

To: Financial Community

From: CMS Energy Investor Relations
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<http://www.cmsenergy.com>

Date: April 27, 2020

Subject: CMS Energy First Quarter 2020 Results and Outlook

CMS Energy will hold a webcast to discuss its First Quarter 2020 Results and Outlook on Monday, April 27 at 9:00 a.m. (ET).

To participate in the webcast, go to CMS Energy's home page (www.cmsenergy.com), select "Investor Relations", "Events and Presentations", and "CMS Energy First Quarter 2020 Earnings Call" or [click here](#).

CMS Energy Announces First Quarter Earnings Results of \$0.85 Per Share Reported and \$0.86 Per Share Adjusted

JACKSON, Mich., April 27, 2020 – CMS Energy announced today reported net income of \$243 million or \$0.85 per share, for the first quarter of 2020, compared to \$213 million or \$0.75 per share for the same quarter in 2019. The company's adjusted earnings per share for the first quarter of 2020 were \$245 million or \$0.86 per share. The primary drivers of CMS Energy's quarterly financial performance were timely recovery of customer investments and cost management, partially offset by mild winter weather.

"Consumers Energy is focused on the safety and health of our co-workers, customers, and the communities we serve during these unprecedented times," said Patti Poppe, President and CEO of CMS Energy and Consumers Energy. "We are especially mindful of our duty to deliver essential services to those on the front line of the pandemic and we are working hard to deliver safe and reliable energy to Michigan's homes and hospitals."

As the ultimate impacts of the pandemic on Michigan's economy and our business remain uncertain, at this time CMS Energy is not changing guidance for 2020 adjusted earnings of \$2.64 - \$2.68* per share, as announced on January 30th (*See below for important information about non-GAAP measures). CMS Energy will discuss the financial risks and sensitivities related to COVID-19 in more detail during its earnings webcast on April 27.

CMS Energy (NYSE: CMS) is a Michigan-based company that has an electric and natural gas utility, Consumers Energy, as its primary business. It also owns and operates independent power generation businesses.

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CMS Energy will hold a webcast to discuss its 2020 first quarter results and provide a business and financial outlook on April 27 at 9:00 a.m. (EDT). To participate in the webcast, go to CMS Energy's homepage (cmsenergy.com) and select "Investor Meeting."

Important information for investors about non-GAAP measures and other disclosures.

*This news release contains non-Generally Accepted Accounting Principles (non-GAAP) measures,

such as adjusted earnings. Adjustments could include items such as discontinued operations, asset sales, impairments, restructuring costs, regulatory items from prior years, or other items detailed in the attached summary financial statements. Management views adjusted earnings as a key measure of the company's present operating financial performance and uses adjusted earnings for external communications with analysts and investors. Internally, the company uses adjusted earnings to measure and assess performance. Because the company is not able to estimate the impact of specific line items, which have the potential to significantly impact, favorably or unfavorably, the company's reported earnings in future periods, the company is not providing reported earnings guidance nor is it providing a reconciliation for the comparable future period earnings. The company's adjusted earnings should be considered supplemental information to assist in understanding our business results, rather than as a substitute for the reported earnings. All references to net income refer to net income available to common stockholders and references to earnings per share are on a diluted basis.

This news release contains "forward-looking statements." The forward-looking statements are subject to risks and uncertainties that could cause CMS Energy's and Consumers Energy's results to differ materially. All forward-looking statements should be considered in the context of the risk and other factors detailed from time to time in CMS Energy's and Consumers Energy's Securities and Exchange Commission filings.

Investors and others should note that CMS Energy routinely posts important information on its website and considers the Investor Relations section, www.cmsenergy.com/investor-relations, a channel of distribution.

For more information on CMS Energy, please visit our website at cmsenergy.com.

To sign up for email [alert notifications](#), please visit the Investor Relations section of our website.

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CMS ENERGY CORPORATION
Consolidated Statements of Income
(Unaudited)

	<i>In Millions, Except Per Share Amounts</i>		
	Three Months Ended		
	3/31/20	3/31/19	Change
Operating Revenue			
Electric utility	\$ 1,028	\$ 1,103	\$ (75)
Gas utility	716	840	(124)
Enterprises	58	67	(9)
EnerBank	62	49	13
Total operating revenue	<u>1,864</u>	<u>2,059</u>	<u>(195)</u>
Operating Expenses			
Fuel for electric generation	103	142	(39)
Purchased and interchange power	357	378	(21)
Purchased power – related parties	18	18	-
Cost of gas sold	273	404	(131)
Maintenance and other operating expenses	315	354	(39)
Depreciation and amortization	316	298	18
General taxes	114	106	8
Total operating expenses	<u>1,496</u>	<u>1,700</u>	<u>(204)</u>
Operating Income			
Electric utility	174	169	5
Gas utility	155	159	(4)
Enterprises	6	6	-
EnerBank	32	27	5
Other	1	(2)	3
Total operating income	<u>368</u>	<u>359</u>	<u>9</u>
Other Income (Expense)			
Interest income	1	1	-
Interest income - related parties	7	-	7
Allowance for equity funds used during construction	1	2	(1)
Income (loss) from equity method investees	3	(1)	4
Nonoperating retirement benefits, net	31	23	8
Other income	-	1	(1)
Other expense	(4)	(3)	(1)
Total other income	<u>39</u>	<u>23</u>	<u>16</u>
Earnings Before Interest, Taxes, and Other Charges	407	382	25
Interest on long-term debt	116	106	10
Interest expense - related parties	3	-	3
Other interest expense	19	16	3
Allowance for borrowed funds used during construction	(1)	(1)	-
Income tax expense	27	48	(21)
Net Income Available to Common Stockholders	\$ 243	\$ 213	\$ 30
<i>Reconciling items:</i>			
Other exclusions from adjusted earnings	3	(*)	3
Tax impact	(*)	*	-
Tax reform	(9)	-	(9)
Voluntary separation program	11	-	11
Tax impact	(3)	-	(3)
Adjusted Net Income – Non-GAAP	<u>\$ 245</u>	<u>213</u>	<u>\$ 32</u>
Average Common Shares Outstanding			
Basic	283.3	282.8	0.5
Diluted	285.2	283.6	1.6
Diluted Earnings Per Average Common Share	\$ 0.85	\$ 0.75	\$ 0.10
<i>Reconciling items:</i>			
Other exclusions from adjusted earnings	0.01	(*)	0.01
Tax impact	(*)	*	-
Tax reform	(0.03)	-	(0.03)
Voluntary separation program	0.04	-	0.04
Tax impact	(0.01)	-	(0.01)
Adjusted Diluted Earnings Per Average Common Share – Non-GAAP	<u>\$ 0.86</u>	<u>\$ 0.75</u>	<u>\$ 0.11</u>

* Less than \$0.5 million or \$0.01 per share.

CMS ENERGY CORPORATION
Summarized Consolidated Balance Sheets
(Unaudited)

	<i>In Millions</i>	
	<u>As of</u>	
	<u>3/31/20</u>	<u>12/31/19</u>
Assets		
Current assets		
Cash and cash equivalents	\$ 834	\$ 140
Restricted cash and cash equivalents	27	17
Other current assets	1,956	2,174
Total current assets	<u>2,817</u>	<u>2,331</u>
Non-current assets		
Plant, property, and equipment	19,144	18,926
Other non-current assets	5,486	5,580
Total Assets	<u>\$ 27,447</u>	<u>\$ 26,837</u>
Liabilities and Equity		
Current liabilities ⁽¹⁾	\$ 1,219	\$ 1,484
Non-current liabilities ⁽¹⁾	6,669	7,051
Capitalization		
Debt, finance leases, and other financing (excluding securitization debt) ⁽²⁾		
Debt, finance leases, and other financing (excluding non-recourse and securitization debt)	11,617	10,518
Non-recourse debt	2,469	2,478
Total debt, finance leases, and other financing (excluding securitization debt)	<u>14,086</u>	<u>12,996</u>
Noncontrolling interests	37	37
Common stockholders' equity	5,185	5,018
Total capitalization (excluding securitization debt)	<u>19,308</u>	<u>18,051</u>
Securitization debt ⁽²⁾	251	251
Total Liabilities and Equity	<u>\$ 27,447</u>	<u>\$ 26,837</u>

⁽¹⁾ Excludes debt, finance leases, and other financing.

⁽²⁾ Includes current and non-current portions.

CMS ENERGY CORPORATION
Summarized Consolidated Statements of Cash Flows
(Unaudited)

	<i>In Millions</i>	
	<u>Three Months Ended</u>	
	<u>3/31/20</u>	<u>3/31/19</u>
Beginning of Period Cash and Cash Equivalents, Including Restricted Amounts	\$ 157	\$ 175
Net cash provided by operating activities ⁽³⁾	201	617
Net cash used in investing activities	(559)	(675)
Cash flows from operating and investing activities	(358)	(58)
Net cash provided by financing activities	1,062	150
Total Cash Flows	<u>\$ 704</u>	<u>\$ 92</u>
End of Period Cash and Cash Equivalents, Including Restricted Amounts	<u>\$ 861</u>	<u>\$ 267</u>

⁽³⁾ Includes the impact of a \$531 million pension contribution in 2020.

CMS ENERGY CORPORATION
Selected Financial Data
(Unaudited)

	<i>In Millions</i>		
	Twelve Months Ended		
	3/31/20	12/31/19	3/31/19
EBIT – Non-GAAP ⁽¹⁾			
Consolidated	\$ 1,415	\$ 1,385	\$ 1,223
Consumers Energy	1,253	1,231	1,131
Depreciation and Amortization			
Consolidated	\$ 1,010	\$ 992	\$ 952
Consumers Energy	993	975	938
EBITDA – Non-GAAP ⁽¹⁾			
Consolidated	\$ 2,425	\$ 2,377	\$ 2,175
Consumers Energy	2,246	2,206	2,069
Dividends and Other Distributions From Subsidiaries	\$ 730	\$ 683	\$ 703
Interest Expense, Net			
Consolidated	\$ 535	\$ 519	\$ 468
Energy parent	160	156	138
Consumers Energy	305	297	288
			<i>In Millions</i>
	As of		
	3/31/20	12/31/19	3/31/19
Book Value Per Share	\$ 18.11	\$ 17.67	\$ 17.12
Common Shares Outstanding – End of Period	286.2	283.9	283.7
Average Common Shares Outstanding			
Basic	283.3	283.0	282.8
Diluted	285.2	284.3	283.6
Debt ⁽²⁾			
Energy parent	\$ 3,660	\$ 3,334	\$ 3,332
EnerBank ⁽³⁾	2,382	2,389	1,910
Non-recourse project debt	87	89	93
Consumers Energy (excluding securitization bonds)	7,957	7,184	6,456
Consolidated (excluding securitization bonds)	14,086	12,996	11,791
Securitization bonds	251	251	277
Consolidated	\$ 14,337	\$ 13,247	\$ 12,068
Unrestricted Cash and Cash Equivalents			
Consumers Energy	\$ 604	\$ 11	\$ 37
CMS Treasury Services	111	11	110
EnerBank and Other	119	118	87
Consolidated	\$ 834	\$ 140	\$ 234
Consumers Energy			
Regulated Common Equity Ratio (13-Month Average)			
Electric	42.3%	42.4%	42.2%
Gas	42.3%	42.4%	42.2%
Regulated Rate Base (13-Month Average, in Millions)			
Electric ⁽⁴⁾	\$ 11,779	\$ 11,516	\$ 11,042
Gas	6,261	6,070	5,404
Regulated Return on Average Common Equity (12-Month Ended)			
Electric ⁽⁴⁾	10.8%	10.7%	11.1%
Gas	8.6%	9.0%	8.4%

⁽¹⁾ EBIT (non-GAAP) equals net income + income taxes + interest charges + noncontrolling interests + discontinued operations + writedowns + impairments + losses (gains) on asset sales + accounting changes. EBITDA (non-GAAP) equals EBIT + depreciation and amortization.

⁽²⁾ Includes current maturities, leases and notes payable.

⁽³⁾ Includes EnerBank certificates of deposit.

⁽⁴⁾ Includes renewables and transmission rate base of \$780 million in total.

CMS ENERGY CORPORATION
Reconciliations of GAAP Net Income to Non-GAAP EBIT and EBITDA
(Unaudited)

	<i>In Millions</i>		
	Twelve Months Ended		
	3/31/20	12/31/19	3/31/19
Net Income Available to Common Stockholders	\$ 710	\$ 680	\$ 629
<i>Reconciling items:</i>			
Income tax expense	126	147	123
Interest on long-term debt	449	439	418
Interest expense - related parties	12	9	-
Other interest expense	78	75	54
Allowance for borrowed funds used during construction	(4)	(4)	(4)
Income attributable to noncontrolling interests	2	2	2
Other exclusions from adjusted earnings	40	37	9
Gain on assets previously sold	-	-	(4)
Tax reform	(9)	-	(4)
Voluntary separation program	11	-	-
	1,415	1,385	1,223
EBIT – Non-GAAP	1,415	1,385	1,223
<i>Additional reconciling items:</i>			
Depreciation and amortization	1,010	992	952
	2,425	2,377	2,175
EBITDA – Non-GAAP	\$ 2,425	\$ 2,377	\$ 2,175

CONSUMERS ENERGY COMPANY
Reconciliations of GAAP Net Income to Non-GAAP EBIT and EBITDA
(Unaudited)

	<i>In Millions</i>		
	Twelve Months Ended		
	3/31/20	12/31/19	3/31/19
Net Income Available to Common Stockholder	\$ 750	\$ 741	\$ 687
<i>Reconciling items:</i>			
Income tax expense	175	185	152
Interest on long-term debt	282	277	278
Interest expense - related parties	12	9	-
Other interest expense	15	15	14
Allowance for borrowed funds used during construction	(4)	(4)	(4)
Preferred stock dividends	2	2	2
Other exclusions from adjusted earnings	10	6	-
Tax reform	-	-	2
Voluntary separation program	11	-	-
	1,253	1,231	1,131
EBIT – Non-GAAP	1,253	1,231	1,131
<i>Additional reconciling items:</i>			
Depreciation and amortization	993	975	938
	2,246	2,206	2,069
EBITDA – Non-GAAP	\$ 2,246	\$ 2,206	\$ 2,069

CMS ENERGY CORPORATION
Non-GAAP Adjusted Earnings Per Share Variance Analysis
(Unaudited)

Three Months Ended March 31			
	<u>3/31/20</u>	<u>3/31/19</u>	<u>Variance</u>
Adjusted EPS – Non-GAAP			
Electric utility	\$ 0.44	\$ 0.37	\$ 0.07
Gas utility	0.42	0.43	(0.01)
Enterprises, EnerBank and Energy parent			
Enterprises	0.06	0.02	0.04
EnerBank	0.05	0.04	0.01
Energy parent	<u>(0.11)</u>	<u>(0.11)</u>	-
	-	(0.05)	0.05
Consolidated	<u><u>\$ 0.86</u></u>	<u><u>\$ 0.75</u></u>	<u><u>\$ 0.11</u></u>
Variance Explanations:			
ELECTRIC UTILITY			
- System deliveries of 8,786 GWh, down 444 GWh (weather-driven impact, down 243 GWh)			\$ (0.08)
- Electric rate relief, including renewables			0.02
- Lower operating & maintenance expenses, including storms			0.12
- Higher investment costs (depreciation, property taxes & fixed costs)			(0.02)
- Other			0.03
- Change in shares outstanding			*
			<u><u>\$ 0.07</u></u>
GAS UTILITY			
- Deliveries, including transportation to end-use customers, of 119.5 bcf, down 22.4 bcf (weather-driven impact, down 21.5 bcf)			\$ (0.14)
- Gas rate relief			0.17
- Lower operating & maintenance expenses			0.01
- Higher investment costs (depreciation, property taxes & fixed costs)			(0.05)
- Change in shares outstanding			*
			<u><u>\$ (0.01)</u></u>
ENTERPRISES, ENERBANK AND ENERGY PARENT			
- Enterprises			\$ 0.04
- EnerBank			0.01
- Change in shares outstanding			*
			<u><u>\$ 0.05</u></u>
WEATHER IMPACTS			
	<u>3/31/20</u>	<u>3/31/19</u>	
Weather			
- Warmer (colder) than normal using 15-year average temperatures	16.7 %	(6.6) %	
Electric Utility			
- Increase (decrease) from normal in:			
Electric sales (GWh)	(185)	58	
EPS	\$ (0.05)	\$ 0.01	
Gas Utility			
- Increase (decrease) from normal in:			
Gas sales (bcf)	(16.0)	5.5	
EPS	\$ (0.13)	\$ 0.04	
Total EPS Weather Impacts	<u><u>\$ (0.18)</u></u>	<u><u>\$ 0.05</u></u>	

* Less than \$0.01 per share.

CMS ENERGY CORPORATION
Reconciliation of GAAP EPS to Non-GAAP Adjusted EPS by Segment
(Unaudited)

	<i>In Millions, Except Per Share Amounts</i>	
	<u>Three Months Ended</u>	
	<u>3/31/20</u>	<u>3/31/19</u>
Electric Utility		
Reported net income per share	\$ 0.41	\$ 0.37
<i>Reconciling items:</i>		
Other exclusions from adjusted earnings	0.01	-
Tax impact	(*)	-
Voluntary separation program	0.03	-
Tax impact	(0.01)	-
Adjusted net income per share – non-GAAP	<u>\$ 0.44</u>	<u>\$ 0.37</u>
Gas Utility		
Reported net income per share	\$ 0.41	\$ 0.43
<i>Reconciling items:</i>		
Other exclusions from adjusted earnings	*	-
Tax impact	(*)	-
Voluntary separation program	0.01	-
Tax impact	(*)	-
Adjusted net income per share – non-GAAP	<u>\$ 0.42</u>	<u>\$ 0.43</u>
Enterprises		
Reported net income per share	\$ 0.07	\$ 0.02
<i>Reconciling items:</i>		
Other exclusions from adjusted earnings	*	(*)
Tax impact	(*)	*
Tax reform	(0.01)	-
Voluntary separation program	*	-
Tax impact	(*)	-
Adjusted net income per share – non-GAAP	<u>\$ 0.06</u>	<u>\$ 0.02</u>
EnerBank		
Reported net income per share	\$ 0.05	\$ 0.04
<i>Reconciling items:</i>		
Other exclusions from adjusted earnings	-	-
Tax impact	-	-
Adjusted net income per share – non-GAAP	<u>\$ 0.05</u>	<u>\$ 0.04</u>
Corporate Interest and Other		
Reported net loss per share	\$ (0.09)	\$ (0.11)
<i>Reconciling items:</i>		
Other exclusions from adjusted earnings	(*)	*
Tax impact	*	(*)
Tax reform	(0.02)	-
Adjusted net loss per share – non-GAAP	<u>\$ (0.11)</u>	<u>\$ (0.11)</u>
Consolidated		
Reported net income per share	\$ 0.85	\$ 0.75
<i>Reconciling items:</i>		
Other exclusions from adjusted earnings	0.01	(*)
Tax impact	(*)	*
Tax reform	(0.03)	-
Voluntary separation program	0.04	-
Tax impact	(0.01)	-
Adjusted net income per share – non-GAAP	<u>\$ 0.86</u>	<u>\$ 0.75</u>
Average Common Shares Outstanding – Diluted	<u>285.2</u>	<u>283.6</u>

* Less than \$0.01 per share.

CMS ENERGY CORPORATION
Reconciliation of GAAP Net Income to Non-GAAP Adjusted Net Income
(Unaudited)

	<i>In Millions, Except Per Share Amounts</i>	
	<u>Three Months Ended</u>	
	<u>3/31/20</u>	<u>3/31/19</u>
Net Income Available to Common Stockholders	\$ 243	\$ 213
<i>Reconciling items:</i>		
Other exclusions from adjusted earnings	3	(*)
Tax impact	(*)	*
Tax reform	(9)	-
Voluntary separation program	11	-
Tax impact	(3)	-
Adjusted net income – non-GAAP	<u>\$ 245</u>	<u>\$ 213</u>
Average Common Shares Outstanding		
Basic	283.3	282.8
Diluted	285.2	283.6
Basic Earnings Per Average Common Share		
Reported net income per share	\$ 0.86	\$ 0.75
<i>Reconciling items:</i>		
Other exclusions from adjusted earnings	0.01	(*)
Tax impact	(*)	*
Tax reform	(0.03)	-
Voluntary separation program	0.04	-
Tax impact	(0.01)	-
Adjusted net income per share – non-GAAP	<u>\$ 0.87</u>	<u>\$ 0.75</u>
Diluted Earnings Per Average Common Share		
Reported net income per share	\$ 0.85	\$ 0.75
<i>Reconciling items:</i>		
Other exclusions from adjusted earnings	0.01	(*)
Tax impact	(*)	*
Tax reform	(0.03)	-
Voluntary separation program	0.04	-
Tax impact	(0.01)	-
Adjusted net income per share – non-GAAP	<u>\$ 0.86</u>	<u>\$ 0.75</u>

* Less than \$0.5 million or \$0.01 per share.

Management views adjusted (non-Generally Accepted Accounting Principles) earnings as a key measure of the Company's present operating financial performance and uses adjusted earnings for external communications with analysts and investors. Internally, the Company uses adjusted earnings to measure and assess performance. Adjustments could include items such as discontinued operations, asset sales, impairments, restructuring costs, regulatory items from prior years, or other items detailed in these summary financial statements. Adjusted earnings should be considered supplemental information to assist in understanding our business results, rather than as a substitute for reported earnings.

CMS ENERGY CORPORATION
Reconciliation of GAAP Net Income to Non-GAAP Adjusted Net Income
by Quarter
(Unaudited)

	<i>In Millions, Except Per Share Amounts</i>	
	2020	
	1Q	
Net Income Available to Common Stockholders	\$ 243	
<i>Reconciling items:</i>		
Electric utility and gas utility	15	
Tax impact	(4)	
Enterprises	1	
Tax impact	(4)	
EnerBank	-	
Tax impact	-	
Corporate interest and other	(2)	
Tax impact	(4)	
Adjusted Net Income – Non-GAAP	\$ 245	
Average Common Shares Outstanding – Diluted	285.2	
Diluted Earnings Per Average Common Share	\$ 0.85	
<i>Reconciling items:</i>		
Electric utility and gas utility	0.05	
Tax impact	(0.01)	
Enterprises	*	
Tax impact	(0.01)	
EnerBank	-	
Tax impact	-	
Corporate interest and other	(*)	
Tax impact	(0.02)	
Adjusted Diluted Earnings Per Average Common Share – Non-GAAP	\$ 0.86	

	<i>In Millions, Except Per Share Amounts</i>			
	2019			
	1Q	2Q	3Q	4Q
Net Income Available to Common Stockholders	\$ 213	\$ 93	\$ 207	\$ 167
<i>Reconciling items:</i>				
Electric utility and gas utility	-	-	-	6
Tax impact	-	-	-	(1)
Enterprises	(*)	*	1	(1)
Tax impact	*	(*)	(*)	*
EnerBank	-	-	-	-
Tax impact	-	-	-	-
Corporate interest and other	*	*	*	31
Tax impact	(*)	(*)	(*)	(8)
Adjusted Net Income – Non-GAAP	\$ 213	\$ 93	\$ 208	\$ 194
Average Common Shares Outstanding – Diluted	283.6	284.0	284.6	284.8
Diluted Earnings Per Average Common Share	\$ 0.75	\$ 0.33	\$ 0.73	\$ 0.58
<i>Reconciling items:</i>				
Electric utility and gas utility	-	-	-	0.02
Tax impact	-	-	-	(*)
Enterprises	(*)	*	*	(*)
Tax impact	*	(*)	(*)	*
EnerBank	-	-	-	-
Tax impact	-	-	-	-
Corporate interest and other	*	*	*	0.11
Tax impact	(*)	(*)	(*)	(0.03)
Adjusted Diluted Earnings Per Average Common Share – Non-GAAP	\$ 0.75	\$ 0.33	\$ 0.73	\$ 0.68

* Less than \$0.5 million or \$0.01 per share.

CONSUMERS ENERGY COMPANY
Consolidated Statements of Income
(Unaudited)

	<i>In Millions</i>		
	Three Months Ended		
	3/31/20	3/31/19	Change
Operating Revenue			
Electric utility	\$ 1,028	\$ 1,103	\$ (75)
Gas utility	716	840	(124)
Total operating revenue	<u>1,744</u>	<u>1,943</u>	<u>(199)</u>
Operating Expenses			
Fuel for electric generation	79	106	(27)
Purchased and interchange power	347	374	(27)
Purchased power – related parties	18	18	-
Cost of gas sold	270	401	(131)
Maintenance and other operating expenses	278	319	(41)
Depreciation and amortization	312	294	18
General taxes	111	103	8
Total operating expenses	<u>1,415</u>	<u>1,615</u>	<u>(200)</u>
Operating Income			
Electric utility	174	169	5
Gas utility	155	159	(4)
Total operating income	<u>329</u>	<u>328</u>	<u>1</u>
Other Income (Expense)			
Interest income	1	1	-
Interest and dividend income – related parties	1	1	-
Allowance for equity funds used during construction	1	2	(1)
Nonoperating retirement benefits, net	29	21	8
Other income	-	1	(1)
Other expense	(3)	(3)	-
Total other income	<u>29</u>	<u>23</u>	<u>6</u>
Interest Charges			
Interest on long-term debt	74	69	5
Interest expense - related parties	3	-	3
Other interest expense	3	3	-
Allowance for borrowed funds used during construction	(1)	(1)	-
Total interest charges	<u>79</u>	<u>71</u>	<u>8</u>
Income Before Income Taxes	279	280	(1)
Income Tax Expense	<u>44</u>	<u>54</u>	<u>(10)</u>
Net Income Available to Common Stockholder			
Electric utility	118	105	13
Gas utility	117	121	(4)
Total net income available to common stockholder	<u>\$ 235</u>	<u>\$ 226</u>	<u>\$ 9</u>

CONSUMERS ENERGY COMPANY
Electric Utility Statistics
(Unaudited)

	<i>In Millions of kWh, Except as Noted</i>		
	Three Months Ended		
	3/31/20	3/31/19	% Change
Electric Deliveries			
Residential	3,107	3,325	(6.6)
Commercial	2,779	2,826	(1.7)
Industrial	1,865	2,071	(9.9)
Other	44	47	(6.4)
Wholesale	74	78	(5.1)
Retail open access	917	883	3.9
Total customer deliveries	<u>8,786</u>	<u>9,230</u>	(4.8)
Intersystem	1,681	914	83.9
Total electric deliveries	<u><u>10,467</u></u>	<u><u>10,144</u></u>	3.2
Weather-Normalized Electric Deliveries ^{(1) (2)}			
Residential	3,260	3,272	(0.4)
Commercial	2,807	2,821	(0.5)
Industrial	1,866	2,072	(9.9)
Other	44	47	(6.4)
Wholesale	74	78	(5.1)
Retail open access	920	882	4.3
Total weather-normalized electric deliveries	<u><u>8,971</u></u>	<u><u>9,172</u></u>	(2.2)
Weather-Normalized Electric Deliveries ^{(1) (2)}			
(By Class, Including Retail Open Access)			
Residential	3,260	3,272	(0.4)
Commercial	3,044	3,058	(0.5)
Industrial	2,549	2,717	(6.2)
Other	44	47	(6.4)
Wholesale	74	78	(5.1)
Total weather-normalized electric deliveries	<u><u>8,971</u></u>	<u><u>9,172</u></u>	(2.2)

⁽¹⁾ Excludes intersystem deliveries.

⁽²⁾ Certain classes include the reduction for Energy Efficiency in the range of 1.0% to 1.5%.

	<i>In Millions, Except as Noted</i>		
	Three Months Ended		
	3/31/20	3/31/19	% Change
Electric Utility Revenue			
Residential	\$ 481	\$ 523	(8.0)
Commercial	339	351	(3.4)
Industrial	140	162	(13.6)
Other	8	9	(11.1)
Total sales revenue	<u>968</u>	<u>1,045</u>	(7.4)
Wholesale	5	5	-
Retail open access	8	7	14.3
Intersystem	33	30	10.0
Miscellaneous	14	16	(12.5)
Total electric utility revenue	<u><u>\$ 1,028</u></u>	<u><u>\$ 1,103</u></u>	(6.8)

CONSUMERS ENERGY COMPANY
Gas Utility Statistics
(Unaudited)

	<i>In Thousands of mcf, Except as Noted</i>		
	Three Months Ended		
	3/31/20	3/31/19	% Change
Gas Deliveries			
Residential	67,339	80,963	(16.8)
Commercial	24,542	29,093	(15.6)
Industrial	3,605	4,474	(19.4)
Other	76	63	20.6
Transportation	23,957	27,299	(12.2)
Total customer deliveries	<u>119,519</u>	<u>141,892</u>	(15.8)
Off-system transportation			
MCV	19,291	15,331	25.8
Other	<u>3,503</u>	<u>3,702</u>	(5.4)
Total gas deliveries	<u><u>142,313</u></u>	<u><u>160,925</u></u>	(11.6)
Weather-Normalized Gas Deliveries ^{(1) (2)}			
Residential	77,477	77,033	0.6
Commercial	27,322	27,651	(1.2)
Industrial	4,164	4,258	(2.2)
Other	90	58	55.2
Transportation	26,424	27,359	(3.4)
Total weather-normalized gas deliveries	<u><u>135,477</u></u>	<u><u>136,359</u></u>	(0.6)
Weather-Normalized Gas Deliveries ^{(1) (2)}			
(By Class, Including Transportation)			
Residential	77,998	77,597	0.5
Commercial	37,272	37,878	(1.6)
Industrial	20,117	20,826	(3.4)
Other	90	58	55.2
Total weather-normalized gas deliveries	<u><u>135,477</u></u>	<u><u>136,359</u></u>	(0.6)

⁽¹⁾ Excludes off-system transportation deliveries.

⁽²⁾ Includes the reduction for Energy Efficiency in the range of 0.75% to 1.0%.

	<i>In Millions, Except as Noted</i>		
	Three Months Ended		
	3/31/20	3/31/19	% Change
Gas Utility Revenue			
Residential	\$ 493	\$ 589	(16.3)
Commercial	149	174	(14.4)
Industrial	20	25	(20.0)
Total sales revenue	<u>662</u>	<u>788</u>	(16.0)
Transportation	26	26	-
Miscellaneous	28	26	7.7
Total gas utility revenue	<u><u>\$ 716</u></u>	<u><u>\$ 840</u></u>	(14.8)