
1,801,533,000			10
(516,938,000)	0	0	11
			12
2,274,557			13
16,867,286			14
95,356,485			15
41,659,315			16
2,884,624			17
1,870,747			18
1,535,548			19
			20
162,448,562	0	0	21
160.9693			22
			23
522,111			24
728,973			25
1,264,700			26
496,190			27
521,321			28
2,142			29
242,917			30
106,570			31
445,210			32
1,013,221			33
950,824			34
6,294,179	0	0	35
36,952,968			36
43,247,147	0	0	37
0.0337			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) 04/19/06	Year of Report 12/31/05
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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, 2005.

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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) 04/19/06	Year of Report 12/31/05			
<b>GENERATING PLANT STATISTICS (Small Plants)</b>						
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	7.8	27,092,000	4,344,008
3	Cooke - FPC #2450	1911	9.00	6.0	23,533,500	3,327,771
4	Five Channels - FPC #2453	1912	6.00	6.2	21,996,300	3,793,325
5	Loud - FPC #2449	1913	4.00	4.7	16,432,974	3,210,371
6	Alcona - FPC #2447	1924	8.00	6.0	24,851,350	3,783,873
7	Mio - FPC #2448	1916	4.96	3.4	13,327,100	3,395,031
8	Croton - FPC #2468	1907	8.85	8.1	37,634,500	8,450,562
9	Rogers - FPC #2451	1906	6.76	5.4	26,467,000	5,135,399
10	Webber - FPC #2566	1907	4.30	3.2	9,819,400	6,910,527
11	Calkins Bridge (Allegan) - FPC #785	1938	2.55	2.3	11,788,000	1,985,094
12						
13						
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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) 04/19/06	Year of Report 12/31/05	
<b>GENERATING PLANT STATISTICS (Small Plants) (Continued)</b>						
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)			
482,668	176,597		108,553			1
369,752	292,202		98,677			2
632,221	335,105		201,302			3
802,593	209,201		94,016			4
472,984	216,584		163,086			5
684,482	225,410		96,614			6
954,866	416,878		243,306			7
759,674	159,491		182,795			8
1,607,099	173,976		125,971			9
778,468	157,122		92,009			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) 04/19/06	Year of Report 12/31/05
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**STEAM ELECTRIC GENERATING PLANTS**

- |  |  |
|--|--|
| <p>1. Include on this page steam-electric plants of 25,000 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 unit type Installation, boiler, and turbine-generator on same line.</p> <p>3. Exclude plant, the book cost of which is located in Account 121, <i>Nonutility Property</i>.</p> <p>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</p> | <p>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.</p> <p>Specify if lessor, co-owner, or other party is an associated company.</p> <p>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.</p> <p>6. Designate any plant or equipment owned, not</p> |
|--|--|

Line No.	Name of Plant  (a)	Location of Plant  (b)	BOILERS <i>(Include both ratings for the boiler and the turbine-generator or dual-rated installations)</i>				
			Number and Year Installed  (c)	Kind of Fuel And Method of Firing  (d)	Rated Pressure (In psig)  (e)	Rated Steam Temp. <i>(Indicate reheat boilers as 1050/1000)</i>  (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 413C						
31							
32							
33	* 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) 04/19/06		Year of Report 12/31/05				
<b>STEAM ELECTRIC GENERATING PLANTS (cont'd)</b>													
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 <b>NAME PLATE</b> Rating in Kw							Plant Capacity Maximum Generator Name Plate Rating (Should agree with column (n))	Line No.
	Max. Rating Mega-Watt	Type <small>(Indicate tandem-compound (TC); cross compound (CC) single casing (SC); topping unit (T); and non-condensing (NC) Show back pressures)</small>	Steam Pressure at Throttle psig.	RPM	At Minimum Hydrogen Pressure	At Max. Hydrogen Pressure <small>(Include both ratings for the boiler and the turbine-generator of dual-rated installations)</small>	Hydrogen Pressure  <i>(Designate air cooled generators)</i>		Power Factor	Voltage (in MV) <small>(If other than 3 phase, 60 cycle indicate other characteristic)</small>			
							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	
1962	265	CC	2400	3600	97.4+	132.5	25.0	45.0	0.85	16.0		2	
					97.4+	132.5	25.0	45.0	0.85	16.0		3	
1967	403.9	TC	3500	3600	325.2	403.9	30.0	60.0	0.85	20.0		4	
1980	871.3	TC	2400	3600	583.7	871.3	30.0	75.0	0.85	18.0	1,540.2	5	
												6	
1949	69	TC	850	3600	60	69	0.5	15.0	0.85	14.4		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	
1956	156.3	TC	2000	3600	125	156.3	0.5	30.0	0.85	18.0		10	
1957	156.3	TC	2000	3600	125	156.3	0.5	30.0	0.85	18.0		11	
												12	
1959	272	CC	2400	3600	108.8	136	25.0	45.0	0.85	16.0		13	
					108.8	136	25.0	45.0	0.85	16.0		14	
1961	272	CC	2400	3600	108.8	136	25.0	45.0	0.85	16.0		15	
					108.8	136	25.0	45.0	0.85	16.0		16	
1975	692.5	TC	1800	3600	387.8	692.5	15.0	60.0	0.85	26.0		17	
												18	
1977	709.8	TC	1800	3600	518	709.8	45.0	75.0	0.85	26.0	1,946.30	19	
												20	
1955	156.3	TC	2000	3600	125	156.3	0.5	30.0	0.85	18.0		21	
1958	156.3	TC	2000	3600	125	156.3	0.5	30.0	0.85	18.0	312.6	22	
												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	
												32	
+ J H Campbell - Shaft connected boiler feed pumps - 4,320 hp per pump - one each turbine.													
												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) 04/19/06	Year of Report 12/31/05
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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) 04/19/06	Year of Report 12/31/05
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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	Hodenpyl	Wexford County, Springville Township	Manistee	Attended*	Vert F	1925	67.5'
6					Vert F	1925	67.5'
7	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							
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32							
33							
34							
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) 04/19/06	Year of Report 12/31/05
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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		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	30	3
										4
62'	120	12,000	1925	7.5	3	60	8.5	1		5
62'	120	12,000	1925	7.5	3	60	8.5	1	17	6
										7
57.5'	109.1	7500	1918	7.5	3	60	6.7	1		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	20	10
										11
										12
										13
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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) 04/19/06	Year of Report 12/31/05
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**PUMPED STORAGE GENERATING PLANTS**

1. Include in this schedule pumped storage plants of 10,000 Kw (name-plate rating) or more of installed capacity.  
2. Report the information called for concerning generating plants and equipment at year end. Show associated prime movers and generators on the same line.  
3. Exclude from this schedule the book cost of plant included in Account 121, *Nonutility Property*.  
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

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	363.7' (3)	353'
2					Vert F	1973	363.7'	353'
3					Vert F	1973	363.7'	353'
4					Vert F	1973	363.7'	353'
5					Vert F	1973	363.7'	353'
6					Vert F	1973	363.7'	353'
7								
8								
9								
10								
11								

(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) Change in Gross Static Head with pond full due to increase in average lake level for 2003.

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) 04/19/06	Year of Report 12/31/05
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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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									9
									10
									11
									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) 04/19/06		Year of Report 12/31/05	
<b>PUMPED STORAGE GENERATING PLANTS (Continued)</b>							
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.	<b>GENERATORS OR GENERATOR/MOTORS</b> <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 329.8 MW 0.85 Power Factor	6	1,978.80
2							
3							
4							
5							
6							
7							
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**INTERNAL-COMBUSTION ENGINE AND GAS-TURBINE GENERATING PLANTS**

- |  |  |
|--|--|
| <p>1. Include on this page internal-combustion engine and gas-turbine plants of 10,000 kilowatts and more.</p> <p>2. Report the information called for concerning plants and equipment at end of year. Show associated prime movers and generators on the same line.</p> <p>3. Exclude from this page, plant, the book cost of which is included in Account 121, <i>Nonutility Property</i>.</p> | <p>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</p> |
|--|--|

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						
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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) 04/19/06	Year of Report 12/31/05
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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	82.6	2
								3
	1968	13.8	3	60	18.6	1	18.6	4
								5
	1968	13.8	3	60	18.0	1		6
	1969	13.8	3	60	18.0	1	36.0	7
								8
	1968	13.8	3	60	18.6	1	18.6	9
								10
	1968	13.8	3	60	18.6	1	18.6	11
								12
	1969	13.8	3	60	21.3	1	21.3	13
								14
	1970	13.8	3	60	33.6	4	222.2	15
	1971	13.8	3	60	17.6	5		16
								17
								18
								19
								20
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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) 04/19/06	12/31/05	
SUBSTATIONS					
1. Report below the information called for concerning substations of the respondent as of the end of the year. 2. Substations which serve only one industrial or street railway customer should not be listed below. 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.			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). 5. Show in columns (l), (j), and (k) special equipment such as rotary converters, rectifiers, condensers, etc. and auxiliary equipment for increasing capacity.		
VOLTAGE (In Mva)					
Line No.	Name and Location of Substation	Character of Substation	Primary	Secondary	Tertiary
	(a)	(b)	(c)	(d)	(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	ALCONA HYDRO - CURTIS TWP	Distrib Unattended	4	24.9	
7			138	46	
8	ALDER CREEK - NEWTON TWP	Distrib Unattended	138	24.9	
9	ALDRICH - FLINT	Distrib Unattended	46	8.32	
10	ALGER - MOFFITT TWP	Distrib Unattended	138	24.9	
11	ALGOMA - ALGOMA TWP	Trans Unattended	138	46	4.8
12	ALMA - GREENDALE TWP	Trans Unattended	138	46	4.8
13	ALMEDA - FRASER TWP	Trans Unattended	138	46	4.8
14	ALPINE - ALPINE TWP	Distrib Unattended	138	12.47	
15	ALTO - LOWELL TWP	Distrib Unattended	46	8.32	
16	AMBER - MARQUETTE TWP	Trans Unattended	138	46	4.8
17	AMPERSEE - KALAMAZOO	Distrib Unattended	46	8.32	
18	APPLE - EGELSTON TWP	Distrib Unattended	46	8.32	
19			46	12.47	
20	APPLETON - BIG RAPIDS TWP	Distrib Unattended	46	12.47	
21	ASHMAN CIRCLE - MIDLAND TWP	Distrib Unattended	46	8.32	
22	ASYLUM - FLINT	Distrib Unattended	46	13.8	
23	ATHERTON - BURTON TWP	Distrib Unattended	46	8.32	
24	ATLAS - ATLAS TWP	Distrib Unattended	46	8.32	
25	ATWATER - TEXAS TWP	Distrib Unattended	46	8.32	
26			46	24.9	
27	AUBURN - WILLIAMS TWP	Distrib Unattended	46	8.32	
28	AUSTIN - PORTAGE TWP	Distrib Unattended	46	8.32	
29	BACKUS - BACKUS TWP	Distrib Unattended	138	24.9	
30	BAGLEY - BAGLEY TWP	Distrib Unattended	138	24.9	
31	BALLENGER - FLINT	Distrib Unattended	46	8.32	
32	BARD ROAD - SAGE TWP	Trans Unattended	138	46	7.2
33	BARNARD - SAGINAW	Distrib Unattended	46	8.32	
34	BARNUM CREEK - NEWTON	Distrib Unattended	138	8.32	
35	BARRY - HASTINGS TWP	Trans Unattended	138	46	4.8
36			138	46	7.2
37	BASS CREEK - ROBINSON TWP	Trans Unattended	138	46	4.8
38	BATAVIA - BATAVIA TWP	Trans Unattended	138	46	4.8
39	BATES - WHITE WATER TWP	Distrib Unattended	46	12.47	
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) 04/19/06	Year of Report 12/31/05
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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	32				1
13	1					2
13	1					3
13	1					4
13	2					5
12	5					6
						7
10	1					8
13	1					9
13	1					10
30	1					11
50	1					12
30	1					13
13	1					14
13	1					15
90	2					16
10	1					17
19	2					18
						19
13	1					20
13	2					21
20	1					22
13	1					23
13	1					24
25	2					25
						26
10	1					27
13	1					28
13	1					29
25	2					30
23	2					31
30	1					32
25	2				33	
20	1				34	
88	2				35	
					36	
40	1				37	
40	1				38	
13	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) 04/19/06	Year of Report 12/31/05
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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)
(a)	(b)	(c)	(d)	(e)	
41	BATTEESE - HENRIETTA TWP	Distrib Unattended	46	24.9	
42	BAUM STREET - SAGINAW	Distrib Unattended	46	8.32	
43	BAVARIAN - FRANKENMUTH TWP	Distrib Unattended	46	8.32	
44	BAY ROAD - FRANKENLUST TWP	Distrib Unattended	138	24.9	
45	BAYBERRY - BYRON TWP	Distrib Unattended	138	12.47	
46	BEALS ROAD - WYOMING TWP	Trans Unattended	138	12.47	
47			138	46	4.8
48	BEAVER CREEK - GRAYLING TWP	Trans Unattended	138	46	4.8
49	BECKER - EGELSTON TWP	Distrib Unattended	138	12.47	
50	BEECHER - MADISON TWP	Trans Unattended	46	8.32	
51			46	12.47	
52			138	46	
53			138	46	4.8
54	BEERS - GAINES TWP	Distrib Unattended	46	8.32	
55	BEGOLE - PINE RIVER TWP	Trans Unattended	138	46	7.2
56	BELDING - EUREKA TWP	Distrib Unattended	46	8.32	
57	BELL ROAD - TAYMOUTH TWP	Distrib Unattended	138	24.9	
58	BELLA VISTA - ROCKFORD TWP	Distrib Unattended	46	8.32	
59	BELSAY - BURTON TWP	Distrib Unattended	46	8.32	
60	BENNETT - MERIDIAN TWP	Distrib Unattended	46	8.32	
61	BENNINGTON - BENNINGTON TWP	Distrib Unattended	138	24.9	
62	BEVERIDGE - FLINT	Trans Unattended	138	46	4.8
63			138	46	7.2
64	BIG RAPIDS - BIG RAPIDS TWP	Distrib Unattended	46	12.47	
65	BIL-MAR - OLIVE TWP	Distrib Unattended	138	8.32	
66	BINGHAM - BINGHAM TWP	Trans Unattended	138	46	4.8
67	BISHOP - FLINT	Distrib Unattended	46	8.32	
68	BLACK RIVER - HOLLAND TWP	Trans Unattended	138	12.47	
69			138	46	4.8
70			138	46	7.2
71	BLACKMAN - BLACKMAN TWP	Distrib Unattended	138	46	4.8
72	BLACKSTONE STREET - BLACKMAN TWP	Trans Unattended	138	46	4.8
73			138	46	13.8
74	BLINTON - GRAND BLANC TWP	Distrib Unattended	138	24.9	
75	BLISSFIELD - BLISSFIELD TWP	Distrib Unattended	46	12.47	
76	BLUEGRASS - CHIPPEWA TWP	Distrib Unattended	138	8.32	
77	BLUEWATER - BINGHAM TWP	Distrib Unattended	138	24.9	
78	BOARDMAN - GARFIELD TWP	Trans Unattended	138	46	4.8
79			138	46	7.2

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) 04/19/06	12/31/05	
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					41
19	2					42
13	1					43
60	2					44
20	1					45
260	5					46
						47
30	1					48
13	1					49
233	4					50
						51
						52
						53
20	1					54
38	1					55
13	1					56
13	1					57
13	1					58
13	1					59
20	1					60
13	1					61
200	2					62
						63
13	1					64
20	1					65
40	1					66
14	1					67
90	3					68
						69
						70
40	1					71
160	5					72
						73
60	2					74
10	1					75
13	1					76
12	1					77
88	2					78
						79

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) 04/19/06	Year of Report 12/31/05
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**SUBSTATIONS (continued)**

Line No.	Name and Location of Substation (a)	Character of Substation (b)	VOLTAGE (In Mva)		
			Primary (c)	Secondary (d)	Tertiary (e)
80	BOMAN - FLUSHING TWP	Distrib Unattended	46	8.32	
81	BOON ROAD - HARING TWP	Distrib Unattended	46	8.32	
82	BOSTON SQUARE - PARIS TWP	Distrib Unattended	46	12.47	
83	BOWEN - PARIS TWP	Distrib Unattended	46	12.47	
84	BREEDSVILLE - COLUMBIA TWP	Distrib Unattended	46	24.9	
85	BRETON - PARIS TWP	Distrib Unattended	46	12.47	
86	BRICKER - OTISCO TWP	Distrib Unattended	138	24.9	
87	BRICKYARD - HOLTON TWP	Distrib Unattended	138	46	
88	BRIDGE ST. - JACKSON TWP	Distrib Unattended	46	8.32	
89	BRIDGEPORT - BRIDGEPORT TWP	Distrib Unattended	46	8.32	
90	BRISTOL - SAGINAW	Distrib Unattended	46	8.32	
91	BROADMOOR - PARIS TWP	Distrib Unattended	138	13.8	
92			138	46	4.8
93	BROADWAY - FRUITPORT TWP	Distrib Unattended	46	12.47	
94	BROUGHWELL - RIVES TWP	Distrib Unattended	138	24.9	
95	BRYE ROAD - AMBER	Distrib Unattended	46	24.9	
96	BUCK CREEK - GAINES TWP	Trans Unattended	138	46	7.2
97	BULLOCK - MIDLAND TWP	Trans Unattended	46	8.32	
98			138	46	4.8
99	BURLINGAME - WYOMING TWP	Distrib Unattended	46	12.47	
100	BURROWS - SAGINAW	Distrib Unattended	46	8.32	
101	BURTCH ROAD - GRASS LAKE TWP	Distrib Unattended	46	24.9	
102	BYRON CENTER - BYRON TWP	Distrib Unattended	46	8.32	
103	CADILLAC - CLAM LAKE TWP	Distrib Unattended	46	8.32	
104			46	24.9	
105	CADMUS - MADISON TWP	Distrib Unattended	46	12.47	
106	CALHOUN - ALBION	Trans Unattended	138	46	11.5
107	CALKINS - FLINT	Distrib Unattended	46	8.32	
108	CALVIN - PARIS TWP	Distrib Unattended	46	12.47	
109	CAMELOT LAKE - GREENDALE TWP	Distrib Unattended	138	24.9	
110	CANNON - CANNON TWP	Trans Unattended	138	46	4.8
111	CARROLL - BLACKMAN TWP	Distrib Unattended	46	8.32	
112	CARROLLTON - BUENA VISTA TWP	Distrib Unattended	23	8.32	
113	CARY ROAD - COLUMBIA TWP	Distrib Unattended	46	26.19	
114	CASCADE - CASCADE TWP	Distrib Unattended	46	8.32	
115	CASINO - CHIPPEWA TWP	Distrib Unattended	46	8.32	
116	CASS ROAD - GARFIELD TWP	Distrib Unattended	46	12.47	
117	CEDAR SPRINGS - SOLON TWP	Distrib Unattended	138	24.9	
118	CEMENT CITY - COLUMBIA 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) 04/19/06	Year of Report 12/31/05
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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)	
13	1					80
13	1					81
25	2					82
23	3					83
13	1					84
80	2					85
14	1					86
50	1					87
13	2					88
13	1					89
13	1					90
225	3					91
						92
25	2					93
13	1					94
13	1					95
100	1					96
84	3					97
						98
26	3					99
19	2					100
13	1					101
25	2					102
26	2					103
						104
13	1					105
50	1					106
25	2					107
40	2					108
13	1					109
40	1					110
13	1					111
13	3					112
13	1					113
27	2					114
13	1					115
20	1					116
20	1					117
40	1					118

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) 04/19/06	Year of Report 12/31/05
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**SUBSTATIONS (continued)**

Line No.	Name and Location of Substation (a)	Character of Substation (b)	VOLTAGE (In Mva)		
			Primary (c)	Secondary (d)	Tertiary (e)
119	CENTER ROAD - BURTON TWP	Distrib Unattended	46	8.32	
120	CENTREVILLE - NOTTAWA TWP	Distrib Unattended	46	24.9	
121	CHAFFEE - GRAND RAPIDS	Distrib Unattended	46	12.47	
122	CHARLOTTE - EATON TWP	Distrib Unattended	46	8.32	
123	CHASE - CHASE TWP	Trans Unattended	138	46	
124			138	46	4.8
125	CHAUNCEY - SHERIDAN TWP	Distrib Unattended	46	8.32	
126	CHEBOYGAN - BENTON TWP	Distrib Unattended	46	12.47	
127	CHEESMAN - PINE RIVER	Distrib Unattended	138	8.32	
128	CHESANING - CHESANING TWP	Distrib Unattended	46	8.32	
129	CHEYENNE - SAGINAW	Distrib Unattended	46	8.32	
130	CHICAGO - GEORGETOWN TWP	Distrib Unattended	138	24.9	
131	CHURCHILL - LESLIE	Trans Unattended	138	46	7.2
132	CLARE - GRANT TWP	Distrib Unattended	138	24.9	
133	CLAREMONT - BRIDGEPORT TWP	Trans Unattended	138	46	4.8
134	CLAY - GRAND RAPIDS	Distrib Unattended	46	8.32	
135	CLEARWATER - CLEARWATER TWP	Trans Unattended	138	46	4.8
136	CLEVELAND - SPRING LAKE TWP	Trans Unattended	138	46	4.8
137	CLIO - VIENNA TWP	Distrib Unattended	46	8.32	
138	CLUB - DALTON TWP	Distrib Unattended	138	12.47	
139	CLYDE ROAD - IONIA TWP	Distrib Unattended	46	24.9	
140	COBB PLANT - MUSKEGON	Trans Attended	138	46	2.4
141	COCHRAN - EATON TWP	Distrib Unattended	138	24.9	
142	COLE CREEK - FLUSHING TWP	Trans Unattended	138	46	4.8
143	COLEMAN - WARREN TWP	Distrib Unattended	46	8.32	
144	COLLEGE PARK - MADISON TWP	Distrib Unattended	46	12.47	
145	COLONY FARM - KALAMAZOO	Distrib Unattended	138	24.9	
146	COMSTOCK - COMSTOCK TWP	Distrib Unattended	46	8.32	
147	CONVIS - CONVIS TWP	Distrib Unattended	138	24.9	
148	CONWAY - LITTLE TRAVER TWP	Distrib Unattended	46	13.8	
149	COOKE DAM - OSCODA TWP	Distrib Unattended	5	2.4	
150			46	2.4	
151	COOLEY - KALAMAZOO	Distrib Unattended	46	8.32	
152	COOPERSVILLE - POLKTON TWP	Distrib Unattended	46	8.32	
153	CORNELL - CALEDONIA TWP	Trans Unattended	138	46	4.8
154	CORUNNA - CALEDONIA TWP	Distrib Unattended	46	8.32	
155	COTTAGE GROVE - KAWKAWLIN TWP	Distrib Unattended	138	24.9	
156	COURT STREET - BURTON TWP	Distrib Unattended	46	8.32	
157	COWAN LAKE - CANNON TWP	Distrib Unattended	138	24.9	



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) 04/19/06	Year of Report 12/31/05	
<b>SUBSTATIONS (Continued)</b>						
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					119
13	1					120
20	1					121
14	2					122
18	3					123
						124
13	1					125
16	2					126
12	1					127
13	1					128
40	2					129
20	1					130
50	1					131
14	1					132
200	2					133
20	1					134
30	1					135
80	1					136
19	2					137
12	1					138
13	1					139
200	2					140
13	1					141
30	1					142
13	1					143
20	1					144
13	1					145
14	2					146
13	1					147
13	1					148
10	3					149
						150
22	3					151
13	1					152
80	1					153
13	1					154
10	1					155
20	1					156
13	1					157

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) 04/19/06	Year of Report 12/31/05
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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)
158	CRAWFORD - UNION TWP	Distrib Unattended	46	8.32	
159	CROTON - CROTON TWP	Trans Unattended	138	46	4.8
160	CURTIS - EDENVILLE TWP	Distrib Unattended	46	8.32	
161	CUTLERVILLE - BYRON TWP	Distrib Unattended	46	12.47	
162	DAVENPORT - SAGINAW	Distrib Unattended	46	8.32	
163	DAVID - PORTLAND	Trans Unattended	138	46	7.2
164	DAVISON - DAVISON TWP	Distrib Unattended	46	8.32	
165	DEAN ROAD - TYRONE TWP	Distrib Unattended	138	24.9	
166	DEJA - DAY TWP	Trans Unattended	138	46	4.8
167	DELANEY - BURTON TWP	Trans Unattended	138	46	4.8
168	DELHI - LANSING TWP	Trans Unattended	138	46	4.8
169	DERBY - STANTON TWP	Distrib Unattended	138	8.32	
170	DEWEY - WALKER TWP	Distrib Unattended	46	12.47	
171	DEWITT - DEWITT TWP	Distrib Unattended	46	8.32	
172	DIMONDALE - WINDSOR TWP	Distrib Unattended	46	8.32	
173	DIXIE - MT MORRIS TWP	Distrib Unattended	46	8.32	
174	DOEHLER-JARVIS - PARIS TWP	Distrib Unattended	46	12.47	
175	DORR CORNERS - DORR TWP	Distrib Unattended	138	8.32	
176	DORT - GENESEE TWP	Trans Unattended	138	46	4.8
177	DOWLING - HUDSON TWP	Trans Unattended	138	46	4.8
178	DRAKE ROAD - OSHTEMO TWP	Distrib Unattended	138	8.32	
179	DUFFIELD - CLAYTON TWP	Distrib Unattended	138	24.9	
180	DUNHAM - FLUSHING TWP	Distrib Unattended	46	8.32	
181	DURAND - VERNON TWP	Distrib Unattended	46	8.32	
182	DUTTON - GAINES TWP	Distrib Unattended	138	12.47	
183	EAST BAY - EAST BAY TWP	Distrib Unattended	46	12.47	
184	EAST GENESEE AVE - BUENA VISTA TWP	Distrib Unattended	46	8.32	
185	EAST JORDAN - SOUTH ARM TWP	Distrib Unattended	46	12.47	
186	EAST MUSKEGON - MUSKEGON	Distrib Unattended	46	12.47	
187	EAST TAWAS - BALDWIN TWP	Distrib Unattended	138	24.9	
188	EASTON - EASTON TWP	Distrib Unattended	138	24.9	
189	EASTWOOD - KALAMAZOO	Distrib Unattended	46	8.32	
190	EDDY - BUENA VISTA	Distrib Unattended	46	8.32	
191	EDENVILLE DAM - TOBACCO TWP	Distrib Unattended	46	24.9	
192			138	46	4.8
193	ELLIS - FRUITPORT TWP	Distrib Unattended	138	12.47	
194	ELLSWORTH - WALKER TWP	Distrib Unattended	46	12.47	
195	ELM STREET - EMMET	Trans Unattended	46	8.32	
196			138	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) 04/19/06	12/31/05	
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					158
40	1					159
13	1					160
25	2					161
13	1					162
50	1					163
25	2					164
30	1					165
30	1					166
100	1					167
80	2					168
13	1					169
40	2					170
25	2					171
13	1					172
13	1					173
25	2					174
13	1					175
200	2					176
50	1					177
40	2					178
13	1					179
13	1					180
13	1					181
40	2					182
13	1					183
13	2					184
13	1					185
13	1					186
13	1					187
20	1					188
13	1					189
13	1					190
26	4					191
						192
20	1					193
60	3					194
98	3					195
						196

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) 04/19/06	Year of Report 12/31/05
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**SUBSTATIONS (continued)**

Line No.	Name and Location of Substation (a)	Character of Substation (b)	VOLTAGE (In Mva)		
			Primary (c)	Secondary (d)	Tertiary (e)
197			138	46	4.8
198	ELMWOOD - ELMWOOD TWP	Trans Unattended	138	46	13.8
199	EMERALD - KALAMAZOO	Distrib Unattended	46	8.32	
200	EMMET - BEAR CREEK TWP	Trans Unattended	138	46	4.8
201	ENGLISHVILLE - ALGOMA TWP	Distrib Unattended	138	24.9	
202	ESSEXVILLE - HAMPTON TWP	Distrib Unattended	46	8.32	
203	EUREKA - EUREKA TWP	Trans Unattended	138	46	4.8
204	EVANSTON - EGELSTON TWP	Distrib Unattended	46	12.47	
205	FAIRBANKS - WALKER TWP	Distrib Unattended	46	12.47	
206	FARR ROAD - MANISTEE TWP	Trans Unattended	138	46	4.8
207	FELCH ROAD - GARFIELD TWP	Trans Unattended	138	46	4.8
208	FENNVILLE - CLYDE TWP	Distrib Unattended	46	8.32	
209	FENTON - FENTON TWP	Distrib Unattended	46	8.32	
210	FERGUSON - SUMMIT TWP	Distrib Unattended	46	8.32	
211	FERRIS STREET - GRAND HAVEN TWP	Distrib Unattended	46	8.32	
212	FILLMORE - BLENDON TWP	Distrib Unattended	138	12.47	
213	FINDLEY - BUENA VISTA	Distrib Unattended	46	8.32	
214	FLUSHING - FLUSHING TWP	Distrib Unattended	46	8.32	
215	FOOTE DAM - OSCODA TWP	Distrib Unattended	8	4.8	
216			46	4.8	
217	FORDYCE - UNION TWP	Distrib Unattended	46	8.32	
218	FORT CUSTER - BEDFORD TWP	Distrib Unattended	138	24.9	
219	FOUNTAIN - BATTLE CREEK TWP	Distrib Unattended	46	4.16	
220			46	8.32	
221			46	13.8	
222	FOUR MILE - WALKER TWP	Trans Unattended	138	12.47	
223			138	46	4.8
224	FOURTEENTH ST - BURTON TWP	Distrib Unattended	46	8.32	
225	FRANKENMUTH - FRANKENMUTH TWP	Distrib Unattended	46	8.32	
226	FREMONT - SHERIDAN TWP	Distrib Unattended	46	8.32	
227	FULTON - ADA TWP	Distrib Unattended	46	12.47	
228	GALESBURG - CHARLESTON TWP	Distrib Unattended	46	8.32	
229	GAYLORD GEN STATION - LINVINGSTON TWP	Trans Unattended	138	46	4.8
230	GENESEVILLE - GENESEE TWP	Distrib Unattended	46	8.32	
231	GETTY - MUSKEGON	Distrib Unattended	46	12.47	
232	GILKEY CREEK - BURTON TWP	Distrib Unattended	46	8.32	
233	GILSON - RICHLAND TWP	Distrib Unattended	46	24.9	
234	GLADWIN - GROUT TWP	Distrib Unattended	46	8.32	
235	GLEANER - TITABAWASSEE TWP	Trans 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) 04/19/06	Year of Report 12/31/05	
<b>SUBSTATIONS (Continued)</b>						
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)	
50	1					197
13	1					198
40	1					199
13	1					200
13	1					201
13	1					202
50	1					203
25	2					204
40	2					205
30	1					206
38	1					207
13	1					208
14	1					209
13	1					210
13	1					211
13	1					212
13	1					213
13	1					214
11	4					215
						216
13	1					217
60	2					218
38	3					219
						220
						221
240	4					222
						223
25	2					224
13	1					225
25	3					226
27	2					227
13	1					228
30	1					229
13	1					230
13	1					231
13	1					232
13	1					233
13	2					234
38	1					235

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) 04/19/06	12/31/05	
SUBSTATIONS (continued)					
VOLTAGE (In Mva)					
Line No.	Name and Location of Substation	Character of Substation	Primary	Secondary	Tertiary
	(a)	(b)	(c)	(d)	(e)
236	GLEN LAKE - GLEN ARBOR TWP	Distrib Unattended	46	12.47	
237	GLENDALE - KALAMAZOO	Distrib Unattended	46	8.32	
238	GOGUAC - BATTLE CREEK TWP	Distrib Unattended	46	8.32	
239	GOLDEN - MIDLAND TWP	Distrib Unattended	46	8.32	
240	GOODALE - BEDFORD TWP	Distrib Unattended	46	8.32	
241	GRAND BLANC - GRAND BLANC	Distrib Unattended	46	8.32	
242	GRAND LEDGE - ONEIDA	Distrib Unattended	46	8.32	
243	GRAND RIVER - MERIDIAN TWP	Distrib Unattended	46	8.32	
244	GRAND VALLEY - TALLMADGE TWP	Distrib Unattended	46	12.47	
245	GRANDVILLE - WYOMING TWP	Distrib Unattended	46	12.47	
246	GRAYLING - GRAYLING TWP	Distrib Unattended	46	8.32	
247	GREENSPIRE - PORTAGE TWP	Distrib Unattended	46	8.32	
248	GREENVILLE - EUREKA TWP	Distrib Unattended	46	8.32	
249	GREENWOOD - HORTON TWP	Distrib Unattended	138	24.9	
250	GRODI ROAD - ERIE TWP	Distrib Unattended	138	46	4.8
251	GROUT - GROUT TWP	Trans Unattended	138	46	11.5
252	GROVER - ARCADA TWP	Distrib Unattended	46	8.32	
253	HACKETT - TITTAWASSE TWP	Distrib Unattended	138	8.32	
254	HAGADORN - MERIDIAN TWP	Distrib Unattended	138	8.32	
255	HAGER PARK - GEORGETOWN TWP	Distrib Unattended	138	12.47	
256	HALSEY - HOLLY TWP	Trans Unattended	138	46	4.8
257			138	46	7.2
258	HAMILTON - HEATH TWP	Distrib Unattended	46	8.32	
259	HAMMOND ROAD - GARFIELD TWP	Distrib Unattended	46	12.47	
260	HANSEN - WYOMING TWP	Distrib Unattended	46	12.47	
261	HARING - BOON TWP	Distrib Unattended	138	8.32	
262	HARLEM - OLIVE TWP	Distrib Unattended	46	8.32	
263	HARPER ROAD - DELHI TWP	Distrib Unattended	46	24.9	
264	HARRISON - HAYES TWP	Distrib Unattended	46	8.32	
265	HARVEY STREET - GRAND RAPIDS	Distrib Unattended	46	12.47	
266	HASKELITE - WALKER TWP	Distrib Unattended	46	12.47	
267	HASTINGS - HASTINGS TWP	Distrib Unattended	46	8.32	
268	HAYES STREET - GRAND HAVEN TWP	Distrib Unattended	46	8.32	
269	HAZELWOOD - GUN PLAIN	Trans Unattended	138	46	4.8
270	HEMLOCK - RICHLAND TWP	Distrib Unattended	46	8.32	
271	HEMPHILL - BURTON TWP	Trans Unattended	138	46	7.2
272	HENDERSHOT - MACON TWP	Distrib Unattended	138	12.47	
273	HICKORY - SPRING LAKE TWP	Distrib Unattended	46	12.47	
274	HIGGINS - HIGGINS TWP	Trans Unattended	138	46	

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) 04/19/06	12/31/05	
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					236
13	1					237
13	1					238
13	1					239
13	1					240
19	2					241
20	1					242
25	2					243
13	1					244
25	2					245
13	2					246
13	1					247
13	1					248
13	1					249
40	1					250
30	1					251
13	1					252
13	1					253
20	1					254
20	1					255
90	2					256
						257
13	1					258
13	1					259
13	1					260
20	1					261
12	2					262
13	1					263
13	2					264
50	4					265
25	2					266
25	2					267
13	1					268
160	2					269
10	1					270
200	2					271
13	1					272
13	1					273
40	4					274

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) 04/19/06	12/31/05	
SUBSTATIONS (continued)					
VOLTAGE (In Mva)					
Line No.	Name and Location of Substation	Character of Substation	Primary	Secondary	Tertiary
	(a)	(b)	(c)	(d)	(e)
275			138	46	4.8
276	HODENPYL DAM - SPRINGVILLE TWP	Distrib Unattended	138	46	4.8
277	HOGAN ROAD - ARGENTINE TWP	Distrib Unattended	46	8.32	
278	HOGSBACK - DELHI TWP	Distrib Unattended	46	8.32	
279	HOLTON - HOLTON TWP	Distrib Unattended	46	24.9	
280	HOMESTEAD - JOYFIELD TWP	Distrib Unattended	46	12.47	
281	HONOR - HOMESTEAD TWP	Distrib Unattended	46	12.47	
282	HOSPITAL - GARFIELD TWP	Distrib Unattended	46	12.47	
283	HOTCHKISS - MONITOR TWP	Distrib Unattended	138	24.9	
284	HOUGHTON HEIGHTS - ROSCOMMON TWP	Distrib Unattended	46	24.9	
285	HOWARD CITY - GEORGETOWN TWP	Distrib Unattended	46	24.9	
286	HUDSON - HUDSON TWP	Distrib Unattended	46	8.32	
287	HUDSONVILLE - GEORGETOWN TWP	Distrib Unattended	138	12.47	
288	HUGHES ROAD - MARSHALL	Trans Unattended	138	46	4.8
289	HULL STREET - ALGOMA TWP	Distrib Unattended	138	24.9	
290	HUNT ROAD - ADRIAN TWP	Distrib Unattended	46	8.32	
291	HURON - MONITOR TWP	Distrib Unattended	46	8.32	
292	HYDE PARK - DALTON TWP	Distrib Unattended	46	12.47	
293	INGHAM - BLACKMAN TWP	Distrib Unattended	46	8.32	
294	IOSCO - OSCODA TWP	Trans Unattended	138	46	4.8
295	IRISH ROAD - DAVISON TWP	Distrib Unattended	46	24.9	
296	IRON ST - BURTON TWP	Distrib Unattended	46	8.32	
297	ISABELLA - UNION TWP	Distrib Unattended	46	8.32	
298	ISLAND ROAD - EATON	Trans Unattended	138	46	4.8
299	ITHACA - NEWARK TWP	Distrib Unattended	46	8.32	
300	IVANREST - WYOMING TWP	Distrib Unattended	46	12.47	
301	JACKMAN - BEDFORD TWP	Distrib Unattended	46	12.47	
302	JAMES SAVAGE - MIDLAND TWP	Distrib Unattended	46	8.32	
303	JAMESTOWN - JAMESTOWN TWP	Distrib Unattended	138	12.47	
304	JANES - BUENA VISTA TWP	Distrib Unattended	46	8.32	
305	JASPER - JASPER TWP	Distrib Unattended	46	8.32	
306	JEFFS ROAD - WHITEFORD TWP	Distrib Unattended	46	12.47	
307	JUDD ROAD - BURTON TWP	Distrib Unattended	46	8.32	
308	KALARAMA - PORTAGE TWP	Distrib Unattended	46	8.32	
309	KALKASKA - KALKASKA TWP	Distrib Unattended	46	12.47	
310	KAWKAWLIN - KAWKAWLIN TWP	Distrib Unattended	46	8.32	
311	KEARSLEY - GENESEE TWP	Distrib Unattended	46	8.32	
312	KEATING - MUSKEGON	Distrib Unattended	46	12.47	
313	KELLOGGSVILLE - WYOMING TWP	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) 04/19/06	Year of Report 12/31/05
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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)	
						275
38	1					276
13	1					277
25	2					278
13	1					279
13	1					280
13	1					281
13	1					282
13	1					283
13	1					284
13	2					285
13	1					286
20	1					287
50	1					288
13	1					289
13	1					290
13	1					291
13	1					292
16	2					293
60	2					294
25	2					295
25	2					296
25	2					297
80	2					298
13	1					299
25	2					300
25	2					301
22	1					302
20	1					303
13	1					304
13	1					305
13	1					306
25	2					307
12	1					308
10	1					309
13	1					310
19	2					311
25	2					312
25	2					313

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) 04/19/06	Year of Report 12/31/05
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**SUBSTATIONS (continued)**

Line No.	Name and Location of Substation (a)	Character of Substation (b)	VOLTAGE (In Mva)		
			Primary (c)	Secondary (d)	Tertiary (e)
314	KENDALL - KALAMAZOO	Distrib Unattended	46	8.32	
315	KENDRICK - CASCADE TWP	Distrib Unattended	138	12.47	
316	KENT AIRPORT - CASCADE TWP	Distrib Unattended	46	12.47	
317	KENT CITY - TYRONE TWP	Distrib Unattended	46	12.47	
318	KENTWOOD - PARIS TWP	Distrib Unattended	138	12.47	
319	KIESEL - BANGOR TWP	Distrib Unattended	46	8.32	
320	KILGORE - PORTAGE TWP	Distrib Unattended	46	8.32	
321	KINDERHOOK - OVID TWP	Distrib Unattended	46	8.32	
322	KINNEY - WALKER TWP	Distrib Unattended	46	12.47	
323	KIPP ROAD - VEVAY TWP	Distrib Unattended	138	24.9	
324	KNAPP - GRAND RAPIDS	Distrib Unattended	46	12.47	
325	KNIGHT - HAMPTON TWP	Distrib Unattended	46	8.32	
326	KOCHVILLE - FRANKENLUST TWP	Distrib Unattended	46	8.32	
327	KOLASSA - BRONSON TWP	Distrib Unattended	46	24.9	
328	KRAFT AVE - CASCADE TWP	Distrib Unattended	138	12.47	
329	LABARGE - CALEDONIA TWP	Distrib Unattended	46	8.32	
330	LAFAYETTE - BEDFORD	Trans Unattended	138	46	4.8
331	LAGRAVE - GRAND RAPIDS	Distrib Unattended	46	12.47	
332	LAINGSBURG - SCIOTA TWP	Distrib Unattended	46	8.32	
333	LAKE CITY - REEDER TWP	Distrib Unattended	46	24.9	
334	LAKE LANSING - MERIDIAN TWP	Distrib Unattended	46	8.32	
335	LAMBERTVILLE - BEDFORD TWP	Distrib Unattended	46	12.47	
336	LAMOREAUX - ALPINE TWP	Distrib Unattended	46	12.47	
337	LANDWER - FERRYSBURG TWP	Distrib Unattended	46	12.47	
338	LARKIN - MIDLAND TWP	Distrib Unattended	46	8.32	
339	LASALLE - LASALLE TWP	Distrib Unattended	46	12.47	
340	LAWNDALE - SAGINAW	Trans Unattended	138	46	4.8
341	LAYTON - MAPLE GROVE TWP	Trans Unattended	138	46	4.8
342	LEE STREET - WYOMING TWP	Distrib Unattended	46	12.47	
343	LEFFINGWELL - GRAND RAPIDS	Distrib Unattended	46	12.47	
344	LEITH ST - BURTON TWP	Distrib Unattended	46	8.32	
345	LENNON RD - FLINT	Distrib Unattended	46	8.32	
346	LEONARD - WALKER TWP	Distrib Unattended	46	12.47	
347	LETTTS ROAD - LARKIN TWP	Distrib Unattended	138	24.9	
348	LEVEL PARK - BEDFORD TWP	Distrib Unattended	46	8.32	
349	LEVELY - EDENVILLE TWP	Distrib Unattended	46	24.9	
350	LIBERTY - BATTLE CREEK TWP	Distrib Unattended	46	8.32	
351	LINDBERGH - OSHTEMO	Trans Unattended	138	46	4.8
352	LINDEN - FENTON 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) 04/19/06	Year of Report 12/31/05
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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)	
13	1					314
40	2					315
25	2					316
13	1					317
40	2					318
13	1					319
40	2					320
10	1					321
14	1					322
30	1					323
20	1					324
13	1					325
13	1					326
13	1					327
100	2					328
14	1					329
100	1					330
40	2					331
10	1					332
27	2					333
13	1					334
13	1					335
13	1					336
13	1					337
25	2					338
13	1					339
200	2					340
30	1					341
25	2					342
25	2					343
23	3					344
38	3					345
25	3					346
25	2					347
16	1					348
13	1					349
16	2					350
100	1					351
13	1					352

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) 04/19/06	12/31/05	
SUBSTATIONS (continued)					
VOLTAGE (In Mva)					
Line No.	Name and Location of Substation	Character of Substation	Primary	Secondary	Tertiary
	(a)	(b)	(c)	(d)	(e)
353	LITCHFIELD - LITCHFIELD TWP	Distrib Unattended	46	8.32	
354	LIVINGSTON - LIVINGSTON	Trans Unattended	138	13.8	
355	LOMBARD - SHERIDAN TWP	Distrib Unattended	46	8.32	
356	LONG LAKE - FENTON TWP	Distrib Unattended	46	8.32	
357	LOOKING GLASS - WATERTOWN	Trans Unattended	138	46	4.8
358	LOVEJOY - BURNS TWP	Distrib Unattended	138	24.9	
359	LOVELL - KALAMAZOO	Distrib Unattended	46	8.32	
360	MACATAWA - HOLLAND TWP	Distrib Unattended	46	8.32	
361	MACKINAW CITY - MACKINAW TWP	Distrib Unattended	46	24.9	
362	MANCHESTER - MANCHESTER TWP	Distrib Unattended	46	8.32	
363	MANISTEE - FILER TWP	Distrib Unattended	46	12.47	
364	MAPLE GROVE - FRUITPORT TWP	Distrib Unattended	46	12.47	
365	MARKER LAKE - BOSTON TWP	Distrib Unattended	46	8.32	
366	MARKEY - MARKEY TWP	Distrib Unattended	46	8.32	
367	MARQUETTE - EASTON TWP	Trans Unattended	138	46	4.8
368	MASON - VEVA TWP	Distrib Unattended	46	8.32	
369	MAUMEE - ADRIAN TWP	Distrib Unattended	46	8.32	
370	MAYFAIR - MT MORRIS TWP	Distrib Unattended	46	8.32	
371	MCBAIN - RICHLAND TWP	Distrib Unattended	46	24.9	
372	MCCRACKEN - NORTON TWP	Distrib Unattended	46	12.47	
373	MCGULPIN - WAWATAM TWP	Trans Unattended	138	46	4.8
374	MEADOWBROOKE - CALEDONIA TWP	Distrib Unattended	138	12.47	
375	MECOSTA - GREEN TWP	Trans Unattended	138	46	4.8
376	MENDON - NOTTAWA TWP	Distrib Unattended	46	8.32	
377			46	24.9	
378	MICHIGAN - GRAND RAPIDS	Distrib Unattended	138	12.47	
379	MICHIGAN CENTER - SUMMIT TWP	Distrib Unattended	46	8.32	
380	MICOR - SUMMIT TWP	Distrib Unattended	46	8.32	
381	MIDDLEVILLE - THORNAPPLE TWP	Distrib Unattended	46	8.32	
382	MIDLAND - MIDLAND TWP	Distrib Unattended	46	8.32	
383	MIDWAY - GUN PLAIN TWP	Distrib Unattended	46	8.32	
384	MILES ROAD - SOUTH ARM TWP	Trans Unattended	138	46	4.8
385	MILHAM - PORTAGE	Trans Unattended	138	46	4.8
386	MILL GROVE - ALLEGAN TWP	Distrib Unattended	46	24.9	
387	MILLER ROAD - FLINT	Distrib Unattended	46	8.32	
388	MILLERS POINT - KALAMAZOO	Distrib Unattended	138	8.32	
389	MILTON - BIG RAPIDS TWP	Distrib Unattended	46	12.47	
390	MIO DAM - BIG CREEK TWP	Trans Unattended	2	8.3	
391			2	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) 04/19/06	Year of Report 12/31/05
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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					353
50	1					354
14	1					355
13	1					356
60	1					357
13	1					358
38	4					359
13	2					360
13	1					361
13	1					362
20	1					363
25	2					364
13	1					365
10	1					366
40	2					367
13	1					368
13	1					369
35	3					370
13	2					371
24	3					372
30	2					373
40	2					374
100	2					375
23	3					376
						377
20	1					378
13	1					379
13	1					380
13	1					381
13	1					382
13	1					383
30	1					384
100	1					385
13	1					386
13	1					387
40	2					388
14	1					389
19	5					390
						391

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) 04/19/06	Year of Report 12/31/05
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**SUBSTATIONS (continued)**

Line No.	Name and Location of Substation (a)	Character of Substation (b)	VOLTAGE (In Mva)		
			Primary (c)	Secondary (d)	Tertiary (e)
392			2	12	
393			138	8.32	
394	MOLINE - DORR TWP	Distrib Unattended	46	8.32	
395	MONA LAKE - FRUITPORT TWP	Distrib Unattended	46	12.47	
396	MONITOR - MONITOR TWP	Trans Unattended	138	46	2.4
397			138	46	4.8
398	MONTROSE - MONTROSE TWP	Distrib Unattended	46	8.32	
399	MOORE ROAD - FAYETTE TWP	Trans Unattended	138	46	4.8
400	MORGAN - PENNFIELD TWP	Distrib Unattended	46	8.32	
401	MORLEY - BUENA VISTA TWP	Distrib Unattended	46	8.32	
402	MORRELL - SUMMIT TWP	Distrib Unattended	46	8.32	
403	MORROW - COMSTOCK	Trans Unattended	138	46	4.8
404			138	46	11.5
405	MT. MORRIS - MT MORRIS TWP	Distrib Unattended	46	8.32	
406	MT. PLEASANT - UNION TWP	Distrib Unattended	46	8.32	
407	MULLINS - WALKER TWP	Distrib Unattended	138	12.47	
408	MUSKEGON HEIGHTS - MUSKEGON	Distrib Unattended	138	12.47	
409			138	46	
410			138	46	7.2
411	NEFF ROAD - THETFORD TWP	Distrib Unattended	138	24.9	
412	NIAGARA - SAGINAW	Distrib Unattended	46	12.47	
413	NINETEEN MILE RD - GREEN TWP	Distrib Unattended	138	12.47	
414	NORTH ALLEGAN - ALLEGAN TWP	Distrib Unattended	46	8.32	
415	NORTH BELDING - OTISCO TWP	Trans Unattended	138	46	
416	NORTH CORUNNA - CALEDONIA TWP	Distrib Unattended	138	8.32	
417	NORTH KENT - PLAINFIELD TWP	Distrib Unattended	46	12.47	
418	NORTH LANSING - DEWITT TWP	Distrib Unattended	46	8.32	
419	NORTH MUSKEGON - MUSKEGON	Distrib Unattended	46	12.47	
420	NORTH PARK - GRAND RAPIDS	Distrib Unattended	46	12.47	
421	NORTHERN FIBRE - OLIVE TWP	Distrib Unattended	138	8.32	
422	NORTON - FRUITPORT TWP	Distrib Unattended	46	12.47	
423	OAK STREET - BLACKMAN TWP	Distrib Unattended	46	8.32	
424	OAKLAND - HOLLY TWP	Trans Unattended	138	46	4.8
425	OAKWOOD - KALAMAZOO	Distrib Unattended	46	8.32	
426	OBERLIN - SAGE TWP	Distrib Unattended	46	24.9	
427	OCEANA - HART	Trans Unattended	138	46	7.2
428	OGEMAW - WEST BRANCH TWP	Trans Unattended	138	46	4.8
429	OHMAN ROAD - EVART TWP	Distrib Unattended	138	24.9	
430	OKEMOS - MERIDIAN 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) 04/19/06	Year of Report 12/31/05
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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)	
						392
						393
	13	1				394
	14	1				395
	75	2				396
						397
	13	2				398
	200	2				399
	13	1				400
	13	1				401
	13	1				402
	110	3				403
						404
	13	1				405
	13	1				406
	20	1				407
	360	5	1			408
						409
						410
	13	1				411
	13	1				412
	13	1				413
	10	2				414
	50	1				415
	13	1				416
	30	3				417
	13	1				418
	20	1				419
	20	1				420
	13	1				421
	13	1				422
	18	2				423
	40	1				424
	13	1				425
	13	1				426
	50	1				427
	15	1				428
	13	1				429
		2				430

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) 04/19/06	Year of Report 12/31/05
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**SUBSTATIONS (continued)**

Line No.	Name and Location of Substation (a)	Character of Substation (b)	VOLTAGE (In Mva)		
			Primary (c)	Secondary (d)	Tertiary (e)
431	OLIVER - OWOSSO TWP	Distrib Unattended	46	8.32	
432	ORCHARD ROAD - MIDLAND TWP	Distrib Unattended	46	8.32	
433	ORIOLE - MASON TWP	Distrib Unattended	46	24.9	
434	OTISVILLE - FOREST TWP	Distrib Unattended	46	8.32	
435	OTTAWA BEACH - PARK TWP	Distrib Unattended	46	8.32	
436	OVID - OVID TWP	Distrib Unattended	46	8.32	
437	OWOSSO - CALEDONIA TWP	Distrib Unattended	46	8.32	
438			138	46	4.8
439	PACKARD - EATON	Distrib Unattended	138	24.9	
440	PAGE AVENUE - LEONI TWP	Trans Unattended	138	46	4.8
441	PALMER - KALAMAZOO	Distrib Unattended	46	8.32	
442	PARKWAY - KALAMAZOO	Distrib Unattended	46	8.32	
443	PARNALL - BLACKMAN	Distrib Unattended	46	8.32	
444	PARR ROAD - MANCHESTER TWP	Trans Unattended	138	46	4.8
445	PASADENA - FLINT	Distrib Unattended	46	8.32	
446			138	46	4.8
447	PATTERSON - BANGOR TWP	Distrib Unattended	46	8.32	
448	PAVILION - PAVILION TWP	Distrib Unattended	138	8.32	
449	PEACOCK - BATH TWP	Distrib Unattended	46	8.32	
450	PECK ROAD - MONTCALM TWP	Distrib Unattended	46	24.9	
451	PERRY - PERRY TWP	Distrib Unattended	46	8.32	
452	PETTIS ROAD - ADA TWP	Distrib Unattended	138	24.9	
453	PHILLIPS - KALAMAZOO	Distrib Unattended	46	8.32	
454	PIGEON LAKE - PORT SHELDON TWP	Distrib Unattended	46	8.32	
455	PINE RIVER - ARCADA TWP	Distrib Unattended	46	8.32	
456	PISTON RING - SPARTA TWP	Distrib Unattended	46	8.32	
457			138	8.32	
458	PITCHER - KALAMAZOO	Distrib Unattended	46	8.32	
459	PLAINFIELD - PLAINFIELD TWP	Distrib Unattended	46	8.32	
460	PLAINWELL - GUN PLAIN TWP	Distrib Unattended	46	8.32	
461	PORT CALCITE - ROGERS TWP	Distrib Unattended	138	13.8	
462	PORT SHELDON - PORT SHELDON TWP	Trans Unattended	138	46	4.8
463	PORTAGE - PORTAGE TWP	Distrib Unattended	46	8.32	
464	PORTER - GRAND BLANC TWP	Distrib Unattended	138	8.32	
465	PORTSMOUTH - BLUMFIELD TWP	Distrib Unattended	138	24.9	
466	POTTER - SAGINAW	Distrib Unattended	46	8.32	
467	POTTERVILLE - BENTON TWP	Distrib Unattended	46	8.32	
468	QUINCY - QUINCY TWP	Distrib Unattended	46	8.32	
469	RACE STREET - GRAND RAPIDS	Trans Unattended	138	46	13.8



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) 04/19/06	Year of Report 12/31/05
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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)	
13	1					431
20	2					432
25	2					433
13	1					434
13	1					435
13	1					436
125	3					437
						438
13	1					439
100	1					440
25	2					441
25	2					442
25	2					443
40	1					444
113	3					445
						446
13	1					447
20	1					448
14	1					449
10	1					450
13	1					451
13	1					452
25	2					453
13	1					454
13	1					455
40	2					456
						457
12	2					458
13	1					459
13	1					460
20	2					461
50	1					462
25	2					463
13	1					464
10	1					465
40	2					466
13	1					467
13	1					468
100	1					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) 04/19/06	Year of Report 12/31/05
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**SUBSTATIONS (continued)**

Line No.	Name and Location of Substation (a)	Character of Substation (b)	VOLTAGE (In Mva)		
			Primary (c)	Secondary (d)	Tertiary (e)
470	RAISIN - RAISIN TWP	Trans Unattended	138	46	
471	RAMONA - GRAND RAPIDS	Distrib Unattended	46	12.47	
472	RANKIN - MUNDY TWP	Distrib Unattended	46	8.32	
473	RANSOM - JAMESTOWN TWP	Trans Unattended	138	46	4.8
474	RAVENNA - RAVENNA TWP	Distrib Unattended	46	8.32	
475			46	12.47	
476	RAVINE - KALAMAZOO	Distrib Unattended	46	8.32	
477	RED ARROW - BURTON TWP	Distrib Unattended	46	8.32	
478	REED CITY - ALGOMA TWP	Distrib Unattended	46	8.32	
479	REMUS - WHEATLAND TWP	Distrib Unattended	46	8.32	
480	RICE CREEK - SHERIDAN TWP	Trans Unattended	138	46	4.8
481	RIGGSVILLE - IVERNESS TWP	Trans Unattended	138	46	4.8
482	RIVERTOWN - WYOMING TWP	Distrib Unattended	138	12.47	
483	RIVERVIEW - KALAMAZOO	Trans Unattended	138	46	4.8
484	RIX ROAD - OSHTEMO TWP	Distrib Unattended	46	8.32	
485	ROBERTS ST - BLACKMAN TWP	Distrib Unattended	46	8.32	
486	ROCKFORD - ALGOMA TWP	Distrib Unattended	46	8.32	
487			46	24.9	
488	RODNEY - COLFAX TWP	Distrib Unattended	46	24.9	
489	ROEDEL ROAD - FRANKENMUTH TWP	Distrib Unattended	138	8.32	
490	ROSEWOOD - GEORGETOWN TWP	Distrib Unattended	46	12.47	
491	RUSSELLVILLE - RICHFIELD TWP	Distrib Unattended	46	8.32	
492	RUTLAND - RUTLAND TWP	Distrib Unattended	46	8.32	
493	SAGINAW RIVER - ZILWAUKEE TWP	Trans Unattended	138	24.9	4.8
494			138	46	4.8
495	SAGINAW ST - BURTON TWP	Distrib Unattended	46	8.32	
496	SALEM - SALEM TWP	Distrib Unattended	46	8.32	
497	SAMARIA - BEDFORD TWP	Trans Unattended	138	46	4.8
498	SANDERSON - EUREKA TWP	Distrib Unattended	138	24.9	
499	SANFORD - JEROME TWP	Distrib Unattended	46	4.16	
500			46	8.32	
501	SARANAC - BOSTON TWP	Distrib Unattended	46	8.32	
502	SAUGATUCK - SAUGATUCK TWP	Distrib Unattended	46	8.32	
503	SAVIDGE - SPRING LAKE TWP	Distrib Unattended	138	12.47	
504	SCOTT LAKE - LEE TWP	Trans Unattended	138	46	4.8
505	SEIDEL - SAGINAW	Distrib Unattended	46	8.32	
506	SHAFFER - PARIS TWP	Distrib Unattended	46	12.47	
507	SHATTUCK - SAGINAW	Distrib Unattended	46	8.32	
508	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) 04/19/06	Year of Report 12/31/05	
<b>SUBSTATIONS (Continued)</b>						
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)	
50	1					470
20	1					471
13	1					472
100	1					473
18	2					474
						475
13	1					476
13	1					477
20	2					478
11	2					479
40	1					480
35	2					481
40	2					482
200	2					483
13	2					484
20	1					485
33	2					486
						487
13	1					488
13	1					489
25	2					490
10	1					491
13	1					492
68	2					493
						494
40	2					495
13	1					496
78	2					497
13	1					498
11	2					499
						500
11	3					501
19	2					502
13	1					503
40	1					504
13	1					505
50	2					506
20	1					507
13	1					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) 04/19/06	Year of Report 12/31/05
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**SUBSTATIONS (continued)**

Line No.	Name and Location of Substation (a)	Character of Substation (b)	VOLTAGE (In Mva)		
			Primary (c)	Secondary (d)	Tertiary (e)
509	SILVER LAKE - GARFIELD TWP	Distrib Unattended	46	12.47	
510	SIMMONS - WEST BRANCH TWP	Distrib Unattended	138	24.9	
511	SIMPSON - MENDON TWP	Trans Unattended	138	46	4.8
512	SKYLARK - GRAND BLANC TWP	Distrib Unattended	46	8.32	
513	SLOAN - FLINT	Distrib Unattended	46	8.32	
514	SOLVAY - MADISON TWP	Distrib Unattended	138	24.9	
515	SONOMA - BATTLE CREEK	Trans Unattended	138	46	4.8
516	SOUTH WASHINGTON - SAGINAW TWP	Distrib Unattended	46	8.32	
517	SPAULDING - ADA TWP	Trans Unattended	138	46	4.8
518	SPRING ARBOR - SPRING ARBOR TWP	Distrib Unattended	46	8.32	
519	SPRING DRIVE - BROOKS TWP	Distrib Unattended	46	24.9	
520	SPRING LAKE - SPRING LAKE TWP	Distrib Unattended	46	12.47	
521	SPRINGFIELD - BATTLE CREEK TWP	Distrib Unattended	46	8.32	
522	SPRINKLE - PORTAGE TWP	Distrib Unattended	46	8.32	
523	SQUIRE HILL - FLINT	Distrib Unattended	46	8.32	
524	ST. JOHNS - BINGHAM TWP	Distrib Unattended	46	8.32	
525	STACEY - CLAYTON TWP	Distrib Unattended	138	24.9	
526	STANDALE - WALKER TWP	Distrib Unattended	46	12.47	
527	STANDISH - STANDISH TWP	Distrib Unattended	46	8.32	
528	STANLEY - MT MORRIS TWP	Distrib Unattended	46	8.32	
529	STATE STREET - SAGINAW	Distrib Unattended	46	8.32	
530	STEEL DRIVE - FENTON TWP	Distrib Unattended	46	8.32	
531	STERNS ROAD - ERIE TWP	Distrib Unattended	46	12.47	
532	STEVENS - WYOMING TWP	Distrib Unattended	46	12.47	
533	STOCKBRIDGE - STOCKBRIDGE TWP	Distrib Unattended	46	8.32	
534	STONEGATE - GRAND RAPIDS	Distrib Unattended	138	12.47	
535	STOVER - KEARNEY TWP	Trans Unattended	138	46	4.8
536	STRONACH - STRONACH TWP	Trans Unattended	138	46	4.8
537	SUMMERTON - CHIPPEWA TWP	Trans Unattended	138	46	4.8
538	SUMMIT - SUMMIT TWP	Distrib Unattended	46	8.32	
539	SWARTZ CREEK - GAINES TWP	Distrib Unattended	46	8.32	
540	SYLVAN - SYLVAN TWP	Distrib Unattended	46	8.32	
541	TALLMAN - EAGLE TWP	Distrib Unattended	138	24.9	
542	TANIUM - MONTAGUE TWP	Distrib Unattended	46	12.47	
543	TECUMSEH - TECUMSEH TWP	Distrib Unattended	46	12.47	
544	TEFT ROAD - SWAN CREEK TWP	Distrib Unattended	46	8.32	
545	TEMPERANCE - BEDFORD TWP	Distrib Unattended	46	12.47	
546	TERRACE - MUSKEGON	Distrib Unattended	46	12.47	
547	TEXAS - TEXAS 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) 04/19/06	Year of Report 12/31/05
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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)	
13	1					509
14	1					510
38	1					511
25	2					512
13	1					513
13	1					514
50	1					515
13	1					516
100	1					517
13	1					518
13	1					519
13	1					520
13	1					521
25	2					522
13	1					523
13	2					524
13	1					525
25	2					526
13	1					527
13	1					528
20	1					529
25	2					530
14	1					531
13	2					532
13	1					533
40	2					534
19	1					535
40	1					536
80	2					537
13	1					538
13	1					539
13	1					540
14	1					541
13	1					542
19	2					543
13	1					544
13	1					545
10	1					546
13	1					547

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) 04/19/06	Year of Report 12/31/05
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**SUBSTATIONS (continued)**

Line No.	Name and Location of Substation (a)	Character of Substation (b)	VOLTAGE (In Mva)		
			Primary (c)	Secondary (d)	Tertiary (e)
548	THOMAS - THOMAS TWP	Distrib Unattended	46	8.32	
549	THORNAPPLE - ADA TWP	Distrib Unattended	46	8.32	
550	TIHART - MERIDIAN TWP	Trans Unattended	138	46	
551	TINSMAN - HOLLY TWP	Distrib Unattended	138	8.32	
552	TITUS LAKE - WAYLAND TWP	Distrib Unattended	138	8.32	
553	TROWBRIDGE - TROWBRIDGE TWP	Trans Unattended	138	46	4.8
554	TRUFANT - MAPLE VALLEY TWP	Distrib Unattended	46	8.32	
555	TUCKER - HOLLY TWP	Distrib Unattended	46	8.32	
556	TWELFTH STREET - PORTAGE TWP	Distrib Unattended	138	8.32	
557	TWILIGHT - COMSTOCK TWP	Distrib Unattended	138	8.32	
558	TWINING - TURNER TWP	Trans Unattended	138	46	
559			138	46	4.8
560	ULMER - BIRCH RUN TWP	Distrib Unattended	46	8.32	
561	UPTON - DELTA TWP	Distrib Unattended	46	8.32	
562	VAN ATTA - MERIDIAN TWP	Distrib Unattended	46	8.32	
563	VANDERCOOK LAKE - SUMMIT TWP	Distrib Unattended	46	8.32	
564	VERNON - CLARE	Distrib Unattended	138	46	4.8
565	VERONA - PENNFIELD TWP	Trans Unattended	138	46	4.8
566	VEVAY - VEVAY TWP	Trans Unattended	138	46	4.8
567	VILLAGE GREEN - PORTAGE TWP	Distrib Unattended	46	8.32	
568	VIRGINIA PARK - LAKETOWN TWP	Distrib Unattended	46	8.32	
569	VROOMAN - SUMMIT TWP	Trans Unattended	138	46	4.8
570	WACKERLY - LARKIN TWP	Trans Unattended	138	46	4.8
571	WAGER - GENESEE TWP	Distrib Unattended	46	8.32	
572	WALDO - MIDLAND TWP	Distrib Unattended	46	8.32	
573	WALKER - WALKER TWP	Distrib Unattended	46	12.47	
574	WALLACE - KALAMAZOO	Distrib Unattended	46	12.47	
575	WALNUT - BURTON TWP	Distrib Unattended	46	8.32	
576	WARNER - PRAIREVILLE TWP	Distrib Unattended	138	13.8	
577	WARREN - WARREN TWP	Trans Unattended	138	46	4.8
578	WASHINGTON - PERE MARQUETTE TWP	Distrib Unattended	46	8.32	
579			46	12.47	
580	WASHTENAW - CHELSEA TWP	Trans Unattended	138	46	4.8
581	WATKINS - BATTLE CREEK TWP	Distrib Unattended	46	8.32	
582	WAYLAND - WAYLAND TWP	Distrib Unattended	46	8.32	
583			138	46	4.8
584	WEADOCK J C - HAMPTON TWP	Trans Attended	138	46	4.8
585	WEALTHY STREET - WALKER TWP	Trans Attended	138	12.47	
586			138	46	4.8

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) 04/19/06	12/31/05	
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)	
10	1					548
13	2					549
100	2					550
13	1					551
10	1					552
20	1					553
13	2					554
13	1					555
13	1					556
20	1					557
35	4					558
						559
13	1					560
12	1					561
20	1					562
13	1					563
38	1					564
200	2					565
40	1					566
25	2					567
13	1					568
100	1					569
68	2					570
13	1					571
13	1					572
20	1					573
20	1					574
18	2					575
14	1					576
40	1					577
16	6					578
						579
50	1					580
25	2					581
33	2					582
						583
200	2					584
300	9					585
						586

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) 04/19/06	12/31/05	
SUBSTATIONS (continued)					
VOLTAGE (In Mva)					
Line No.	Name and Location of Substation	Character of Substation	Primary	Secondary	Tertiary
	(a)	(b)	(c)	(d)	(e)
587			138	46	24.9
588	WEBSTER - MT MORRIS TWP	Distrib Unattended	46	8.32	
589	WEST RIVER - GRAND RAPIDS	Distrib Unattended	46	12.47	
590	WEST ROAD - LANSING TWP	Distrib Unattended	46	8.32	
591	WESTERN AVENUE - LAKETON TWP	Distrib Unattended	46	12.47	
592	WESTERVELT - ZILWAUKEE TWP	Distrib Unattended	46	8.32	
593	WESTWOOD - BLACKMAN TWP	Distrib Unattended	46	8.32	
594	WEXFORD - HARING TWP	Trans Unattended	138	46	
595			138	46	4.8
596	WHITE LAKE - MONTAGUE TWP	Trans Unattended	138	46	4.8
597	WHITEHALL - MONTAGUE TWP	Distrib Unattended	46	8.32	
598			46	12.47	
599	WHITING J R PLANT - ERIE TWP	Trans Attended	138	46	4.8
600	WILDWOOD - BLACKMAN TWP	Distrib Unattended	46	8.32	
601	WILLARD - BIRCH RUN TWP	Trans Unattended	138	46	4.8
602	WILLIAMS - ALLEGAN TWP	Distrib Unattended	46	8.32	
603	WILMOTT - OTSEGO TWP	Distrib Unattended	46	8.32	
604	WISNER - BLACKMAN TWP	Distrib Unattended	46	8.32	
605	WITHEY LAKE - LOGAN	Distrib Unattended	138	24.9	
606	WOOD STREET - FLINT	Distrib Unattended	46	8.32	
607	WYOMING PARK - WYOMING TWP	Distrib Unattended	46	12.47	
608	ZYLMAN - PORTAGE TWP	Distrib Unattended	46	8.32	
609					
610					
611	SUBSTATIONS SERVING RESALE CUSTOMERS				
612	CHELSEA - SYLVAN TWP	Resale Distribution Unattended	46	8.32	
613	EATON RAPIDS - EATON RAPIDS TWP	Resale Distribution Unattended	46	8.32	
614	PROGRESS STREET - HILLMAN TWP	Resale Distribution Unattended	138	12.47	
615	ST. LOUIS - BETHANY TWP	Resale Distribution Unattended	46	4.16	
616			46	8.32	
617					
618	SUMMARY INFORMATION				
619					
620	SUBSTATIONS GREATER THAN 10,000 Kva	558			
621					
622	SUBSTATIONS SERVING ONE CUSTOMER	249			
623					
624	SUBSTATIONS LESS THAN 10,000 Kva	267			
625					



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) 04/19/06	12/31/05	
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)	
						587
	13	1				588
	14	1				589
	13	1				590
	35	3				591
	13	1				592
	11	2				593
	70	4				594
						595
	88	2				596
	23	3				597
						598
	38	1				599
	13	2				600
	40	1				601
	13	2				602
	13	1				603
	13	1				604
	13	1				605
	13	1				606
	13	1				607
	20	1				608
						609
						610
						611
	14	1				612
	6	1				613
	13	1				614
	16	2				615
						616
						617
						618
						619
	17,326	819	33			620
						621
	4,191	378	4			622
						623
	1,374	317				624
						625

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) 04/19/06	Year of Report 12/31/05
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**ELECTRIC DISTRIBUTION METERS AND LINE TRANSFORMERS**

1. Report below the information called for concerning distribution watt-hour metes and line transformers. 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.

2. Include watt-hour demand distribution meters, but not external demand meters.

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

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	1,829,880	604,678	
2	Additions During Year			
3	Purchases	46,239	11,678	
4	Associated with Utility Plant Acquired			
5	TOTAL Additions (Enter Total of lines 3 and 4)	46,239	11,678	0
6	Reduction During Year			
7	Retirements	43,452	6,841	
8	Associated with Utility Plant Sold			
9	TOTAL Reductions (Enter Total of lines 7 and 8)	43,452	6,841	0
10	Number at End of Year (Lines 1+ 5 - 9)	1,832,667	609,515	0
11	In Stock	31,468	0	
12	Locked Meters on Customers' Premises	58,000		
13	Inactive Transformers on System		28,411	
14	In Customers' Use	1,743,199	581,104	
15	In Companys' Use			
16	Total End of Year (Enter Total of lines 11 to 15. This line should equal line 10)	1,832,667	609,515	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) 04/19/06	Year of Report 12/31/05
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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	116,414,957			872,858,299	
2	Water Pollution Control Facilities	612,665			237,877,833	
3	Solid Waste Disposal Costs	999,485			79,824,697	
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> )	809,427			102,036,168	
8	<b>TOTAL (Total of lines 1 thru 7)</b>	118,836,534	0	0	1,335,365,545	0
9	Construction work in progress				285,457,949	

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) 04/19/06	Year of Report 12/31/05
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**FOOTNOTE DATA**

Page Number (a)	Item Number (b)	Column Number (c)	Comments (d)
430	7	b	Miscellaneous (Line 7): <u>Yr 2005</u>  <u>Environmental Protection</u> Fossil Plants 316b Fish Entrainment 186,327  K/W/CT's SPCC Oil Containment (11,869) JRW Oil Containment 740 LPS Oil Containment 474  Recreation License Initiative LPS Barrier Net/Monitoring 394,134  <u>Flood &amp; Erosion Control Protection</u> Hydro Plt Flow Gauging/Water Qual Monitoring & Comm System 128,682 Spillway Mods - Hodenpyl, Mio, & Rogs <u>110,939</u>  Total 809,427

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) 04/19/06	Year of Report 12/31/05
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**ENVIRONMENTAL PROTECTION EXPENSES**

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.

2. Include below the costs incurred due to the operation of environmental protection equipment, facilities, and programs.

3. Report expenses under the subheadings listed below.

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.

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.

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.

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).

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)	11,435,989	11,435,989
3	Fuel Related Costs		
4	Operation of Facilities		
5	Fly Ash and Sulfur Sludge Removal	2,028,684	2,028,684
6	Difference in Cost of Environmentally Clean Fuels (1)	(232,660,000)	
7	Replacement Power Costs (2) (W/Palisades)	10,850,182	10,850,182
8	Taxes and Fees		
9	Administrative and General		
10	Other (Identify significant)		
11	TOTAL (W/Palisades)	(208,345,145)	24,314,855

(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 2005.

(2) Based on the average price of interchange power. Energy cost of electrostatic precipitators is included utilizing the average production cost 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) 04/19/06	Year of Report 12/31/05
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**FOOTNOTE DATA**

Page Number (a)	Item Number (b)	Column Number (c)	Comments (d)

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