
UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported) August 3, 2020

Commission
File Number

1-9513

Registrant; State of Incorporation;
Address; and Telephone Number

CMS ENERGY CORPORATION

(A Michigan Corporation)
One Energy Plaza
Jackson, Michigan 49201
(517) 788-0550

IRS Employer
Identification No.

38-2726431

1-5611

CONSUMERS ENERGY COMPANY

(A Michigan Corporation)
One Energy Plaza
Jackson, Michigan 49201
(517) 788-0550

38-0442310

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
CMS Energy Corporation Common Stock, \$0.01 par value	CMS	New York Stock Exchange
CMS Energy Corporation 5.625% Junior Subordinated Notes due 2078	CMSA	New York Stock Exchange
CMS Energy Corporation 5.875% Junior Subordinated Notes due 2078	CMSC	New York Stock Exchange
CMS Energy Corporation 5.875% Junior Subordinated Notes due 2079	CMSD	New York Stock Exchange
Consumers Energy Company Cumulative Preferred Stock, \$1.00 par value: \$4.50 Series	CMS-PB	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter). Emerging growth company: CMS Energy Corporation

☐ Consumers Energy Company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. CMS Energy Corporation ☐ Consumers Energy Company ☐

Item 2.02. Results of Operations and Financial Condition.

On August 3, 2020, CMS Energy Corporation (“CMS Energy”) issued a News Release, in which it announced its 2020 second quarter results. Attached as Exhibit 99.1 to this report and incorporated herein by reference is a copy of the CMS Energy News Release, furnished as a part of this report.

Exhibit 99.1 contains certain financial measures that are considered “non-GAAP financial measures” as defined in Securities and Exchange Commission rules. Other than forward-looking earnings guidance, Exhibit 99.1 contains a reconciliation of these non-GAAP financial measures to their most directly comparable financial measures calculated and presented in accordance with accounting principles generally accepted in the United States. Adjustments could include items such as discontinued operations, asset sales, impairments, restructuring costs, regulatory items from prior years, or other items. Because CMS Energy is not able to estimate the impact of specific line items, which have the potential to significantly impact reported earnings in future periods, Exhibit 99.1 does not contain reported earnings guidance nor a reconciliation for the comparable future period earnings. 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. The 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.

Item 7.01. Regulation FD Disclosure.

The information set forth in the CMS Energy News Release dated August 3, 2020, attached as Exhibit 99.1, is incorporated by reference in response to this Item 7.01.

CMS Energy will hold a webcast to discuss its 2020 second quarter results and provide a business and financial outlook on August 3 at 9:30 a.m. (EDT). A copy of the CMS Energy presentation is furnished as Exhibit 99.2 to this report. A webcast of the presentation will be available on the CMS Energy website, www.cmsenergy.com.

In accordance with General Instruction B.2 of Form 8-K, the information in this Current Report on Form 8-K, including Exhibits 99.1 and 99.2, shall not be deemed “filed” for the purposes of Section 18 of the Securities Exchange Act of 1934, or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933.

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.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

Exhibit Index

99.1	CMS Energy News Release dated August 3, 2020
99.2	CMS Energy presentation dated August 3, 2020
104	Cover Page Interactive Data File (the cover page XBRL tags are embedded in the Inline XBRL document).

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrants have duly caused this report to be signed on their behalf by the undersigned hereunto duly authorized.

CMS ENERGY CORPORATION

Dated: August 3, 2020

By: /s/ Rejji P. Hayes

Rejji P. Hayes

Executive Vice President and Chief Financial Officer

CONSUMERS ENERGY COMPANY

Dated: August 3, 2020

By: /s/ Rejji P. Hayes

Rejji P. Hayes

Executive Vice President and Chief Financial Officer

News Release



CMS Energy Announces Second Quarter Earnings Results of \$0.48 Per Share and Reaffirms 2020 Earnings Guidance

JACKSON, Mich., August 3, 2020 – CMS Energy announced today reported net income of \$136 million or \$0.48 per share, for the second quarter of 2020, compared to \$93 million or \$0.33 per share for the same quarter in 2019. The company's adjusted earnings per share for the second quarter of 2020 were \$139 million or \$0.49 per share, compared to \$93 million or \$0.33 per share for the same quarter in 2019. The primary drivers of CMS Energy's quarterly financial performance were cost management coupled with favorable weather and sales mix.

"Despite the numerous challenges associated with the pandemic, we've remained committed to delivering on our Triple Bottom of Line of People, Planet and Profit. We've done this by ensuring the safety and health of our co-workers, customers, and the communities we serve while providing the vital services of electricity and natural gas and delivering on cost reduction initiatives," said Patti Poppe, President and CEO of CMS Energy and Consumers Energy.

CMS Energy reaffirmed its guidance for 2020 adjusted earnings of \$2.64 - \$2.68* per share (**See below for important information about non-GAAP measures*).

CMS Energy noted several accomplishments in the first half of 2020:

- Appointed a vice president and Chief Diversity Officer, Angela Thompkins, who will lead the company's diversity, equity, and inclusion (DEI) strategy, and partner with leaders across the organization to improve results related to DEI.

- Limited COVID-19 cases within the company to 1/3 of the state's confirmed cases per capita and issued a requirement for masks to be worn at all company facilities.
- Remained on track for 2020 utility customer investment plan.
- Offered customers 100,000 free Nest Smart Thermostats through an unprecedented partnership with Google and Uplight to help Michigan residents save energy and money during the COVID-19 pandemic.
- Committed to our industry leading goals on net-zero methane emissions by 2030 for our natural gas delivery system and net-zero carbon emissions company-wide by 2040.

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.

###

CMS Energy will hold a webcast to discuss its 2020 second quarter results and provide a business and financial outlook on August 3 at 9:30 a.m. (EDT). To participate in the webcast, go to CMS Energy's homepage (cmsenergy.com) and select "Events and Presentations."

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.

Media Contacts: Katie Carey, 517/740-1739

Investment Analyst Contact: Travis Uphaus, 517/817-9241

CMS ENERGY CORPORATION
Consolidated Statements of Income
(Unaudited)

	<i>In Millions, Except Per Share Amounts</i>			
	Three Months Ended		Six Months Ended	
	6/30/20	6/30/19	6/30/20	6/30/19
Operating revenue	\$ 1,443	\$ 1,445	\$ 3,307	\$ 3,504
Operating expenses	1,170	1,227	2,666	2,927
Operating Income	273	218	641	577
Other income	32	27	71	50
Interest charges	141	131	278	252
Income Before Income Taxes	164	114	434	375
Income tax expense	27	20	54	68
Net Income	137	94	380	307
Income attributable to noncontrolling interests	1	1	1	1
Net Income Available to Common Stockholders	<u>\$ 136</u>	<u>\$ 93</u>	<u>\$ 379</u>	<u>\$ 306</u>
Basic Earnings Per Average Common Share	\$ 0.48	\$ 0.33	\$ 1.33	\$ 1.08
Diluted Earnings Per Average Common Share	0.48	0.33	1.33	1.08

CMS ENERGY CORPORATION
Summarized Consolidated Balance Sheets
(Unaudited)

	<i>In Millions</i>	
	As of	
	6/30/20	12/31/19
Assets		
Current assets		
Cash and cash equivalents	\$ 1,587	\$ 140
Restricted cash and cash equivalents	17	17
Other current assets	1,928	2,174
Total current assets	3,532	2,331
Non-current assets		
Plant, property, and equipment	19,436	18,926
Other non-current assets	5,613	5,580
Total Assets	\$ 28,581	\$ 26,837
Liabilities and Equity		
Current liabilities ⁽¹⁾	\$ 1,379	\$ 1,484
Non-current liabilities ⁽¹⁾	6,726	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)	12,381	10,518
Non-recourse debt	2,606	2,478
Total debt, finance leases, and other financing (excluding securitization debt)	14,987	12,996
Noncontrolling interests	37	37
Common stockholders' equity	5,214	5,018
Total capitalization (excluding securitization debt)	20,238	18,051
Securitization debt ⁽²⁾	238	251
Total Liabilities and Equity	\$ 28,581	\$ 26,837

⁽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>	
	Six Months Ended	
	6/30/20	6/30/19
Beginning of Period Cash and Cash Equivalents, Including Restricted Amounts	\$ 157	\$ 175
Net cash provided by operating activities ⁽³⁾	796	1,185
Net cash used in investing activities	(1,168)	(1,410)
Cash flows from operating and investing activities	(372)	(225)
Net cash provided by financing activities	1,819	384
Total Cash Flows	\$ 1,447	\$ 159
End of Period Cash and Cash Equivalents, Including Restricted Amounts	\$ 1,604	\$ 334

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

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

	<i>In Millions, Except Per Share Amounts</i>			
	Three Months Ended		Six Months Ended	
	6/30/20	6/30/19	6/30/20	6/30/19
Net Income Available to Common Stockholders	\$ 136	\$ 93	\$ 379	\$ 306
<i>Reconciling items:</i>				
Other exclusions from adjusted earnings	4	*	7	*
Tax impact	(1)	(*)	(1)	(*)
Tax reform	-	-	(9)	-
Voluntary separation program	(*)	-	11	-
Tax impact	*	-	(3)	-
Adjusted net income – non-GAAP	<u>\$ 139</u>	<u>\$ 93</u>	<u>\$ 384</u>	<u>\$ 306</u>
Average Common Shares Outstanding				
Basic	285.5	282.9	284.4	282.9
Diluted	286.5	284.0	285.8	283.8
Basic Earnings Per Average Common Share				
Reported net income per share	\$ 0.48	\$ 0.33	\$ 1.33	\$ 1.08
<i>Reconciling items:</i>				
Other exclusions from adjusted earnings	0.02	*	0.03	*
Tax impact	(0.01)	(*)	(0.01)	(*)
Tax reform	-	-	(0.03)	-
Voluntary separation program	(*)	-	0.04	-
Tax impact	*	-	(0.01)	-
Adjusted net income per share – non-GAAP	<u>\$ 0.49</u>	<u>\$ 0.33</u>	<u>\$ 1.35</u>	<u>\$ 1.08</u>
Diluted Earnings Per Average Common Share				
Reported net income per share	\$ 0.48	\$ 0.33	\$ 1.33	\$ 1.08
<i>Reconciling items:</i>				
Other exclusions from adjusted earnings	0.02	*	0.03	*
Tax impact	(0.01)	(*)	(0.01)	(*)
Tax reform	-	-	(0.03)	-
Voluntary separation program	(*)	-	0.04	-
Tax impact	*	-	(0.01)	-
Adjusted net income per share – non-GAAP	<u>\$ 0.49</u>	<u>\$ 0.33</u>	<u>\$ 1.35</u>	<u>\$ 1.08</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

Second Quarter 2020 Results and Outlook

August 3, 2020



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 guidance on an adjusted basis. During an oral presentation, references to "earnings" are on an adjusted basis. All references to net income refer to net income available to common stockholders and 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.

Agenda

Business Update and Long-Term Outlook

Patti Poppe
President & CEO



Financial Results

Rejji Hayes
Executive VP & CFO

First Half . . .

Results

- First half 2020 EPS^a

Amount

\$1.35

Commentary

Leveraging best-in-class cost management

Guidance Reaffirmed

- Full-year EPS^a

\$2.64 - \$2.68

Expect to fully offset Q1 weather and COVID-19 impacts to achieve guidance

Long-Term Outlook

- EPS^a and DPS growth

6% to 8%

Long-term investment thesis remains strong

^aAdjusted (non-GAAP)

. . . results reaffirmed 6% to 8% EPS^a growth.

Triple Bottom Line Focus . . .

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People



- COVID-19 update:
 - Focus on employee safety
 - Supports all customers in creative and agile ways
- Assisting communities and co-workers impacted by Midland flooding
- Executing robust DE&I strategy
 - Diverse Board and leadership team
 - Doubling diverse supplier spend
 - Enhancing hiring, promotion and development practices

Planet



- <15% rate base mix attributable to coal^a
- Industry-leading Net Zero Plan
 - Net zero methane emissions^b by 2030
 - Net zero carbon emissions^b by 2040
- Clean & Lean Strategy
- Landfill and water reduction
- 6+ GWs of new renewables through 2040

Profit



- 2020 guidance^c reaffirmed
- 6% to 8% long-term EPS^c and DPS growth
- Identified >\$65 MM of cost reductions through:
 - CE Way
 - Supply chain benefits
 - Work optimization
 - Other initiatives

Underpinned by Performance

Performance Through

CE WAY

CE Way
in Action

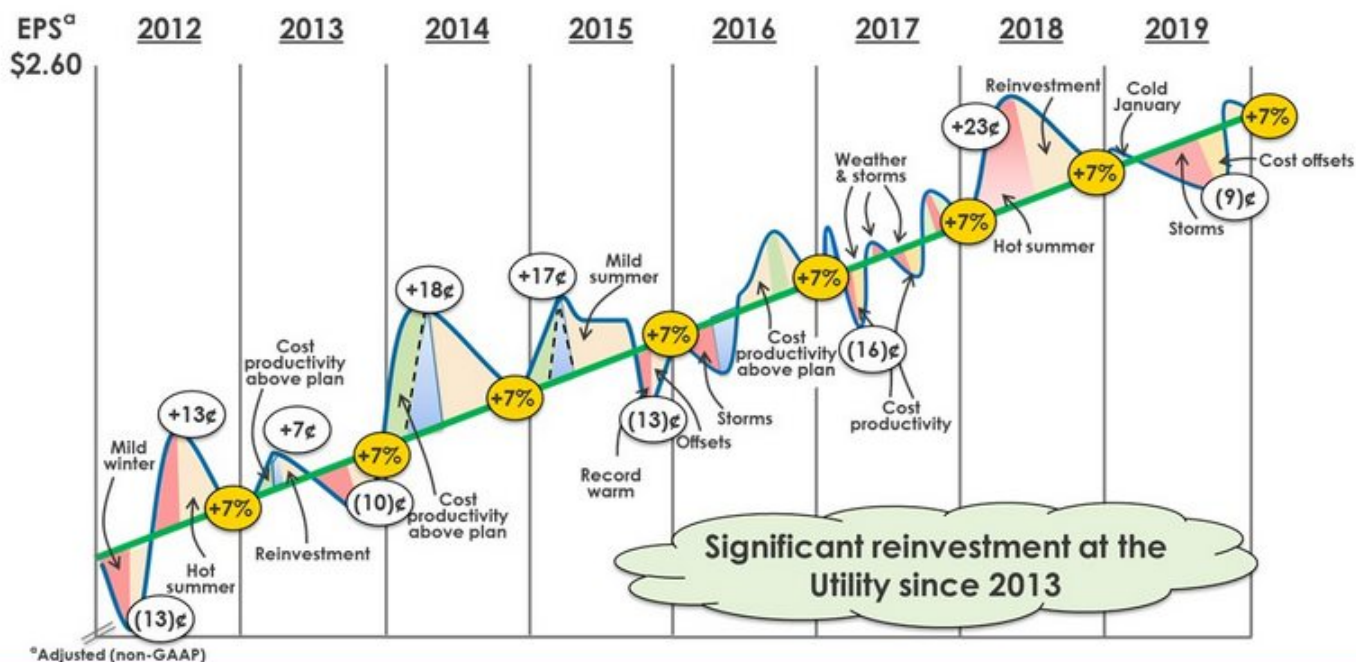


Gas Turbine
Maintenance

^aSee appendix ^bMethane emissions from our natural gas delivery system and carbon emissions company-wide ^cAdjusted (non-GAAP)

. . . allows CMS to be an ESG leader.

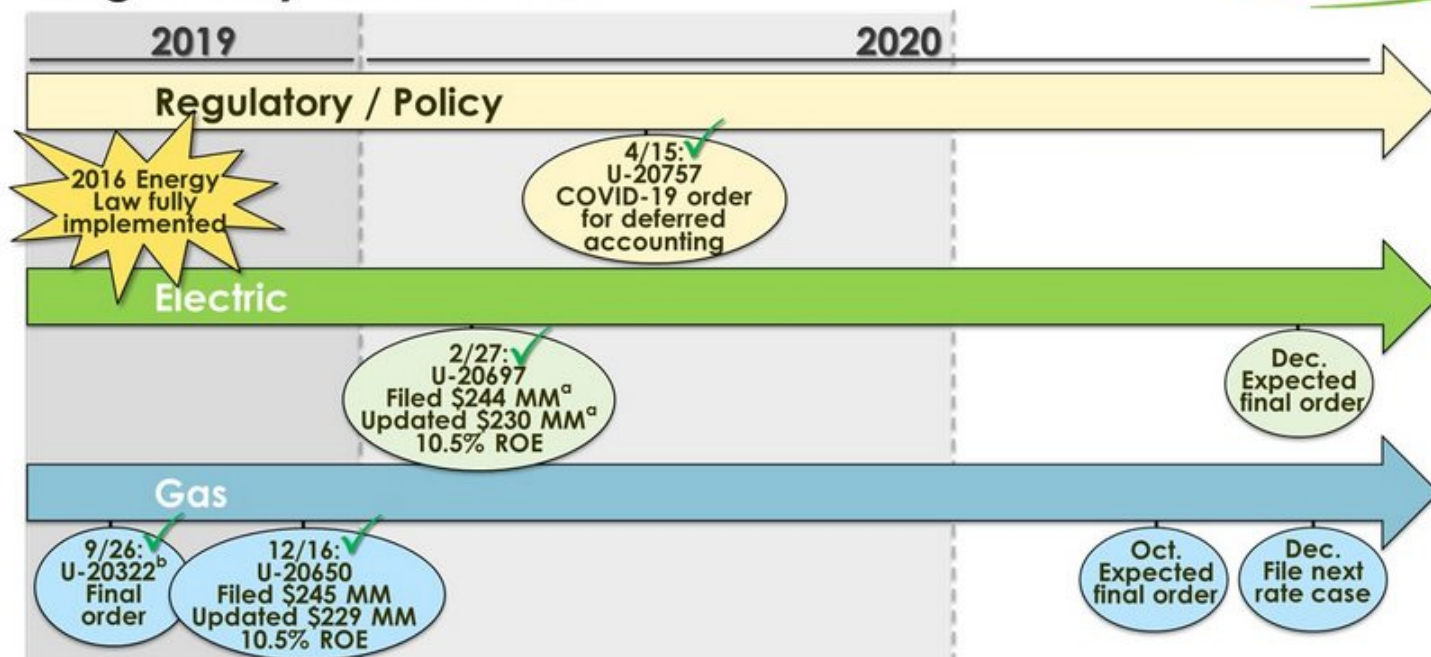
Managing Work Every Year . . .



. . . maximizes benefits for customers and investors year-in and year-out.

Regulatory Outlook . . .

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^aIncluding \$36 MM of Calc. C DFIT Amortization ^bFinal order \$157 MM, 9.9% ROE, excluding \$13 MM of Calc. C included in rates, offset by lower tax expense

. . . limited to general rate cases.

CMS Enterprises Continues to Perform . . .



DIG & Other

- ~1,000 MWs in MI
 - DIG long-term energy (>95% contracted) & short-term capacity (100% contracted)
 - Filer City PPA with the Utility
- Upside: tightening supply with future retirements
 - MISO Zone 7 PY '20/'21 auction cleared at CONE
 - Michigan Supreme Court Local Clearing Requirement ruling

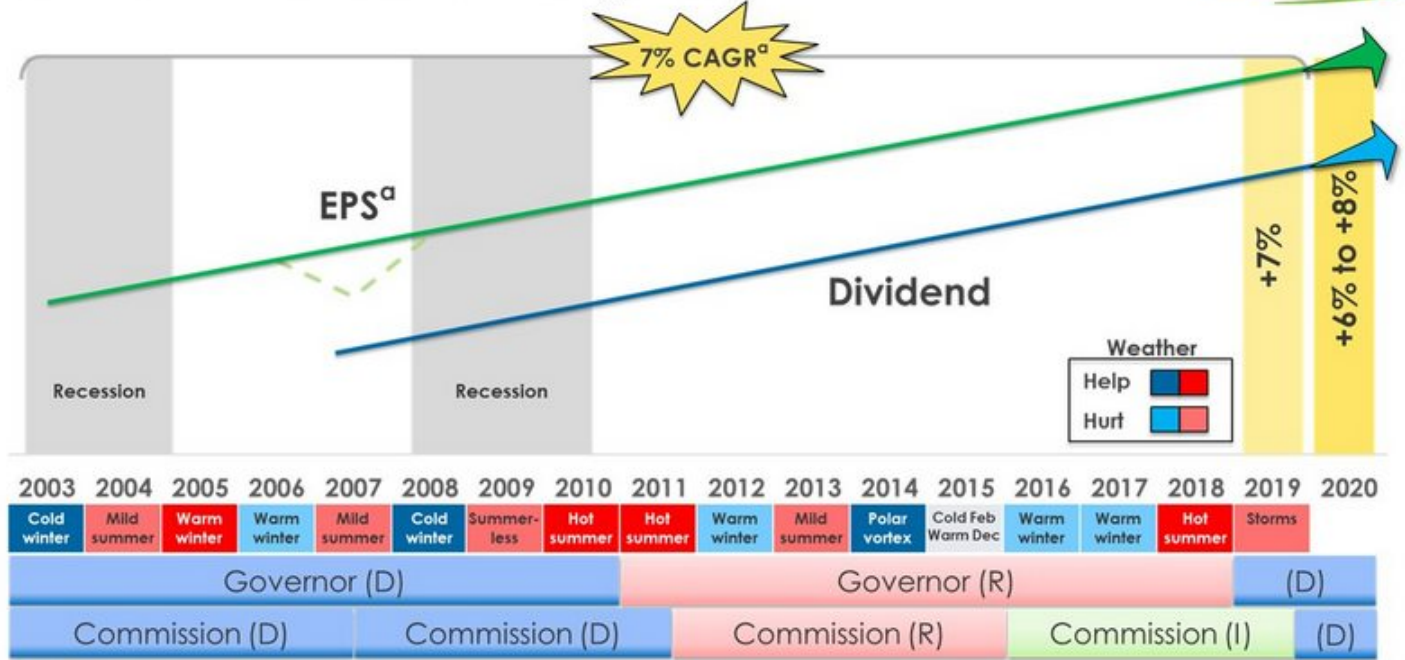
Renewable Platform

- Aviator, 525 MWs of contracted wind
 - 51% cash equity ownership (tax equity utilized)
 - Funded with cash on hand, no new equity
 - Offers utility-like returns with creditworthy counterparties
- Operating projects:
 - 27 MWs of contracted solar (MI, WI)
 - 64 MWs of contracted biomass (MI, NC)
 - 105 MWs of contracted wind (OH)



. . . with an emphasis on clean energy and risk mitigation.

Consistent Growth Through . . .



^aAdjusted (non-GAAP)

. . . changing circumstances.

First Half 2020 EPS . . .

Year to Date Results

	<u>2019</u>	<u>2020</u>
EPS - (GAAP)	\$1.08	\$1.33
Adjustments ^a	--	0.02
Adjusted (non-GAAP)	<u>\$1.08</u>	<u>\$1.35</u>

Second Quarter

	<u>2019</u>	<u>2020</u>
EPS - (GAAP)	33¢	48¢
Adjustments ^a	--	1
Adjusted (non-GAAP)	<u>33¢</u>	<u>49¢</u>

^aSee appendix ^bAdjusted (non-GAAP)

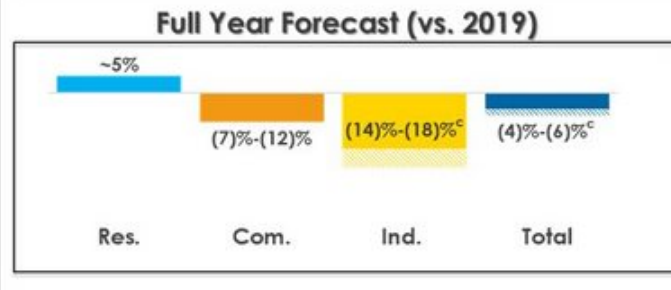
By Business Segment

	<u>YTD EPS^b</u>
Utility	\$1.43
Enterprises	0.06
EnerBank	0.08
Parent & other	(0.22)
 CMS Energy	 <u>\$1.35</u>

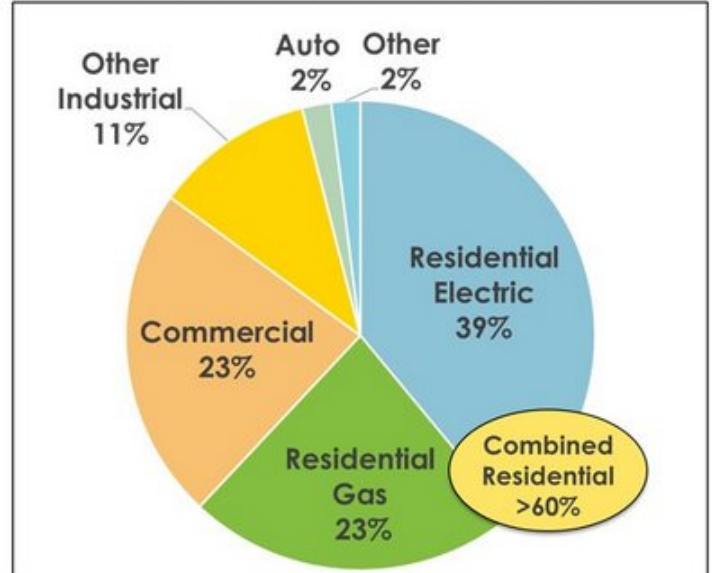
. . . tracking as planned.

Utility Sales Are Recovering . . .

Weather-Normalized Electric Deliveries^a



2019 Electric & Gas Rate Mix^b

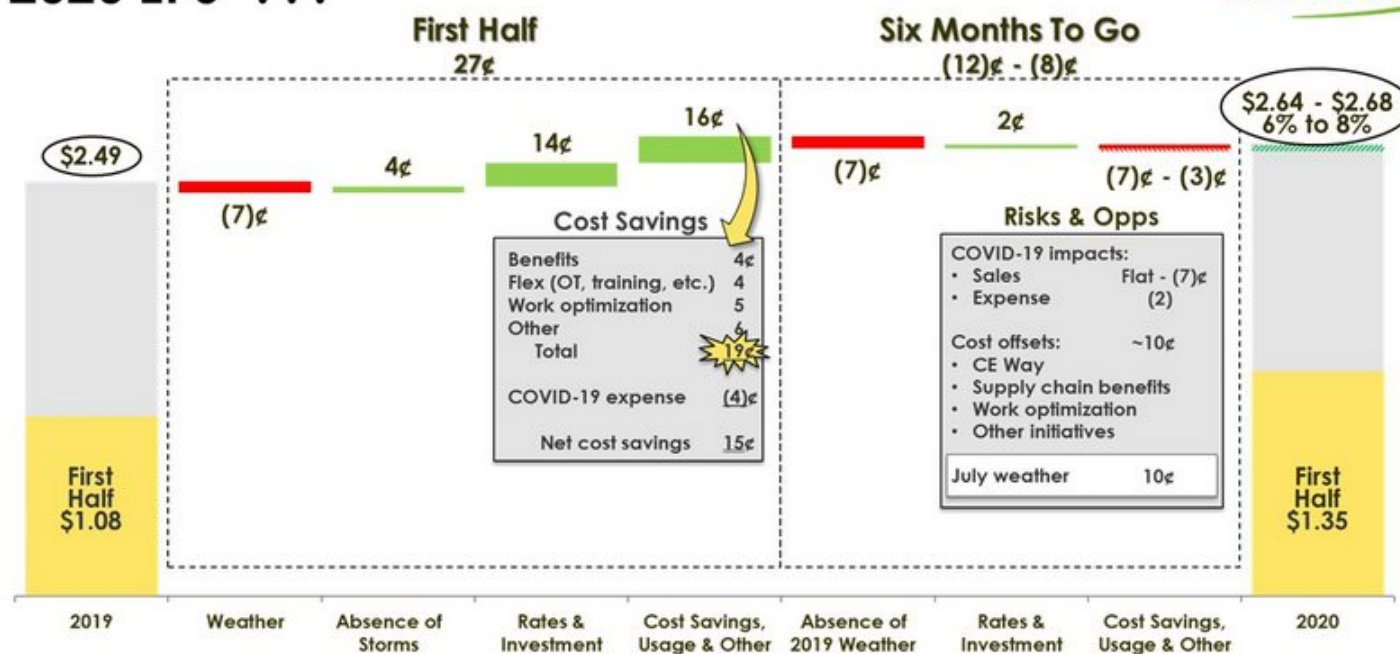


^a2020 year over year change in GWh, excludes ROA and other ^bTariff net of PSQR and GCR ^cExcludes one large, low margin industrial customer

. . . and are supported by favorable mix.

2020 EPS^a . . .

CMS ENERGY



^aAdjusted (non-GAAP)

. . . managing through COVID-19 risks.

Utility Customer Investment Plan . . .

Investment Plan

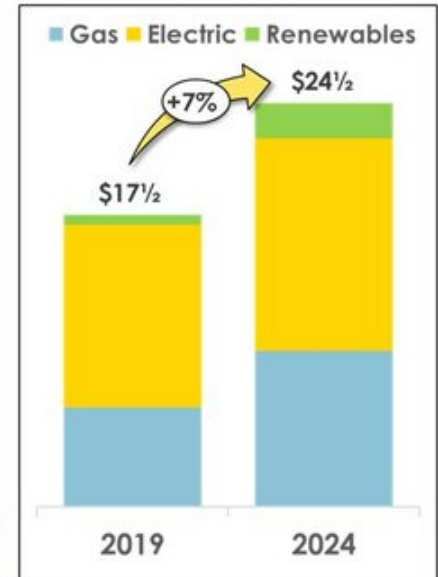
	2020 Plan	'20-'24 Plan
<u>Capital Investment (Bn):</u>		
Renewables	\$0.4	\$ 1 ³ / ₄
Electric Utility	0.9	5 ¹ / ₂
Gas Utility	<u>0.9</u>	<u>5</u>
Total	<u>\$2.2</u>	<u>\$12¹/₄</u>

\$25 Bn 10-Yr Plan^a with \$3 - \$4 Bn of Opportunities

^a10-yr plan includes years 2019 through 2028



Rate Base Growth

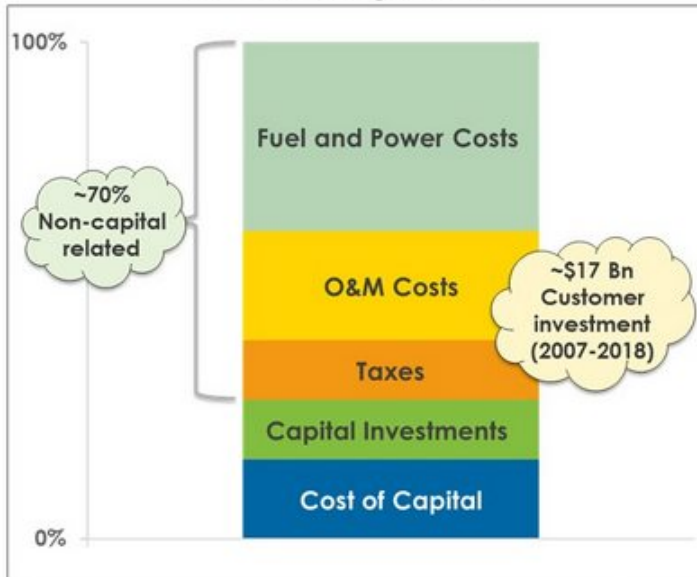


. . . focused on safety, reliability, affordability & decarbonization.

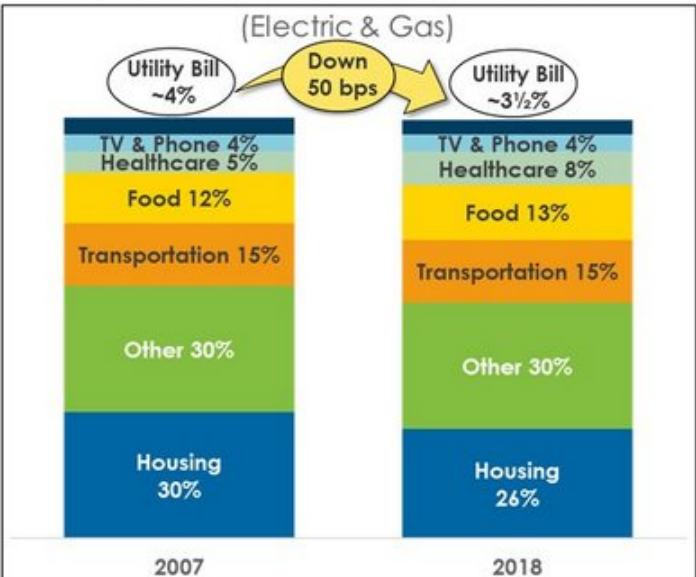
Our Entire Cost Structure . . .



Cost Components



Residential Bills as % of Wallet^a



^aConsumers Energy bill as % of Michigan household income, in current dollars. Source: Fred.stlouisfed.org, Bls.gov, Consumers internal bills; Percentages may not total 100% due to rounding.

. . . offers cost reduction opportunities to maintain customer affordability.

Financing Plan Largely Completed . . .

Planned 2020 Financing			
	Plan (MM)	YTD (MM)	
Consumers Energy:			
First Mortgage Bonds	\$650	\$1,234	\$525 MM "lowest ever" 40-yr at 2.50%
Term Loan	\$300	\$300	
CMS Parent:			
Hybrid	\$325	\$500	\$150 MM priced
Term Loan	--	\$300	
Planned Equity	Up to \$250	\$100	
Retirements:			
Consumers Energy	\$100	\$350	Called \$250 MM FMBs 5.30% due 2022
Other:			
Pension Contribution	\$531	\$531	



^a\$1,637 MM in available revolvers + \$1,587 MM of unrestricted cash - \$124 MM of cash at EnerBank and other

. . . with a focus on liquidity management and cost reductions.

Investment Thesis . . .

Investment Thesis



Takeaways

- ✓ **Prudent Liquidity Management**
 - 2020 financings largely completed
 - No pension contributions required in 2020
- ✓ **Operational Excellence and Track Record**
 - Increased productivity driven by the CE Way
 - Sustainable savings and agile mindset
- ✓ **Top-Tier Regulatory Construct**
 - Forward-looking test years
 - 10-month rate cases
- ✓ **Visible and Executable 10-yr Capital Plan (\$25 Bn)**
 - ~85% of projects are less than \$200 MM
 - Renewable projects on track
- ✓ **Strong ESG Leadership**
 - Robust DE&I strategy with diverse Board and leadership team
 - Net zero carbon (2040) and net zero methane (2030)^a

^aMethane emissions from our natural gas delivery system and carbon emissions company-wide

. . . remains strong.

Q&A

Thank You

Appendix

Utility Customer Investment Plan . . .



5-Year Plan

	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>Total</u>
Renewables	\$0.4	\$0.4	\$0.3	\$0.3	\$0.4	\$1.8
Electric Utility	0.9	1.2	1.1	1.1	1.1	5.4
Gas Utility	<u>0.9</u>	<u>1.1</u>	<u>0.9</u>	<u>1.1</u>	<u>1.0</u>	<u>5.0</u>
Total	<u>\$2.2</u>	<u>\$2.7</u>	<u>\$2.3</u>	<u>\$2.5</u>	<u>\$2.5</u>	\$12.2
Depreciation & Amortization	\$1.0	\$1.1	\$1.1	\$1.2	\$1.2	\$5.6

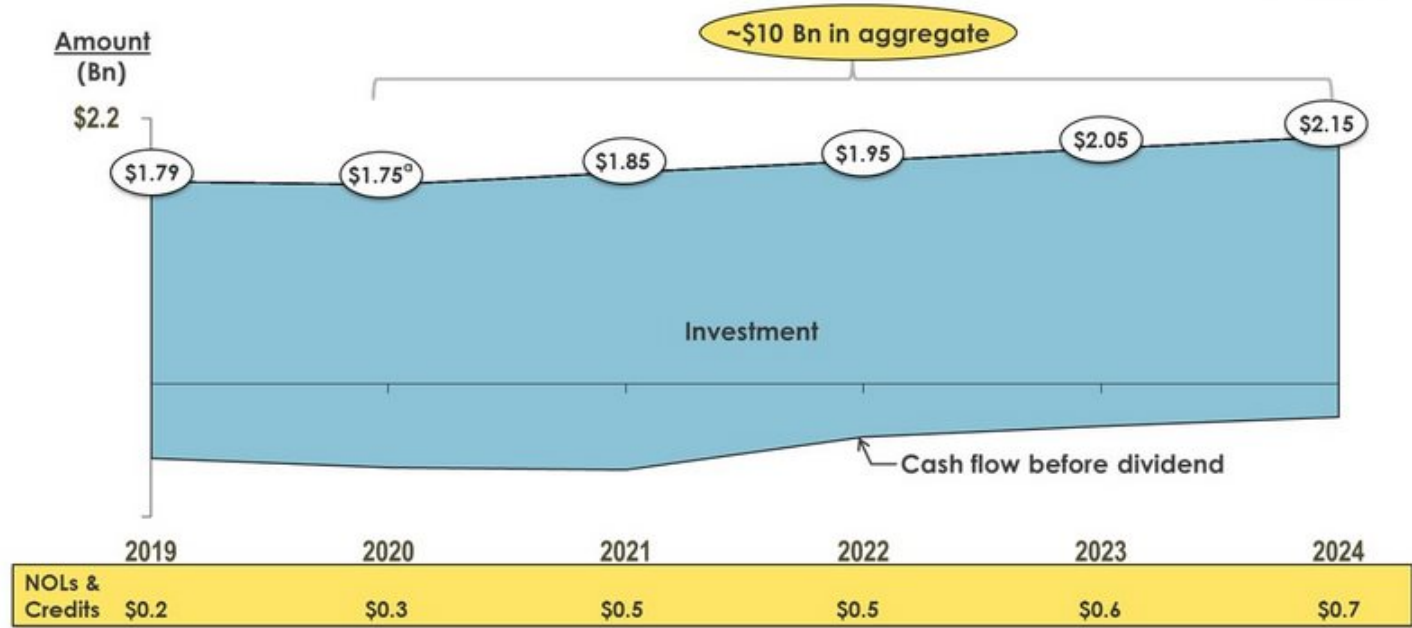
2020 Sensitivities . . .

	<u>Sensitivity</u>	<u>Full-Year Impact</u>	
		<u>EPS^a</u>	<u>OCF</u>
Sales^b		(¢)	(\$MM)
Electric (~36,500 GWh)	± 1%	± 6	± 25
Gas (~300 Bcf)	± 5	± 13	± 50
Gas Prices	± 50¢	± 0	± 55
Utility Earned ROE			
Electric	± 10 bps	± 1½	± 6
Gas	± 10	± 1	± 4
Interest Rates	± 25 bps	± <1	± 2
Effective Tax Rate (16%)	± 100 bps	± 3	± 0
EE^c Incentives (1.5% electric)	± 25 bps	± 1	± 5

^aAdjusted (non-GAAP) ^bReflects 2020 sales forecast; weather-normalized ^cEnergy Efficiency

. . . reflect effective risk mitigation.

Operating Cash Flow Generation . . .



^aExcludes \$531 MM discretionary pension contributions in January 2020 (non-GAAP)

. . . remains strong and supports our capital plan.

Credit Metrics Maintained . . .



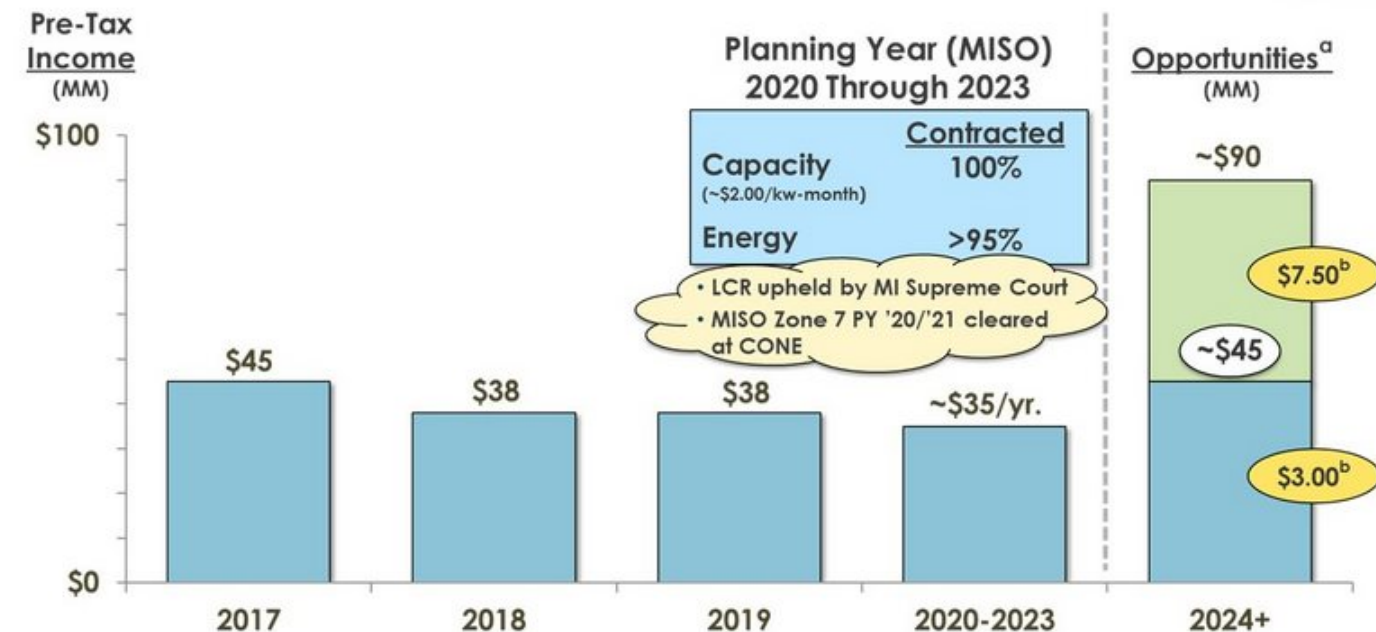
Consumers Energy	S&P	Moody's	Fitch
Senior Secured	A	Aa3	A+
Commercial Paper	A-2	P-1	F-2
Outlook	Stable	Negative	Stable
CMS Energy			
Senior Unsecured	BBB	Baa1	BBB
Junior Subordinated	BBB-	Baa2	BB+
Outlook	Stable	Negative	Stable
Last Review	Jan. 2020	Jul. 2020	Oct. 2019

Ratings Drivers

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

. . . at solid investment-grade levels.

DIG (750 MW) & Peakers (200 MW) . . .

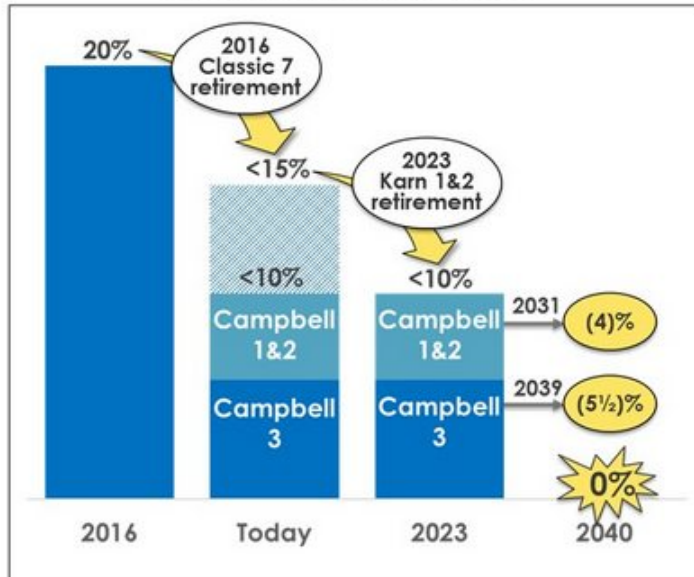


^aAssumes 100% capacity available at \$3.00 and \$7.50/kw-month ^b\$/kw-month

. . . offers risk mitigation to plan with future upside opportunities.

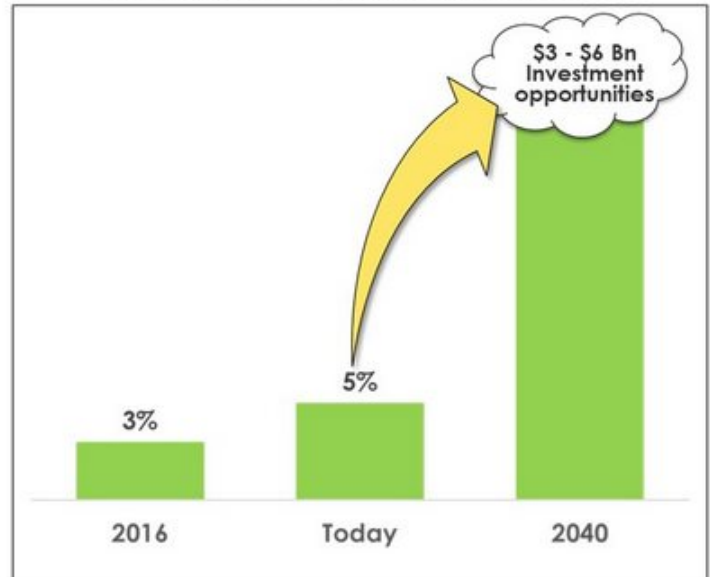
Declining Exposure to Coal . . .

Coal % of Rate Base^a



^aCoal rate base based on calendar year; total rate base based on a 13-month average

Renewables % of Rate Base



. . . with plans to eliminate completely.

Michigan Regulatory Environment . . .



- Bipartisan Energy Law (2016 enhanced 2008 law)
- Forward-looking test year (10-month rate case)
- Energy efficiency incentive (20% of spend)
- Renewable Portfolio Standard (RPS)
- Constructive ROEs
- Appointed Commissioners with staggered terms

Michigan Public Service Commission



Chair effective
July 27, 2020

Dan Scripps (D)

Term Ends: July 2, 2023



Tremaine Phillips (D)

Term Ends: July 2, 2025



Sally Talberg (I)

Term Ends: July 2, 2021

. . . supported by constructive legislation and steady leadership.

GAAP Reconciliation

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



	<i>In Millions, Except Per Share Amounts</i>			
	<i>Three Months Ended</i>		<i>Six Months Ended</i>	
	<i>6/30/20</i>	<i>6/30/19</i>	<i>6/30/20</i>	<i>6/30/19</i>
Electric Utility				
Reported net income per share	\$ 0.42	\$ 0.32	\$ 0.83	\$ 0.69
Reconciling items:				
Other exclusions from adjusted earnings	0.02	-	0.03	-
Tax impact	(0.01)	-	(0.01)	-
Voluntary separation program	(*)	-	0.03	-
Tax impact	-	-	(0.01)	-
Adjusted net income per share – non-GAAP	\$ 0.43	\$ 0.32	\$ 0.87	\$ 0.69
Gas Utility				
Reported net income per share	\$ 0.14	\$ 0.03	\$ 0.55	\$ 0.45
Reconciling items:				
Other exclusions from adjusted earnings	-	-	-	-
Tax impact	(*)	-	(*)	-
Voluntary separation program	(*)	-	0.01	-
Tax impact	-	-	(*)	-
Adjusted net income per share – non-GAAP	\$ 0.14	\$ 0.03	\$ 0.56	\$ 0.45
Enterprises				
Reported net income per share	\$ -	\$ 0.05	\$ 0.07	\$ 0.08
Reconciling items:				
Other exclusions from adjusted earnings	(*)	-	-	-
Tax impact	-	(*)	(*)	(*)
Tax reform	-	-	(0.01)	-
Voluntary separation program	-	-	-	-
Tax impact	-	-	(*)	-
Adjusted net income per share – non-GAAP	\$ -	\$ 0.05	\$ 0.06	\$ 0.08
Ever Bank				
Reported net income per share	\$ 0.03	\$ 0.04	\$ 0.08	\$ 0.08
Reconciling items:				
Other exclusions from adjusted earnings	-	-	-	-
Adjusted net income per share – non-GAAP	\$ 0.03	\$ 0.04	\$ 0.08	\$ 0.08
Corporate Interest and Other				
Reported net loss per share	\$ (0.11)	\$ (0.11)	\$ (0.20)	\$ (0.22)
Reconciling items:				
Other exclusions from adjusted earnings	-	-	(*)	-
Tax impact	(*)	(*)	-	(*)
Tax reform	-	-	(0.02)	-
Adjusted net loss per share – non-GAAP	\$ (0.11)	\$ (0.11)	\$ (0.22)	\$ (0.22)
Consolidated				
Reported net income per share	\$ 0.48	\$ 0.33	\$ 1.33	\$ 1.08
Reconciling items:				
Other exclusions from adjusted earnings	0.02	-	0.03	-
Tax impact	(0.01)	(*)	(0.01)	(*)
Tax reform	-	-	(0.03)	-
Voluntary separation program	(*)	-	0.04	-
Tax impact	-	-	(0.01)	-
Adjusted net income per share – non-GAAP	\$ 0.49	\$ 0.33	\$ 1.35	\$ 1.08
Average Common Shares Outstanding – Diluted	286.5	284.0	285.8	283.8

* Less than \$0.01 per share.

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>			
	2018		2019	
	1Q	2Q	3Q	4Q
Net Income Available to Common Stockholders	\$ 243	\$ 136		
<i>Reconciling items:</i>				
Electric utility and gas utility	15	4		
Tax impact	(4)	(1)		
Entertainment	1	(*)		
Tax impact	(4)	*		
Goodwill	-	-		
Tax impact	-	-		
Corporate interest and other	(2)	*		
Tax impact	(2)	(*)		
Adjusted Net Income - Non-GAAP	<u>\$ 241</u>	<u>\$ 139</u>		
Average Common Shares Outstanding - Diluted	285.2	286.5		
Diluted Earnings Per Average Common Share	\$ 0.85	\$ 0.48		
<i>Reconciling items:</i>				
Electric utility and gas utility	0.05	0.02		
Tax impact	(0.01)	(0.01)		
Entertainment	*	(*)		
Tax impact	(0.01)	*		
Goodwill	-	-		
Tax impact	-	-		
Corporate interest and other	(*)	*		
Tax impact	(0.02)	(*)		
Adjusted Diluted Earnings Per Average Common Share - Non-GAAP	<u>\$ 0.88</u>	<u>\$ 0.49</u>		

	<i>In Millions, Except Per Share Amounts</i>			
	2018		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)
Entertainment	(*)	*	1	(1)
Tax impact	*	(*)	(*)	*
Goodwill	-	-	-	-
Tax impact	-	-	-	-
Corporate interest and other	*	*	*	31
Tax impact	(*)	(*)	(*)	(2)
Adjusted Net Income - Non-GAAP	<u>\$ 213</u>	<u>\$ 93</u>	<u>\$ 208</u>	<u>\$ 194</u>
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	-	-	-	(*)
Entertainment	(*)	*	*	(*)
Tax impact	*	(*)	(*)	*
Goodwill	-	-	-	-
Tax impact	-	-	-	-
Corporate interest and other	*	*	*	0.11
Tax impact	(*)	(*)	(*)	(0.02)
Adjusted Diluted Earnings Per Average Common Share - Non-GAAP	<u>\$ 0.75</u>	<u>\$ 0.33</u>	<u>\$ 0.73</u>	<u>\$ 0.68</u>

* Less than \$0.5 million or \$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>			
	<i>Three Months Ended</i>		<i>Six Months Ended</i>	
	<i>6/30/20</i>	<i>6/30/19</i>	<i>6/30/20</i>	<i>6/30/19</i>
Net Income Available to Common Stockholders	\$ 136	\$ 93	\$ 379	\$ 306
<i>Reconciling items:</i>				
Other exclusions from adjusted earnings	4	*	7	*
Tax impact	(3)	(*)	(3)	(*)
Tax reform	-	-	(9)	-
Voluntary separation program	(*)	-	11	-
Tax impact	*	-	(3)	-
Adjusted net income – non-GAAP	<u>\$ 139</u>	<u>\$ 93</u>	<u>\$ 384</u>	<u>\$ 306</u>
Average Common Shares Outstanding				
Basic	285.5	282.9	284.4	282.9
Diluted	286.5	284.0	285.8	283.8
Basic Earnings Per Average Common Share				
Reported net income per share	\$ 0.48	\$ 0.33	\$ 1.33	\$ 1.08
<i>Reconciling items:</i>				
Other exclusions from adjusted earnings	0.02	*	0.03	*
Tax impact	(0.01)	(*)	(0.01)	(*)
Tax reform	-	-	(0.01)	-
Voluntary separation program	(*)	-	0.04	-
Tax impact	*	-	(0.01)	-
Adjusted net income per share – non-GAAP	<u>\$ 0.49</u>	<u>\$ 0.33</u>	<u>\$ 1.35</u>	<u>\$ 1.08</u>
Diluted Earnings Per Average Common Share				
Reported net income per share	\$ 0.48	\$ 0.33	\$ 1.33	\$ 1.08
<i>Reconciling items:</i>				
Other exclusions from adjusted earnings	0.02	*	0.03	*
Tax impact	(0.01)	(*)	(0.01)	(*)
Tax reform	-	-	(0.01)	-
Voluntary separation program	(*)	-	0.04	-
Tax impact	*	-	(0.01)	-
Adjusted net income per share – non-GAAP	<u>\$ 0.49</u>	<u>\$ 0.33</u>	<u>\$ 1.35</u>	<u>\$ 1.08</u>

* Less than \$0.1 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	2019	GAAP 2019 over 2003 CAGR NM
Reported earnings (loss) per share - GAAP	(\$0.30)	\$0.64	(\$0.44)	(\$0.41)	(\$1.02)	\$1.20	\$0.91	\$1.28	\$1.38	\$1.42	\$1.66	\$1.74	\$1.89	\$1.98	\$1.64	\$2.32	\$2.39	
Pretax items:																		
Electric and gas utility	0.32	(0.60)	-	-	(0.06)	0.08	0.55	0.65	-	0.27	-	-	-	0.04	-	-	0.02	
Tax impact	(0.11)	0.21	-	-	(0.01)	(0.03)	(0.22)	(0.02)	-	(0.10)	-	-	-	(0.01)	0.12 (b)	0.01	(*)	
Enterprises	0.91	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)	(*)	
Enelbank	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Tax impact	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.01 (b)	*	-	
Corporate interest and other	0.25	(0.06)	0.06	0.45	0.17	0.01	0.01	*	-	*	*	*	*	0.02	0.01	*	0.11	
Tax impact	(0.09)	0.03	(0.02)	(0.18)	(0.49)	(0.03)	(*)	(*)	(0.01)	(*)	(*)	(*)	(*)	(0.01)	0.19 (b)	(*)	(0.03)	
Discontinued operations (income) loss, net	(0.16)	0.02	(0.07)	(0.03)	0.40	(*)	(0.04)	0.08	(0.01)	(0.03)	*	(*)	(*)	*	*	(*)	(*)	
Asset impairment charges	-	-	2.80	1.07	0.93	-	-	-	-	-	-	-	-	-	-	-	-	
Tax impact	-	-	(0.94)	(0.31)	(0.33)	-	-	-	-	-	-	-	-	-	-	-	-	
Cumulative accounting changes	0.25	0.02	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Tax impact	(0.09)	(0.05)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Adjusted earnings per share, including MEM- 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	\$2.49	
Mark-to-market		0.04	(0.65)	0.80														
Tax impact		(0.01)	0.22	(0.29)														
Adjusted earnings per share, excluding MEM- non-GAAP	NA	\$0.90	\$0.96	\$1.08	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	

* Less than \$0.01 per share.
(a) \$1.23 re-dating discontinued Enterprise operations and accounting changes related to convertible debt and restricted stock.
(b) Reflects the impact of tax reform.

Adjusted
2019 over
2003
CAGR
7%

CMS ENERGY CORPORATION
Reconciliation of GAAP Operating Activities
to Non-GAAP Operating Activities
(Unaudited)
(mils)



	<u>2020</u>
GAAP Net cash provided by operating activities	\$ 1,219
Add back discretionary pension contribution	<u>531</u>
Non-GAAP Net cash provided by operating activities	\$ 1,750