On May 14, 2018, Consumers Energy filed an application with the Michigan Public Service Commission seeking an increase in its electric generation and distribution rates of $58 million based on a test year ending December 2019. On November 9, 2018, the Company filed its brief requesting a rate increase of $49 million reflecting a 21% federal income tax rate and a 10.75% ROE. On December 18, 2018, a settlement agreement entered into by Consumers Energy and various intervenors to this case was filed with the MPSC. The settlement agreement does not specify how the $24 million rate decrease was determined but does have a stated 10.0% ROE. Assumptions have been made as to the settled capital structure. The variance between Consumers' brief position and the assumed figures in the settlement agreement are detailed below. On January 9, 2019 the MPSC approved the settlement.

Ratemaking Capital Structure	Existing U-18322	Company Brief	Company Assumption Under Settlement
Long Term Debt	36.55%	37.71%	37.71%
Short Term Debt	1.00	0.87	0.87
Preferred Stock	0.23	0.21	0.21
Common Equity	40.89[1]	41.90[2]	41.90[3]
Deferred FIT	20.76	18.71	18.71
JDITC/Other	0.57	0.60	0.60
	100%	100%	100%

Rate Base and Return Percentage	Existing U-18322	Company Brief	Company Assumption Under Settlement
Rate Base $(billion)	$10.20	$10.64	$10.60
Return on Rate Base (%)	5.88	6.28	5.96
Return on Equity (%)	10.00	10.75	10.00

[1]Equivalent to 52.64% on a financial basis.
[2]Equivalent to 52.50% on a financial basis.
[3]Equivalent to 52.50% on a financial basis.

*Electric Rate Case U-20134 can be accessed at the Michigan Public Service Commission's website: https://mi-psc.force.com/s/