Retail Outreach
October 9, 2019

WORLD CLASS
PERFORMANCE
DELIVERING
HOMETOWN
SERVICE

FOCUSED ON WORLD CLASS PERFORMANCE

CMS ENERGY

CMS
LISTED
NYSE

This presentation is made as of the date hereof and contains "forward-looking statements" as defined in Rule 3b-6 of the Securities Exchange Act of 1934, Rule 175 of the Securities Act of 1933, and relevant legal decisions. The forward-looking statements are subject to risks and uncertainties. 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. Forward-looking statements should be read in conjunction with "FORWARD-LOOKING STATEMENTS AND INFORMATION" and "RISK FACTORS" sections of CMS Energy's and Consumers Energy's most recent Form 10-K and as updated in reports CMS Energy and Consumers Energy file with the Securities and Exchange Commission. CMS Energy's and Consumers Energy's "FORWARD-LOOKING STATEMENTS AND INFORMATION" and "RISK FACTORS" sections are incorporated herein by reference and discuss important factors that could cause CMS Energy's and Consumers Energy's results to differ materially from those anticipated in such statements. CMS Energy and Consumers Energy undertake no obligation to update any of the information presented herein to reflect facts, events or circumstances after the date hereof.

The presentation also includes non-GAAP measures when describing CMS Energy's results of operations and financial performance. A reconciliation of each of these measures to the most directly comparable GAAP measure is included in the appendix and posted on our website at www.cmsenergy.com.

CMS Energy provides historical financial results on both a reported (GAAP) and adjusted (non-GAAP) basis and provides forward-looking modeling on an adjusted basis. During an oral presentation, references to "earnings" are on an adjusted basis. All references to earnings per share are on a diluted basis. Adjustments could include items such as discontinued operations, asset sales, impairments, restructuring costs, regulatory items from prior years, or other items. 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 adjusted earnings should be considered supplemental information to assist in understanding our business results, rather than as a substitute for the reported earnings.

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.

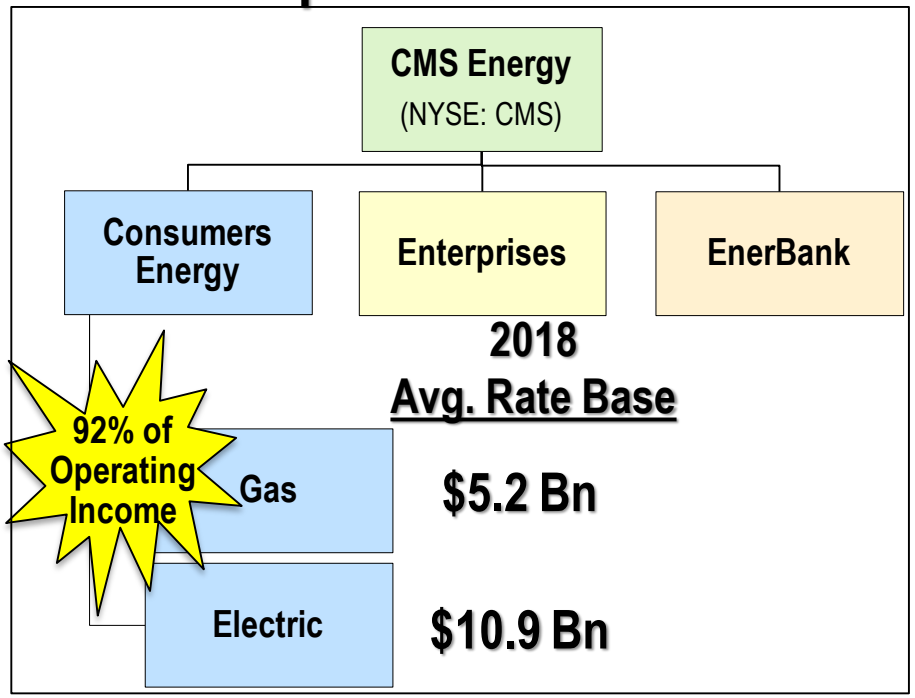
Rejji P. Hayes

CMS Energy EVP and CFO	**2017**
ITC Holdings Corp. - CFO (2014 – 2016) - VP, Finance & Treasurer (2012 – 2014)	**2012 – 2016**
Exelon Corporation Asst. Treasurer & Dir. Corp. Finance & Financial Strategy	**2009 – 2012**
Lazard Frères & Co. LLC VP, M&A	**2007 – 2009**
Banc of America Securities - VP, Global Investment Banking (2006 – 2007) - Associate, Global Investment Banking (2003 – 2005)	**2003 – 2007**

Harvard Business School, MBA
Amherst College, BA

CMS Energy Overview

Corporate Structure



Key Information

2018 Financial Statistics

Based in Jackson, MI

~8,000	Employees (37% unionized) [a]
$6.9 Bn	Revenue
$659 MM	Adjusted net income [b]
7% EPS [c]	Growth for past 16 years
In line w/ earnings	Dividend per share growth

Senior Management Team

	Patti Poppe CEO		
Rejji Hayes CFO	Shaun Johnson General Counsel	Cathy Hendrian People & Culture	DV Rao Strategy & Planning
Garrick Rochow Operations	Brian Rich Customer Experience & Tech.	JF Brossoit Engineering	Brandon Hofmeister Gov't & Regulatory Affairs

[a] Excludes seasonal workers [b] Non-GAAP [c] Non-GAAP CAGR

Consumers Energy . . .

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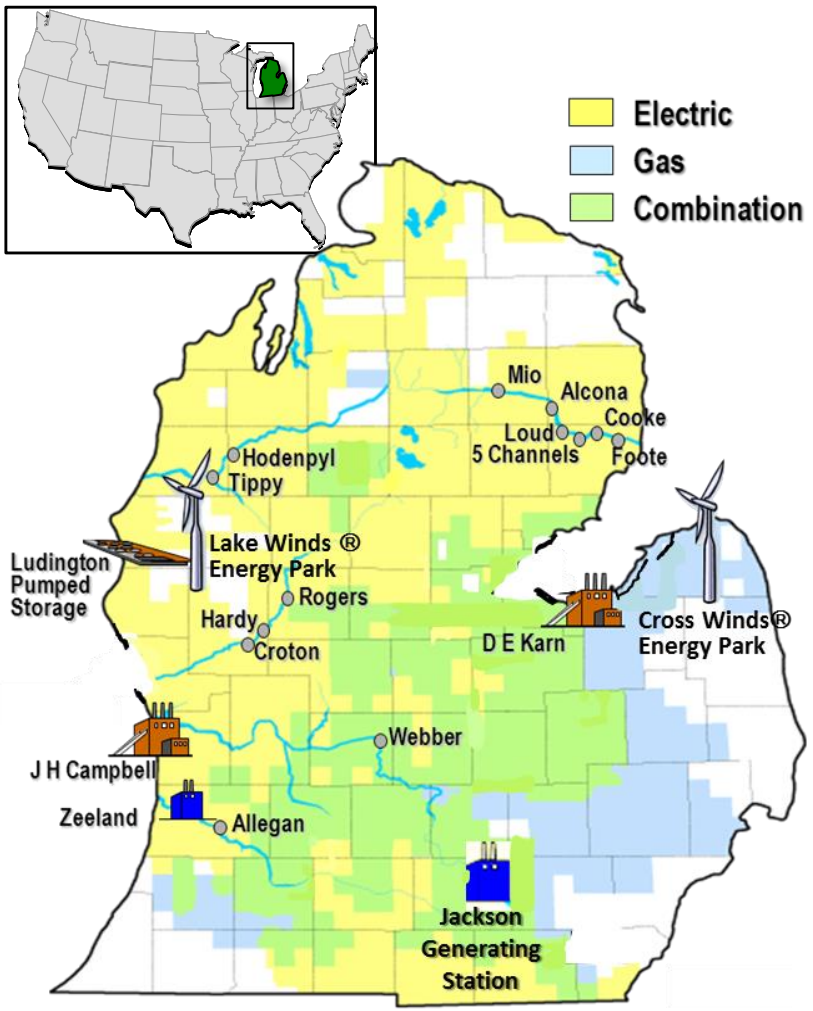

4th Largest Combination Utility

- Electric Utility
  - 1.8 million electric customers
  - 8,261 MW of capacity
- Gas Utility
  - 1.8 million gas customers
  - 309 bcf gas storage (#1 in the U.S.)
- Serving 6.7 million Michigan residents

Consumers Energy Planet Goals

Next 5 Years	By 2040
1 Bn gallons of H_2O saved	*Zero Coal* used to generate electricity
35% reduction of waste to landfills	*>90%* reduction of carbon emissions
5,000 acres of MI land enhanced, restored or protected	*>50%* of capacity from renewable sources

. . . is a world class utility.

The Triple Bottom Line . . .

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PEOPLE • PLANET • PROFIT

PERFORMANCE

. . . world class performance delivering hometown service.

Utility Business Model . . .

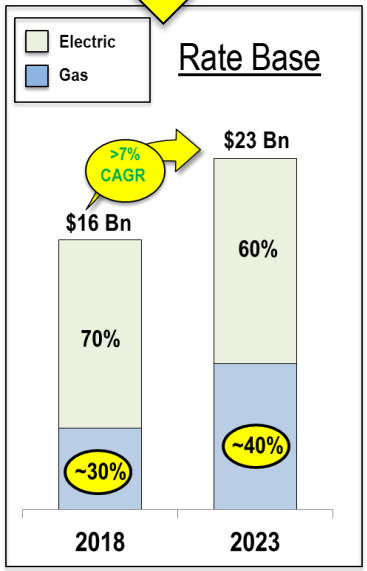
- Invest in the Utility
- Grow Rate Base

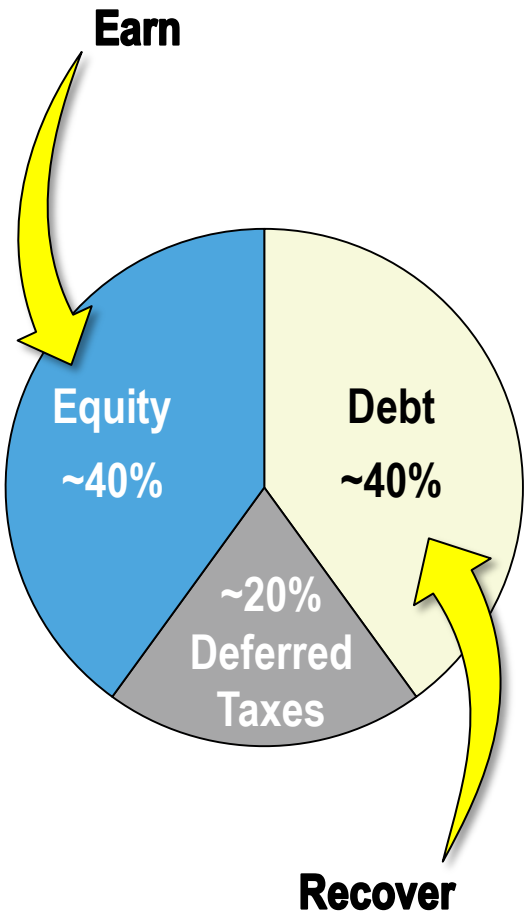
- Earn on % Equity
- Recover Cost of Debt

- Earn Authorized ROE
- Grow Net Income

Next Five Years

Capital Investment (Bn):	New Plan
Electric Utility	$ 5
New Utility Renewables	1
Gas Utility	5
Total	$11





✓ 10% Authorized ROE

Supports earnings growth

	2017	2018
✓ Net Income [a]	$610	$659

[a] Adjusted Net Income ($MM), (Non-GAAP)

. . . is driven by rate base growth and risk management.

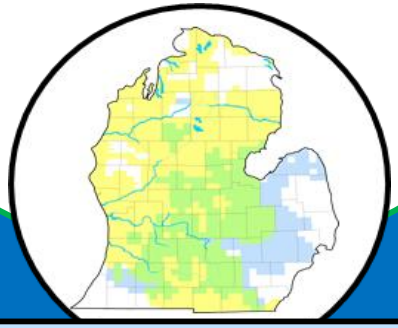
Compelling Investment Thesis . . .

Clean Energy Leader

Aging Infrastructure

Constructive Regulation

Strong Cash Flow & Balance Sheet



Diversified Service Territory

Affordable Prices

. . . adaptive to changing conditions.

Large and Aging System . . .

Electric distribution system is ***older*** than peers

25 years of main replacement through our Enhanced Infrastructure Replacement Program

~1,670 miles of gas transmission pipeline; most built in the WWII era

Age of coal fleet is more than ***50 years***

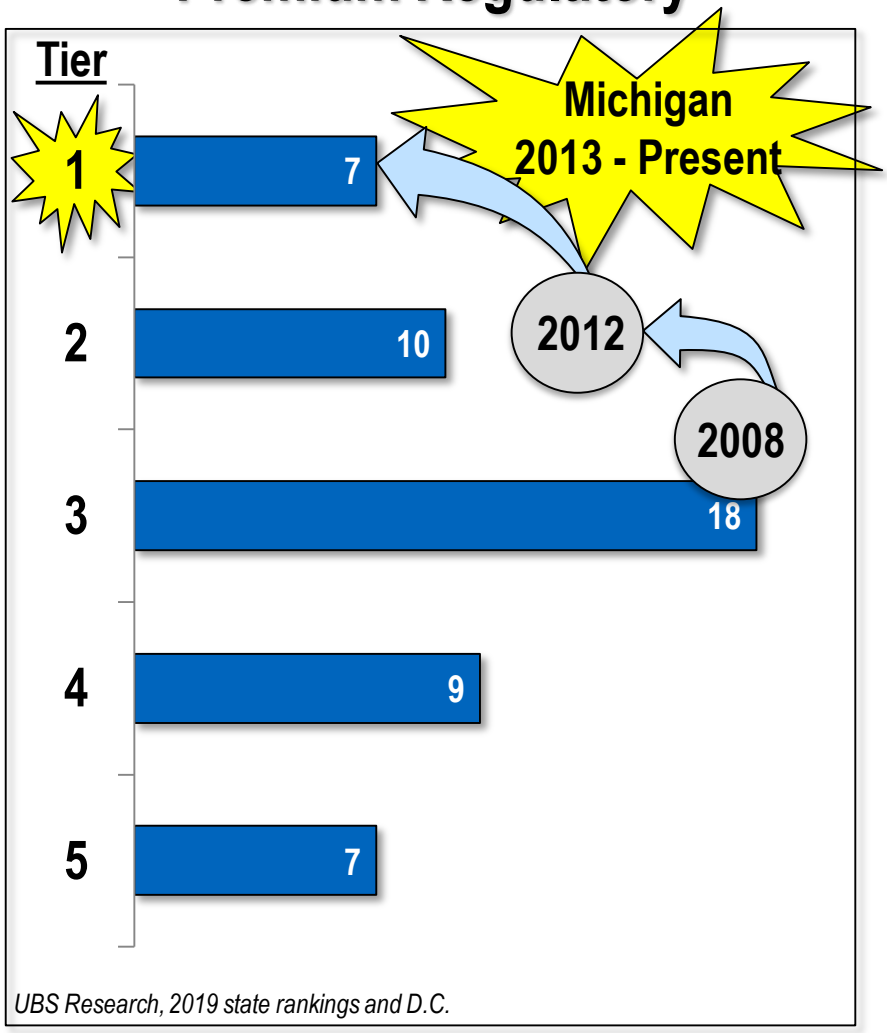
. . . requires significant customer investment.

Michigan Offers . . .

Supportive Policy

- Economic growth (tax policies, skilled labor, balanced budgets)
- Bipartisan Energy Law
- Forward-looking test year (10-month rate case)
- Energy efficiency incentive (20% of spend)
- Attractive renewable investment framework
- Constructive ROEs

Premium Regulatory



UBS Research, 2019 state rankings and D.C.

. . . economic and energy policies that support business growth.

Our Self-Funding Model . . .

	Plan
EPS[a] Growth	6% - 8%
Self-Funding:	
- Cost management (O&M, fuel, purchased power)	2 - 3 pts
- Sales (economic development, energy efficiency)	1
- Other (Enterprises, tax planning, etc.)	2
INVESTMENT SELF-FUNDED	5 - 6 pts
Customer Prices "at or below inflation"	<2%

[a] Adjusted EPS (non-GAAP)

. . . delivers consistent growth while maintaining affordability.

Managing Customer Bills . . .

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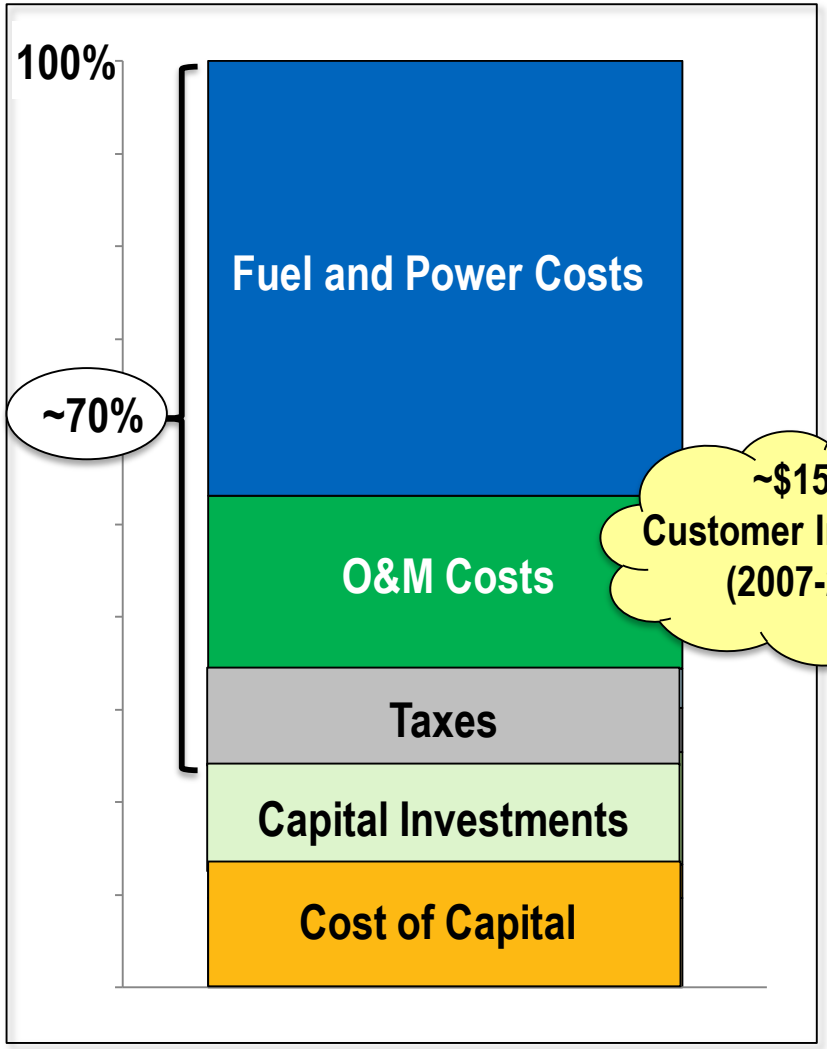
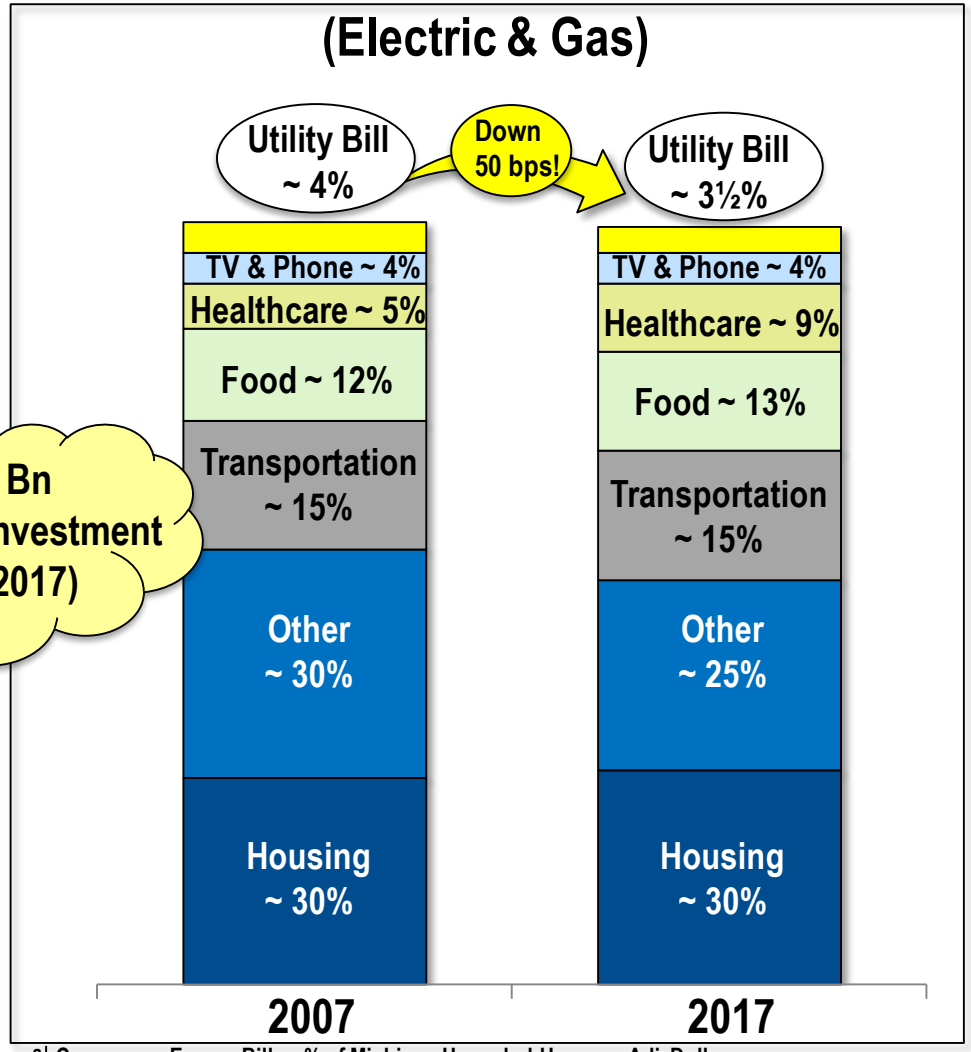
Cost Components



Residential Bills as % of Wallet [a]



[a] Consumers Energy Bill as % of Michigan Household Income, Adj. Dollars.
Source: Fred.stlouisfed.org, Bls.gov, Consumers Internal Bills; Percentages may not total100% due to rounding.

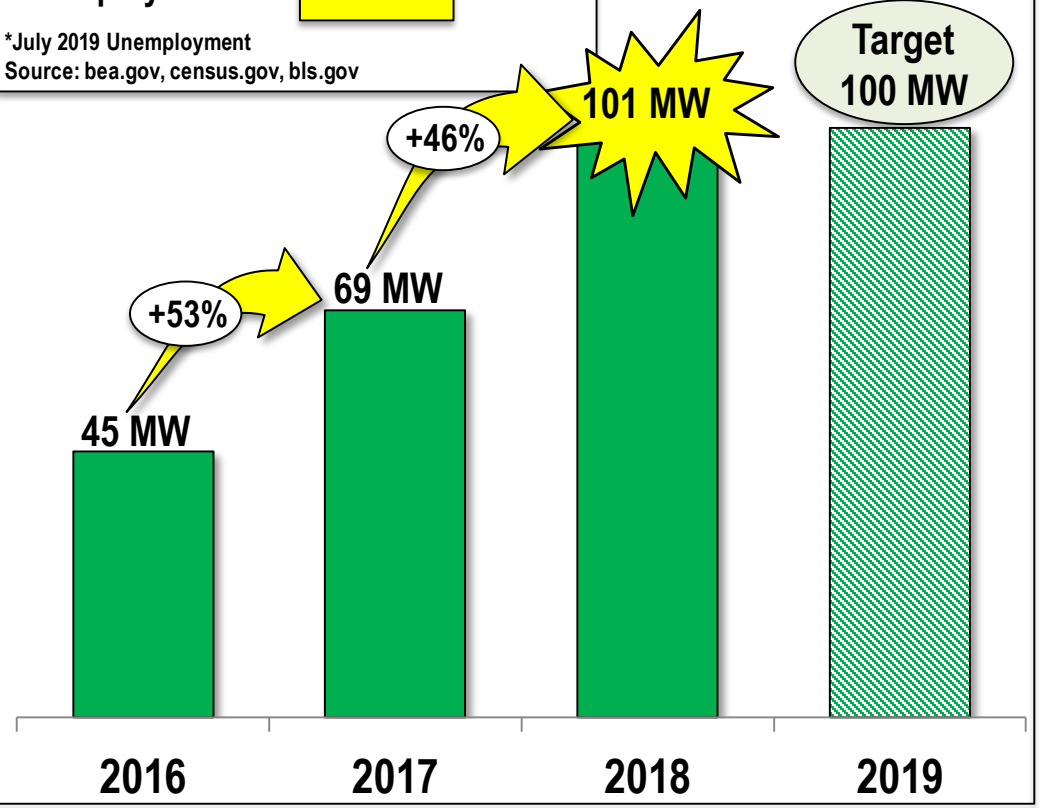
. . . provides headroom for additional customer investment.

Economic Development is Robust . . .

Customer Committed Load

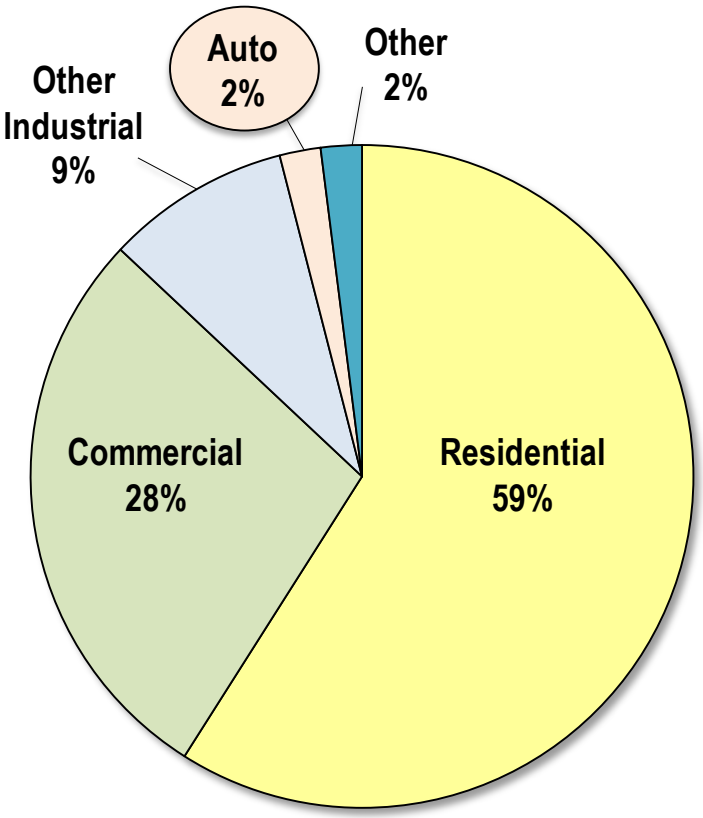
Economic Indicators:	Grand Rapids	U.S.
GDP Growth 2010→2017	32%	17%
Population Growth 2010→2018	8%	6%
Unemployment*	2.9%	3.7%

*July 2019 Unemployment
Source: bea.gov, census.gov, bls.gov



Diversified Customer Base

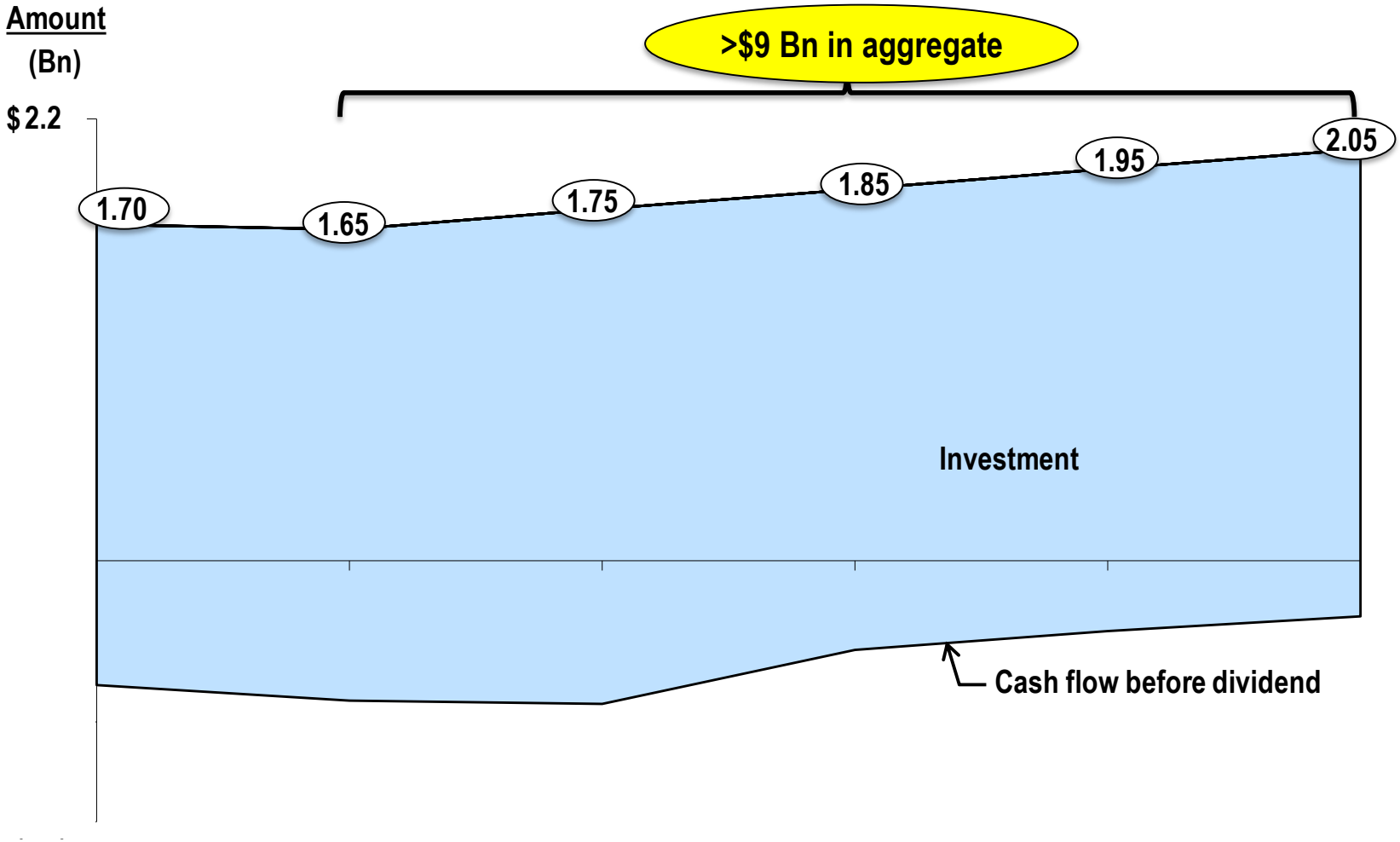
(2018 Electric & Gas Rate Mix)[a]



[a] Tariff net of PSCR and GCR

. . . and helps drive our model.

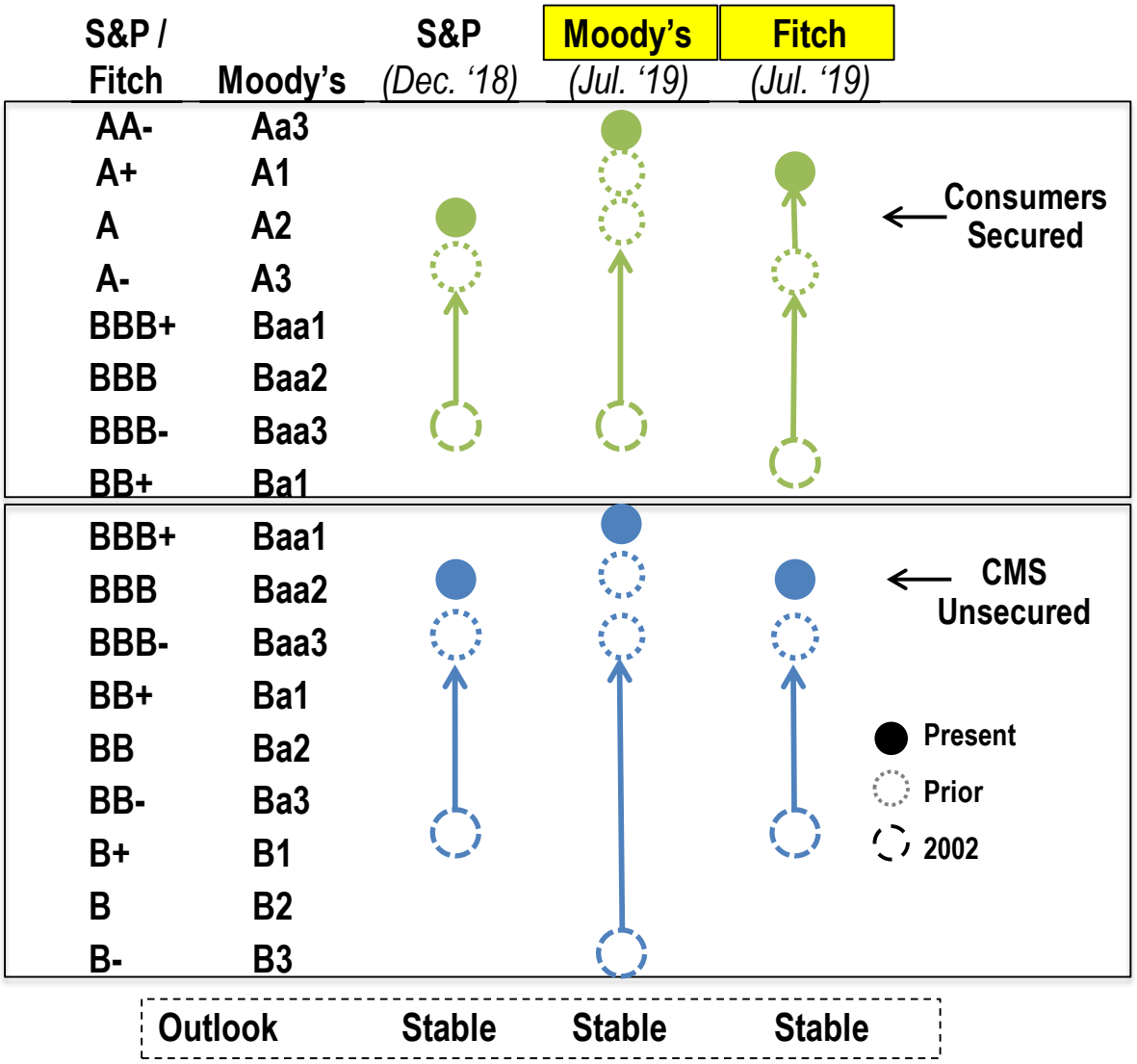
Operating Cash Flow Generation . . .



	2018	2019	2020	2021	2022	2023
NOLs & credits	$0.4	$0.3	$0.3	$0.4	$0.4	$0.5

. . . remains strong and supports our capital plan.

Credit Metrics Maintained . . .



Ratings Drivers

- Strong financial position
- Growing operating cash flow
- Return on regulated investment
- Supportive regulatory environment

. . . at solid investment-grade levels.

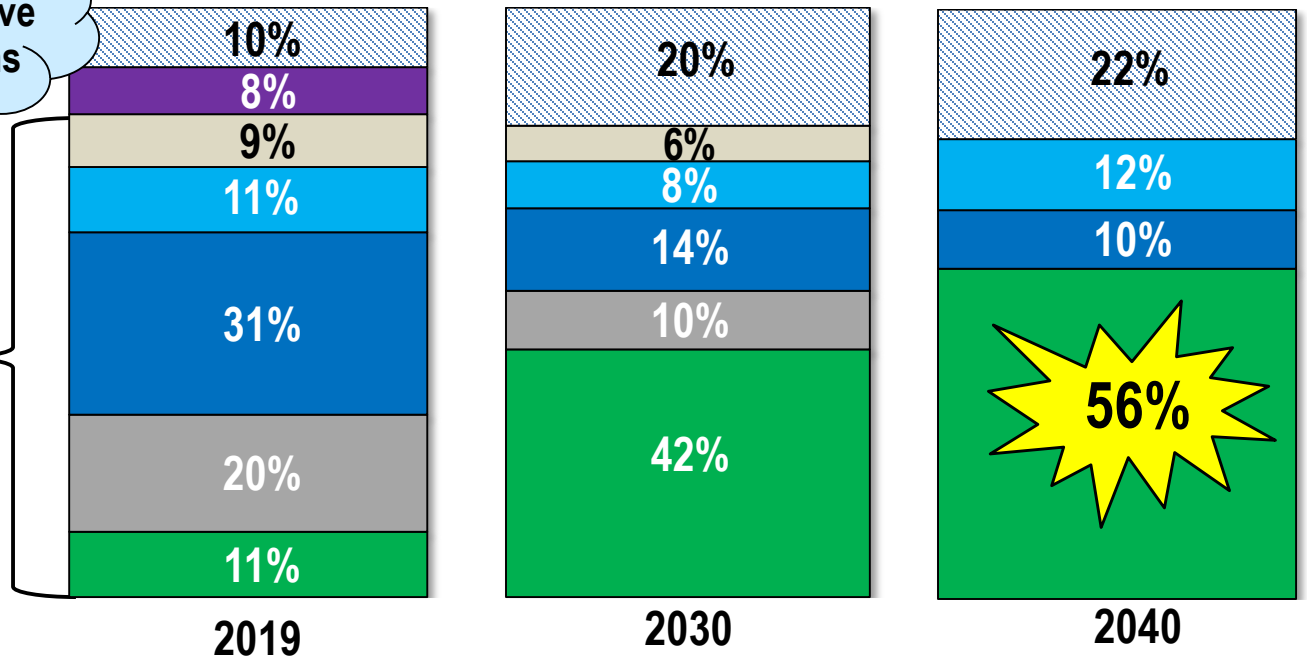
Clean Energy Future . . .

- ✓ Elimination of Coal
- ✓ More Renewable Energy
- ✓ Innovative Energy Solutions

Consumers Energy Capacity Mix

Earn incentive mechanisms

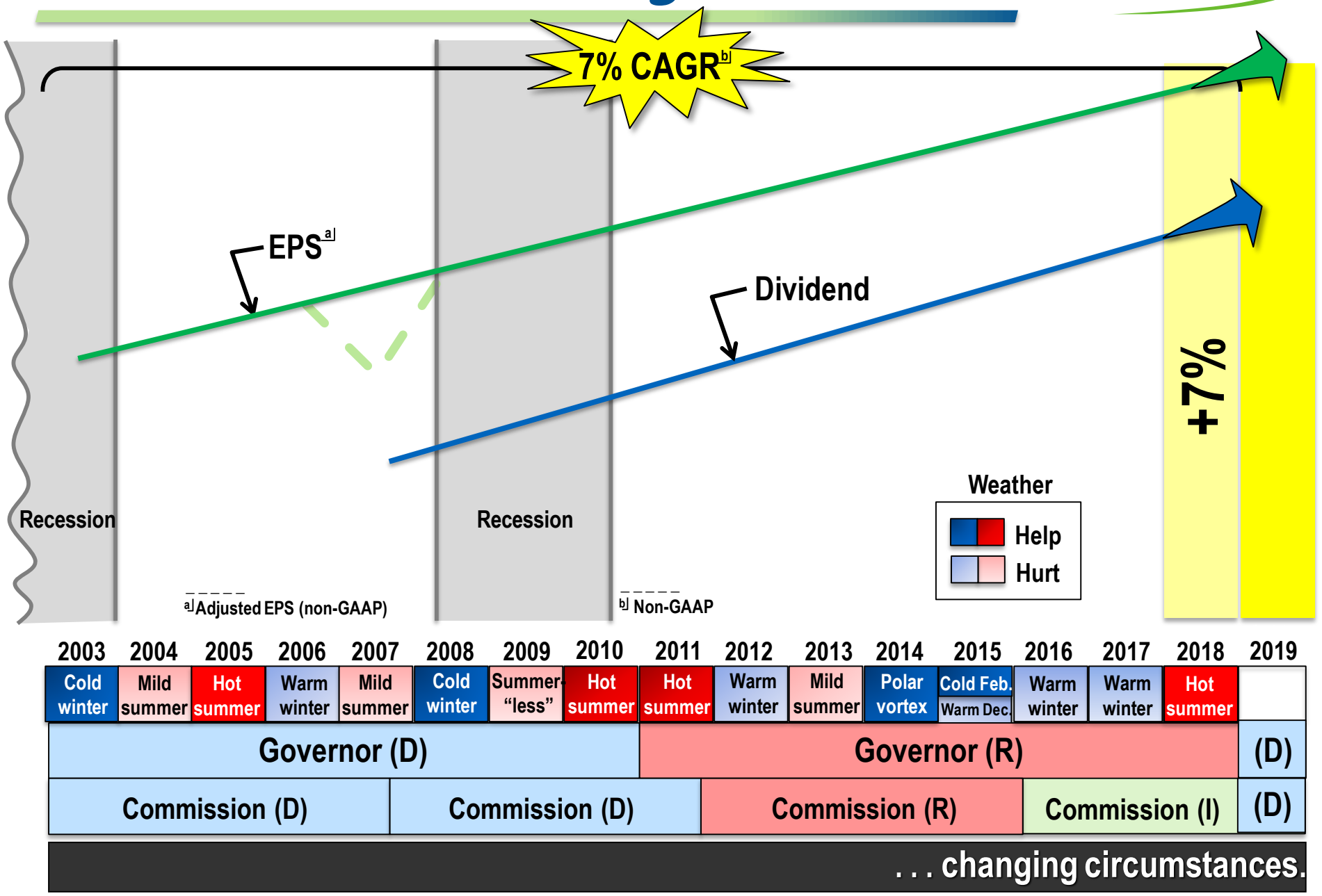
Rate based or earn FCM



[a] Energy Waste Reduction

. . . embodies the Triple Bottom Line.

Consistent Growth Through . . .

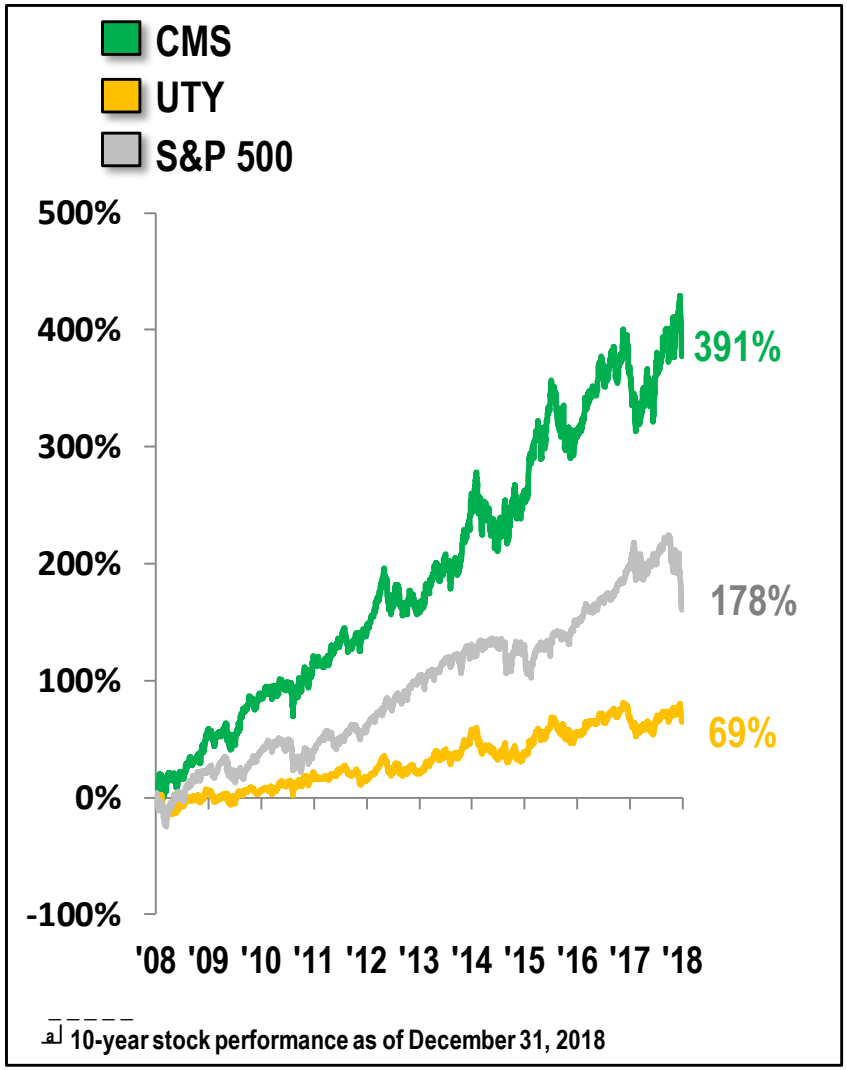


2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Cold winter	Mild summer	Hot summer	Warm winter	Mild summer	Cold winter	Summer "less"	Hot summer	Hot summer	Warm winter	Mild summer	Polar vortex	Cold Feb. / Warm Dec.	Warm winter	Warm winter	Hot summer	
Governor (D)								Governor (R)								(D)
Commission (D)					Commission (D)				Commission (R)				Commission (I)			(D)

. . . changing circumstances.

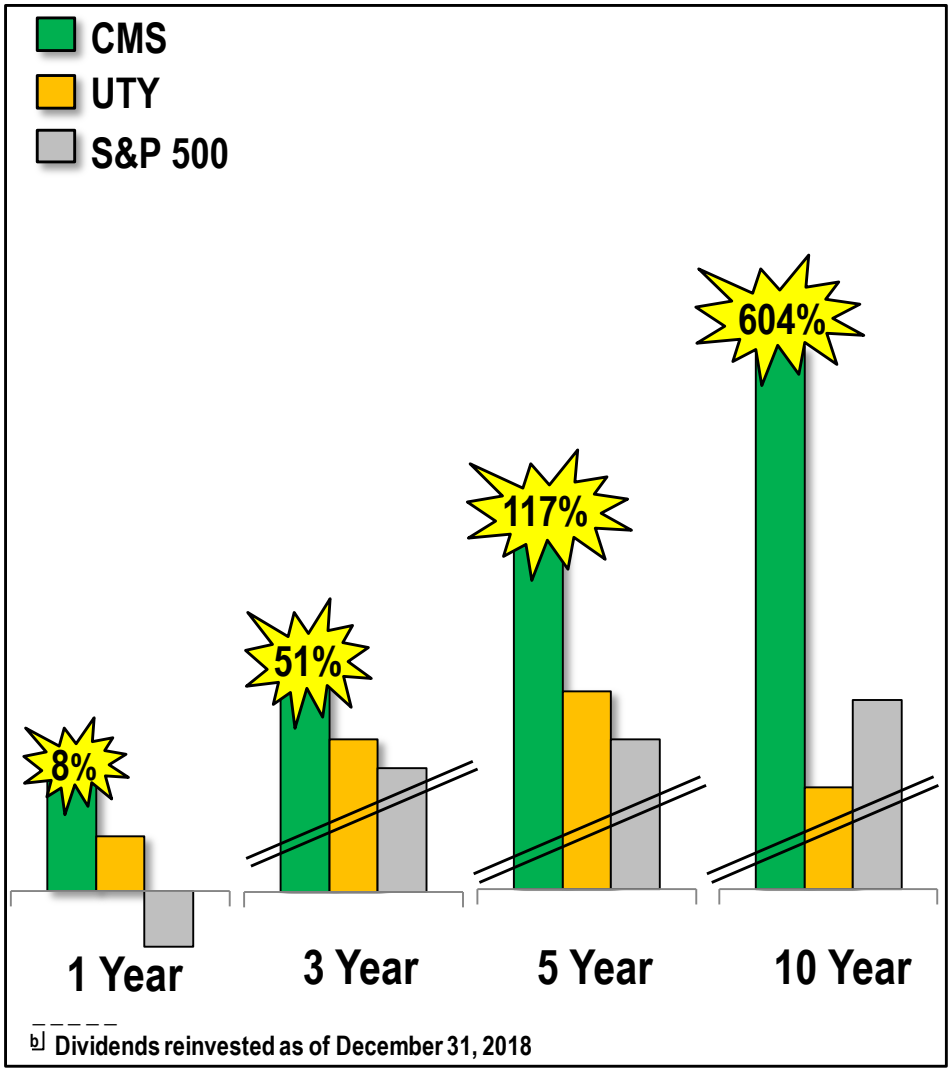
CMS' Trading Performance . . .

Stock Performance [a]



[a] 10-year stock performance as of December 31, 2018

Total Shareowner Return [b]



[b] Dividends reinvested as of December 31, 2018

. . . has exceeded those of our peers and the broader market.

Q & A

Thank You!

Appendix

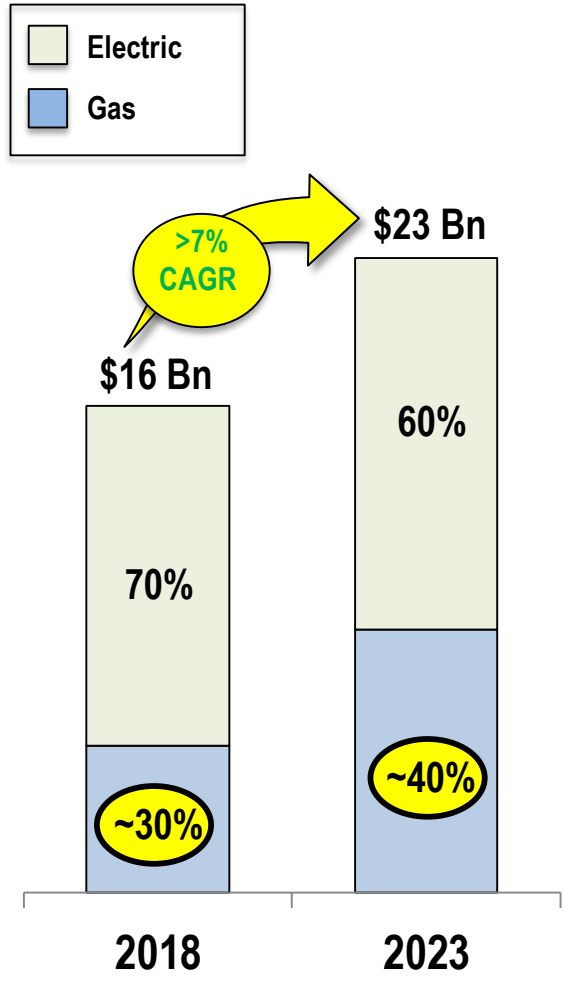
Utility Customer Investment Plan . . .

5-Year Plan

Capital Investment (Bn):	Prior Plan	Current Plan	Mix
Electric Utility	$ 4	$ 5	~45%
New Utility Renewables	1	1	~10
Gas Utility	5	5	~45
Total	$10	$11	100%

System Need: >$50 Bn

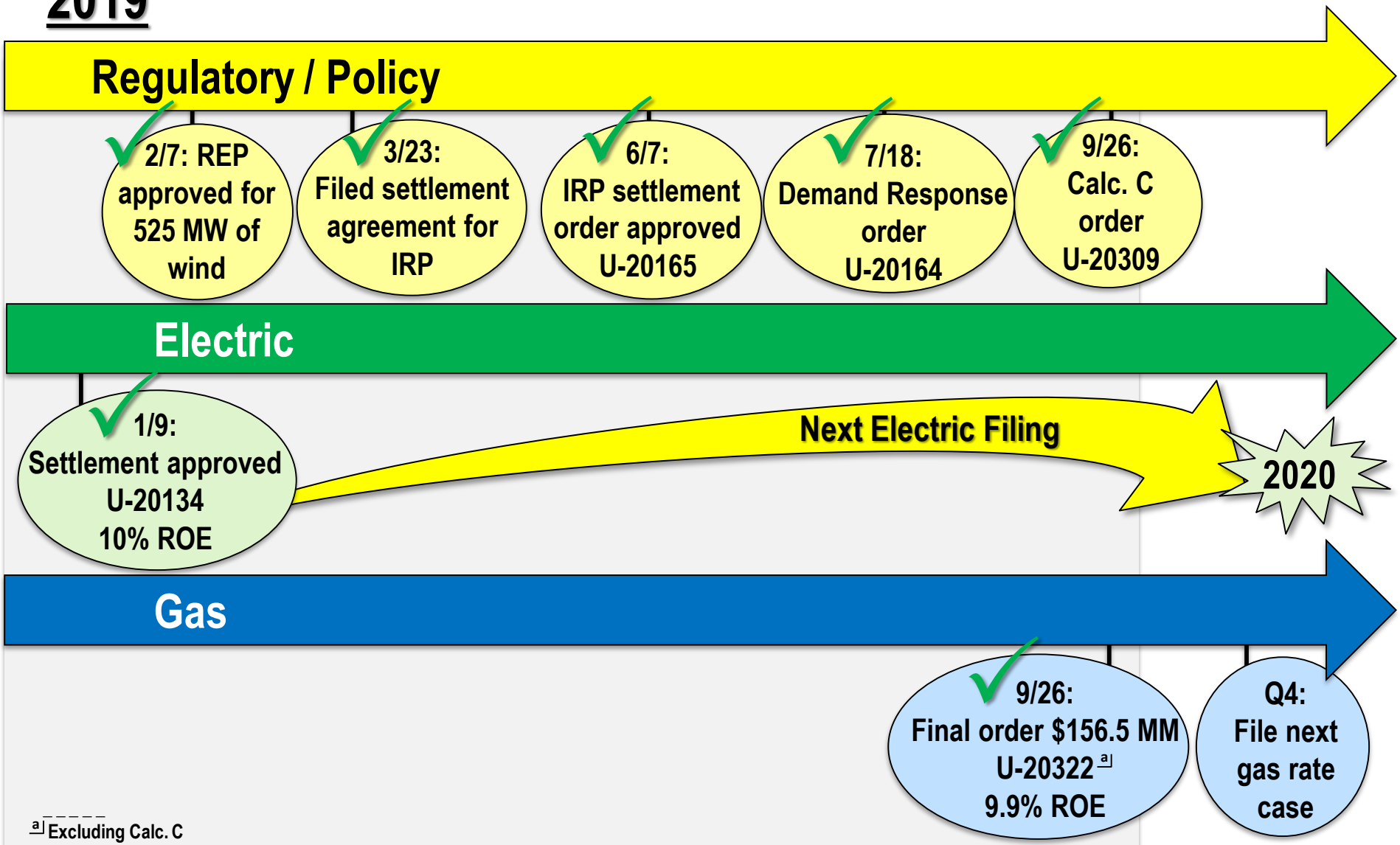
Rate Base Growth



. . . focuses on safety and reliability for the benefit of customers.

Regulatory Outlook . . .

2019



[a] Excluding Calc. C

. . . builds on recent momentum and provides long-term visibility.

Solid Rate Case History . . .

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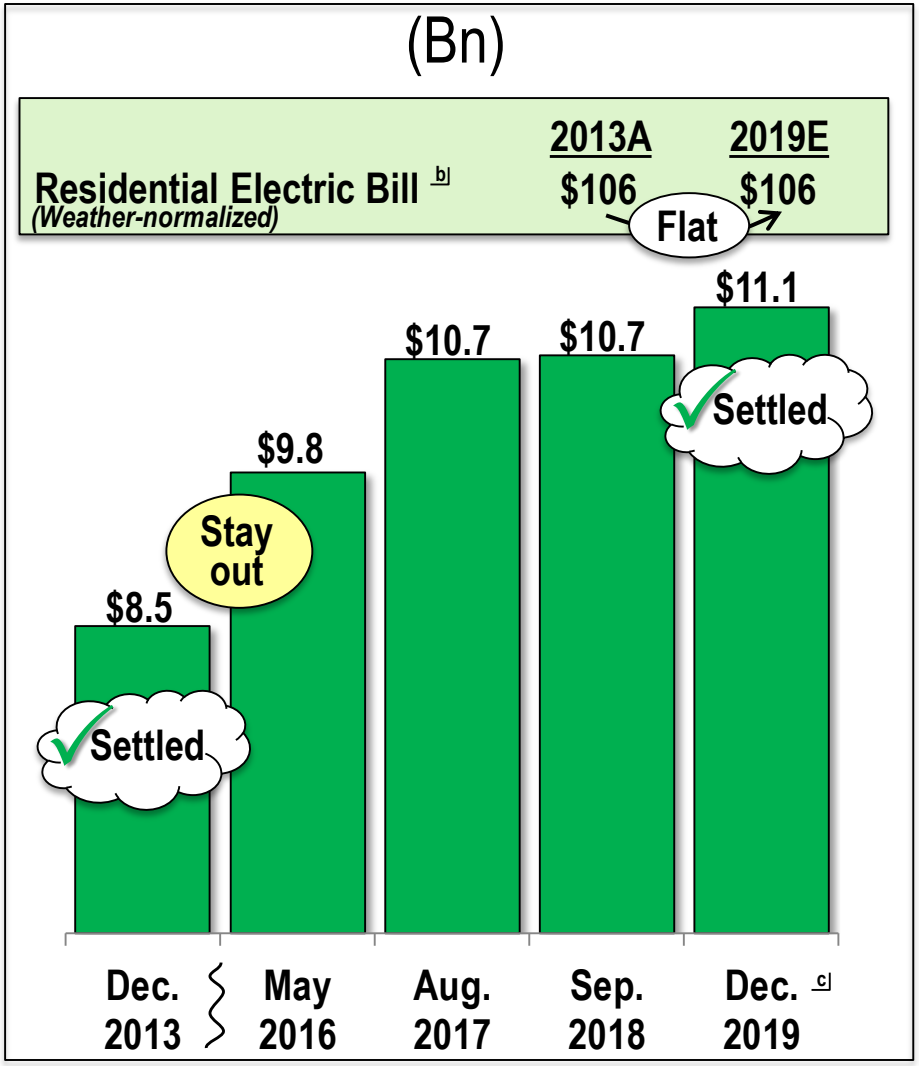
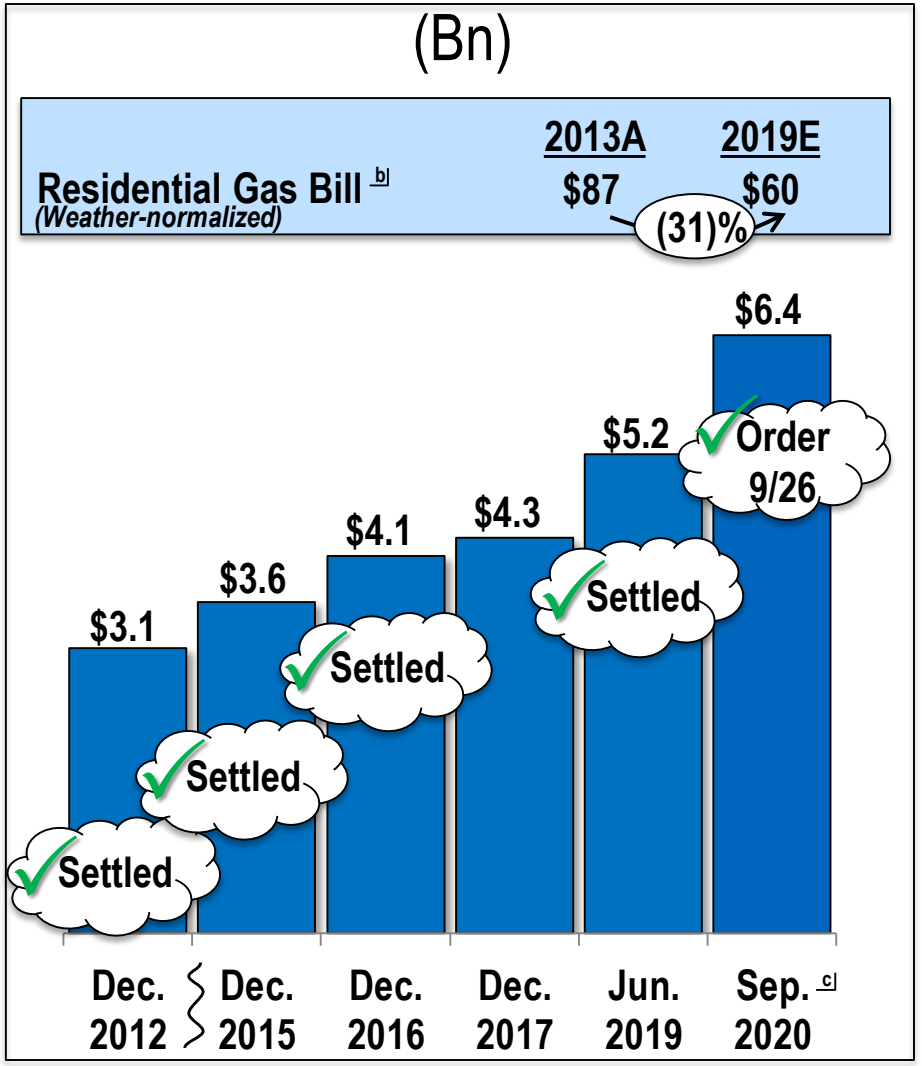
Electric Rate Base [a]



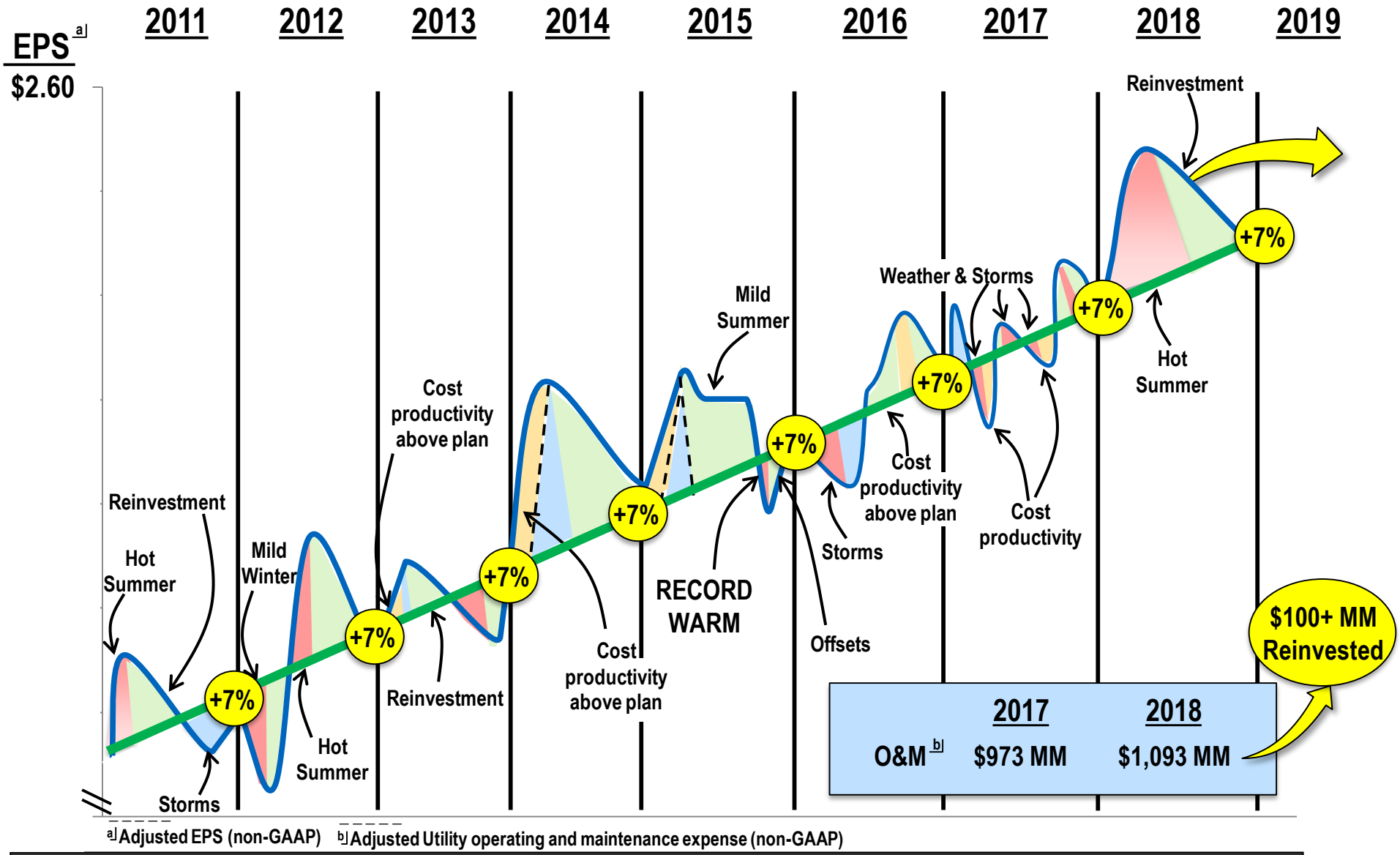
Gas Rate Base



[a] Includes Renewables, 2019 assumes $500 MM in Renewables [b] Source: bls.gov for historical data, Bloomberg for 2019 estimate; current dollars [c] Data as of test-year end

. . . demonstrates our ability to prioritize customers and investors.

Managing Work Every Year . . .



[a] Adjusted EPS (non-GAAP) [b] Adjusted Utility operating and maintenance expense (non-GAAP)

. . . maximizes benefits for customers and investors.

IRP Settlement Approved . . .

Near-Term

- ✓ Energy Efficiency
- ✓ Demand Response
- ✓ Expiration of Palisades PPA
- ✓ Karn 1&2 closure

50/50 own/PPA split of new solar
1,100 MW total

Additional Details

- Financial Compensation Mechanism (FCM) for PPAs as an incentive
  - FCM = PPA payment x Company's WACC[a] (currently 5.88%)
- Includes 525 MW of wind approved in the Renewable Energy Plan (REP)
- Competitive bidding for future solar
- Broad coalition of key stakeholders

[a] Weighted average cost of capital

Long-term plan includes 6,000 MW of solar

. . . lays groundwork for clean & lean energy future.

Clean and Lean . . .

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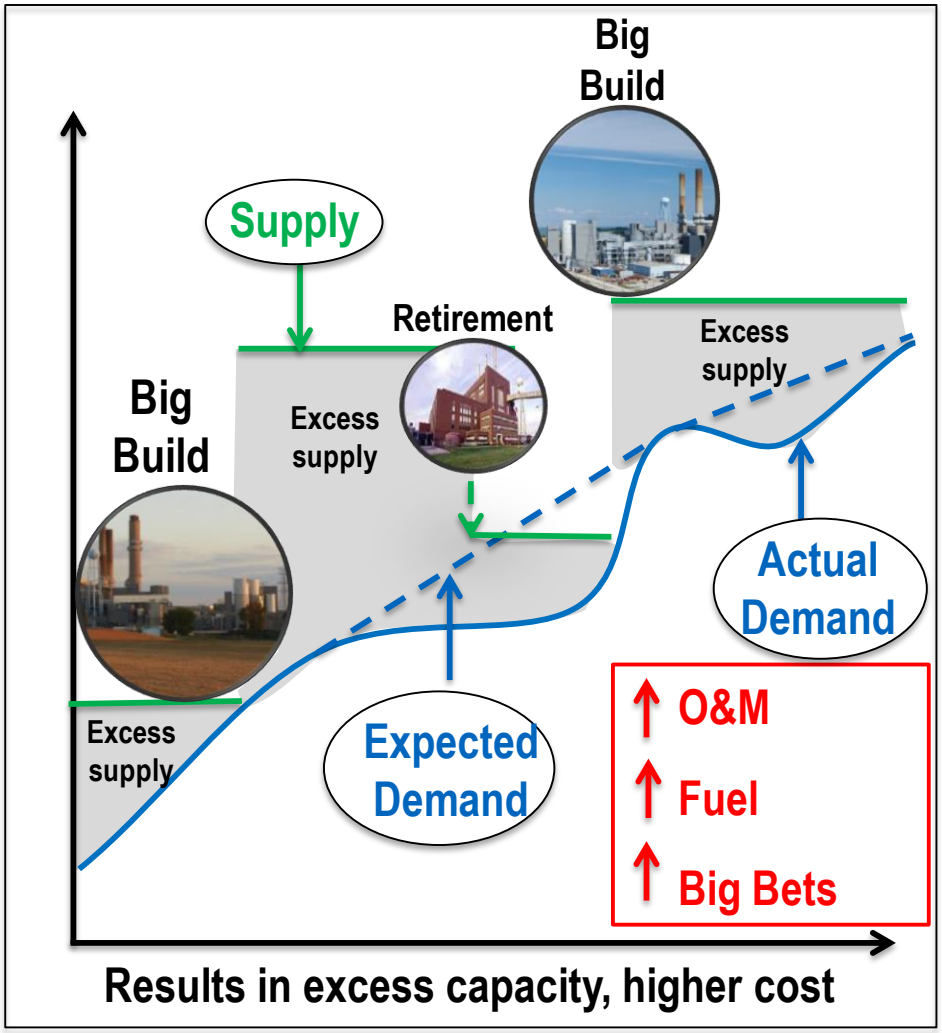
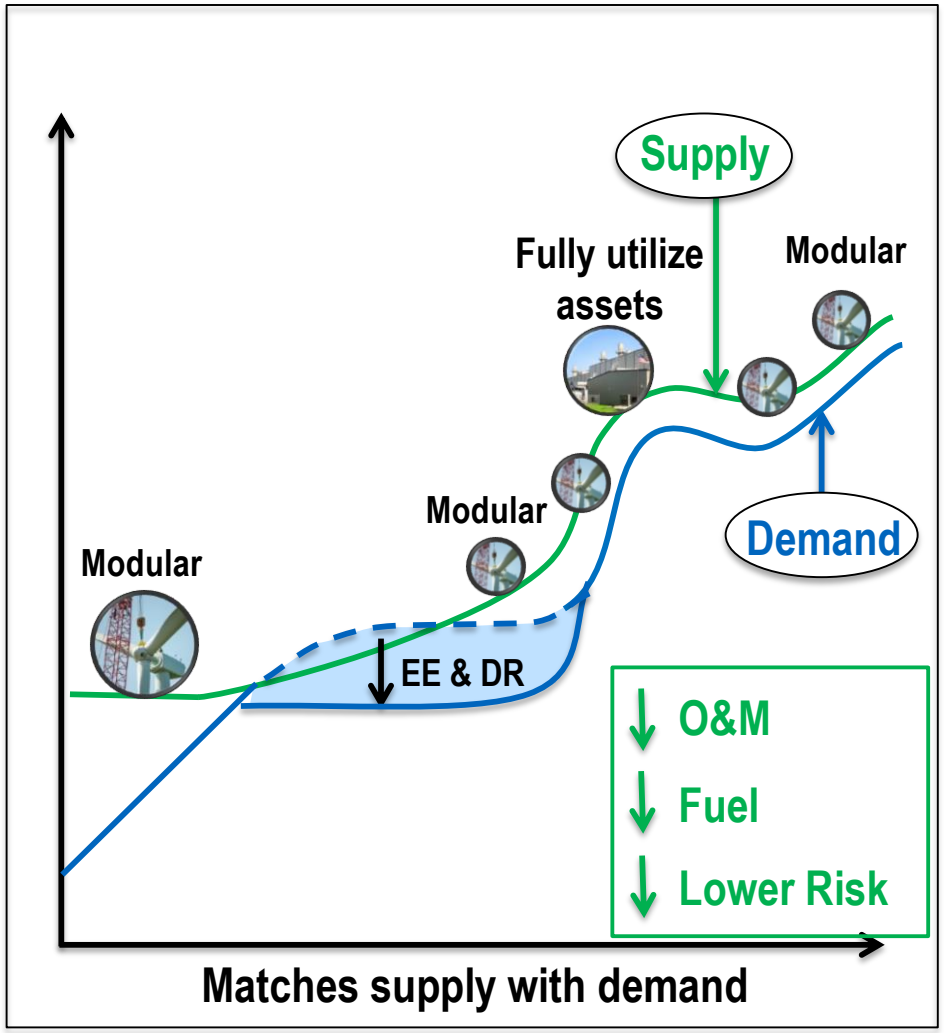
Old Utility Model



Clean And Lean



. . . matches supply with demand in a modular way.

Michigan Election Results . . .

Governor

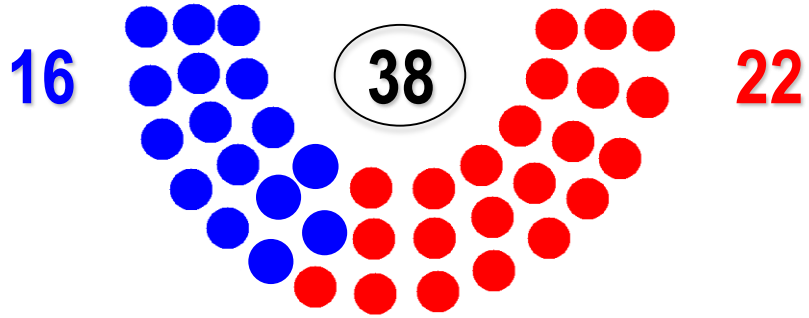
Gretchen Whitmer
Democrat

Energy policy is not a key issue

Key Issues:

- Infrastructure
- Health Care
- Education

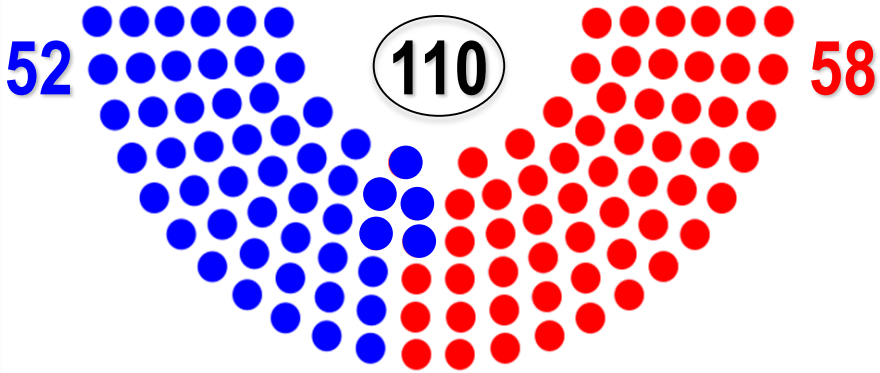
State Senate



2018 Election: Democrats +5 seats

4-year terms, concurrent with Governor's term, 2-term limit

State House



2018 Election: Democrats +5 seats

2-year terms, even numbered years, 3-term limit

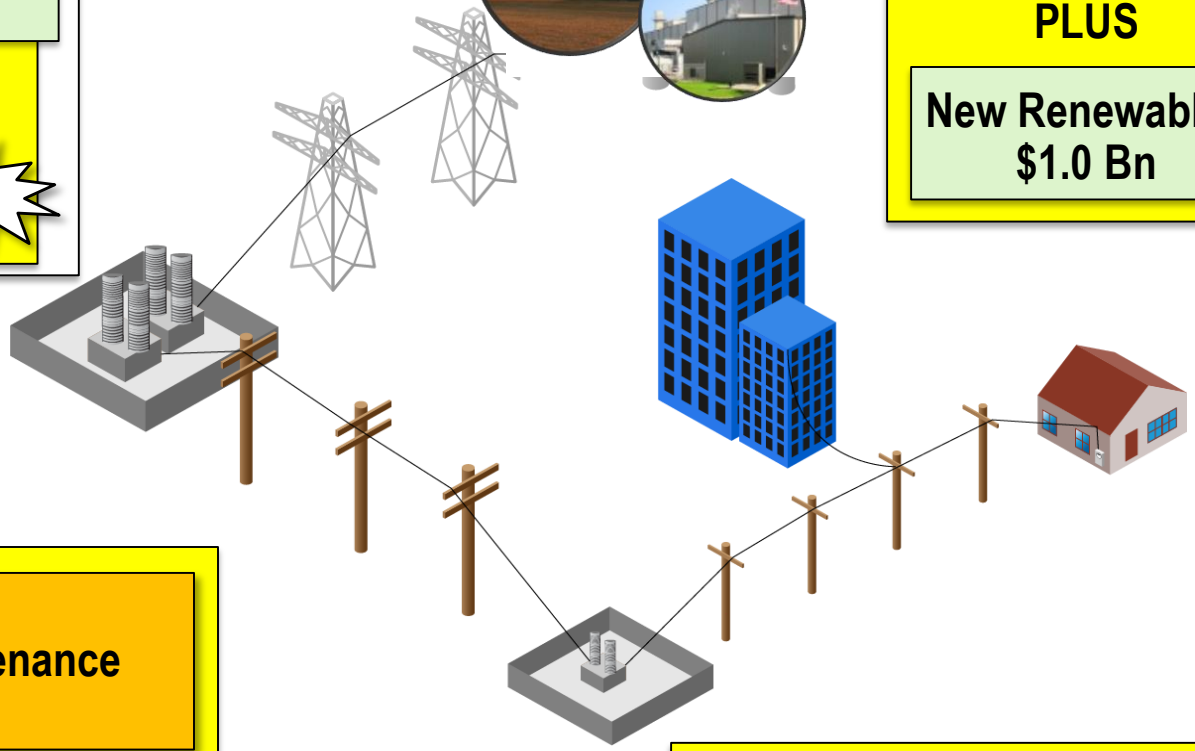
. . . supportive of continued progress.

Electric System Investment . . .

Capital Investment (Bn):	Current Plan
Electric Utility	$ 5
New Utility Renewables	1
Gas Utility	5
Total	$11

Generation

- Existing Fleet $1.0 Bn
- PLUS
- New Renewables $1.0 Bn



- System Reliability & Maintenance ~$2½ Bn
- New Business & Other $1½ Bn

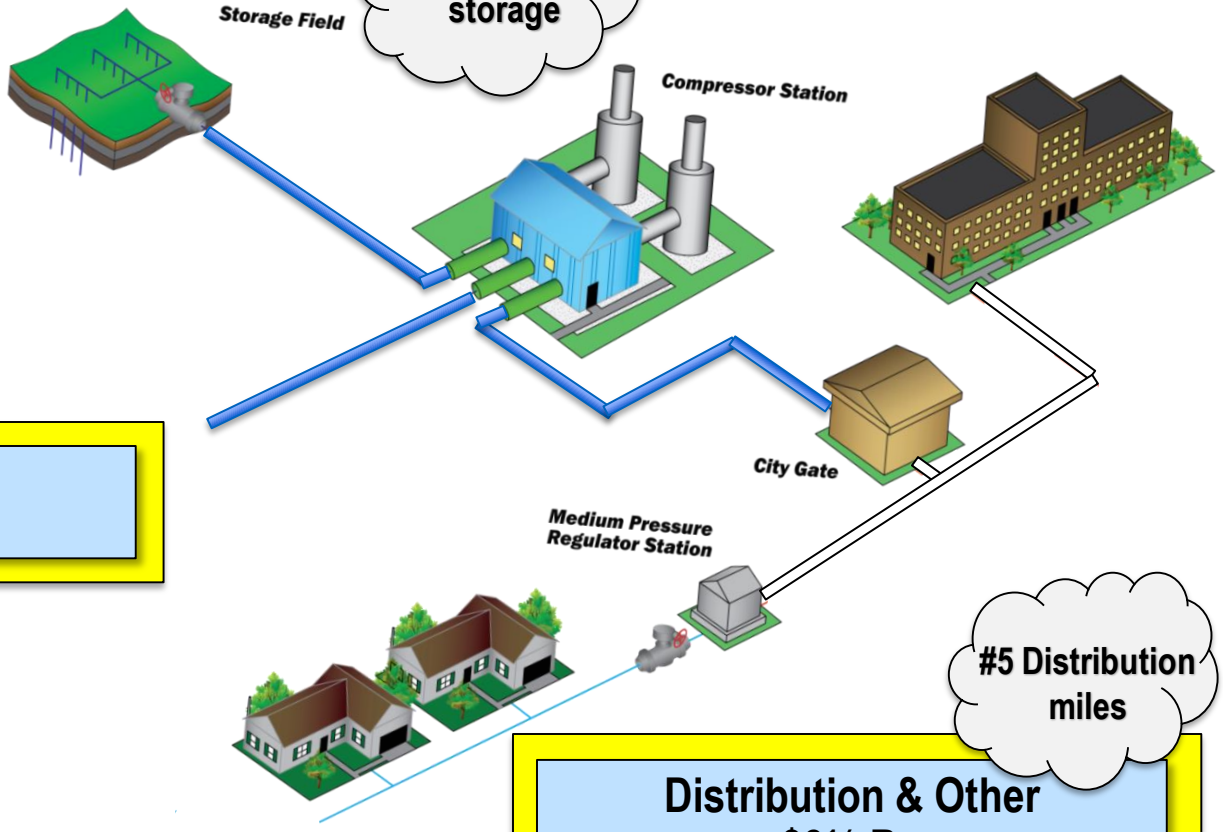
. . . consists of needed and modular projects.

Gas System Investment . . .

Capital Investment (Bn):	Current Plan
Electric Utility	$ 5
New Utility Renewables	1
Gas Utility	5
Total	$11

Compression and Storage
$0.6 Bn

#1 Underground storage



Pipelines
$1 Bn

#5 Transmission miles

#5 Distribution miles

Distribution & Other
$3½ Bn

U.S. LDC Rank, Source: DOT

. . . has increased more than 40% over the last 5 years.

GAAP Reconciliation

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

	In Millions, Except Per Share Amounts			
	Three Months Ended		Twelve Months Ended	
	12/31/18	12/31/17	12/31/18	12/31/17
Net Income (Loss) Available to Common Stockholders	$ 108	$ (3)	$ 657	$ 460
Reconciling items:				
Discontinued operations (income) loss	(*)	*	(*)	*
Other exclusions from adjusted earnings	8	1	9	4
Tax impact	(*)	(1)	(*)	(2)
Gain on assets previously sold	-	-	(4)	-
Tax impact	-	-	1	-
Tax reform	(4)	148	(4)	148
Adjusted net income – non-GAAP	$ 112	$ 145	$ 659	$ 610
Average Common Shares Outstanding				
Basic	282.6	280.8	282.2	280.0
Diluted	283.3	280.8	282.9	280.8
Basic Earnings (Loss) Per Average Common Share				
Reported net income (loss) per share	$ 0.38	$ (0.01)	$ 2.33	$ 1.64
Reconciling items:				
Discontinued operations (income) loss	(*)	*	(*)	*
Other exclusions from adjusted earnings	0.03	*	0.03	0.01
Tax impact	(*)	(*)	(*)	(*)
Gain on assets previously sold	-	-	(0.01)	-
Tax impact	-	-	*	-
Tax reform	(0.02)	0.52	(0.02)	0.52
Adjusted net income per share – non-GAAP	$ 0.39	$ 0.51	$ 2.33	$ 2.17
Diluted Earnings (Loss) Per Average Common Share				
Reported net income (loss) per share	$ 0.38	$ (0.01)	$ 2.32	$ 1.64
Reconciling items:				
Discontinued operations (income) loss	(*)	*	(*)	*
Other exclusions from adjusted earnings	0.03	*	0.03	0.01
Tax impact	(*)	(*)	(*)	(*)
Gain on assets previously sold	-	-	(0.01)	-
Tax impact	-	-	*	-
Tax reform	(0.01)	0.52	(0.01)	0.52
Adjusted net income per share – non-GAAP	$ 0.40	$ 0.51	$ 2.33	$ 2.17

* 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
Earnings Per Share By Year GAAP Reconciliation
(Unaudited)

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	GAAP 2018 over 2003 CAGR	GAAP 2018 over 2017 Growth
Reported earnings (loss) per share - GAAP	($0.30)	$0.64	($0.44)	($0.41)	($1.02)	$1.20	$0.91	$1.28	$1.58	$1.42	$1.66	$1.74	$1.89	$1.98	$1.64	$2.32	NM	41%
Pretax items:																		
Electric and gas utility	0.32	(0.60)	-	-	(0.06)	0.08	0.55	0.05	-	0.27	-	-	-	0.04	-	-		
Tax impact	(0.11)	0.21	-	-	(0.01)	(0.03)	(0.22)	(0.02)	-	(0.10)	-	-	-	(0.01)	0.12 (b)	0.01		
Enterprises	0.93	0.97	0.06	(0.12)	1.67	(0.02)	0.14	(0.05)	*	(0.01)	*	0.05	*	*	*	0.02		
Tax impact	(0.19)	(0.35)	(0.02)	0.10	(0.42)	*	(0.05)	0.02	(0.11)	*	(*)	(0.02)	(*)	(*)	0.20 (b)	(0.02)		
Corporate interest and other	0.25	(0.06)	0.06	0.45	0.17	0.01	0.01	*	-	*	*	*	*	0.02	0.01	*		
Tax impact	(0.09)	0.03	(0.02)	(0.18)	(0.49)	(0.03)	(*)	(*)	(0.01)	(*)	(*)	(*)	(*)	(0.01)	0.20 (b)	(*)		
Discontinued operations (income) loss, net	(0.16)	0.02	(0.07)	(0.03)	0.40	(*)	(0.08)	0.08	(0.01)	(0.03)	*	(*)	(*)	*	*	(*)		
Asset impairment charges	-	-	2.80	1.07	0.93	-	-	-	-	-	-	-	-	-	-	-	Adjusted 2018 over 2003 CAGR	Adjusted 2018 over 2017 Growth
Tax impact	-	-	(0.98)	(0.31)	(0.33)	-	-	-	-	-	-	-	-	-	-	-		
Cumulative accounting changes	0.25	0.02	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Tax impact	(0.09)	(0.01)	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Adjusted earnings per share, including MTM - non-GAAP	$0.81	$0.87	$1.39	$0.57	$0.84	$1.21 (a)	$1.26	$1.36	$1.45	$1.55	$1.66	$1.77	$1.89	$2.02	$2.17	$2.33	7%	7%
Mark-to-market		0.04	(0.65)	0.80														
Tax impact		(0.01)	0.22	(0.29)														
Adjusted earnings per share, excluding MTM - non-GAAP	NA	$0.90	$0.96	$1.08	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA		

* Less than $0.01 per share.

(a) $1.25 excluding discontinued Exeter operations and accounting changes related to convertible debt and restricted stock.

(b) Reflects the impact of tax reform.

NM is not calculable

Consumers Energy
Reconciliation of Annual O&M Expense
(Unaudited)

	In Millions	
	12/31/2017	12/31/2018
Maintenance & Other Operating Expenses (GAAP)	$ 1,113	$ 1,287
Less:		
Energy Waste Reduction Spending	128	185
Job Work & Other	12	9
Maintenance & Other Operating Expenses (Non-GAAP)	$ 973	$ 1,093