

CONSUMERS ENERGY CO
Form 8-K
November 05, 2010

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):

November 4, 2010

CMS Energy Corporation

(Exact name of registrant as specified in its charter)

Michigan

001-09513

38-2726431

(State or other jurisdiction
of incorporation)

(Commission
File Number)

(I.R.S. Employer
Identification No.)

One Energy Plaza, Jackson, Michigan

49201

(Address of principal executive offices)

(Zip Code)

Registrant's telephone number, including area code:

517-788-0550

n/a

Former name or former address, if changed since last report

Consumers Energy Company

(Exact name of registrant as specified in its charter)

Michigan

001-05611

38-0442310

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(State or other jurisdiction
of incorporation)

(Commission
File Number)

(I.R.S. Employer
Identification No.)

One Energy Plaza, Jackson, Michigan

49201

(Address of principal executive offices)

(Zip Code)

Registrant's telephone number, including area code:

517-788-0550

n/a

Former name or former address, if changed since last report

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))
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Item 8.01. Other Events.

On November 4, 2010, the Michigan Public Service Commission (MPSC) issued an opinion and order authorizing Consumers Energy Company (Consumers Energy) to increase its retail electric rates to produce an additional \$145,749,000 of annual revenue. The order was based upon a projected July 2010 through June 2011 test year and a 10.7% rate of return on common equity. The rates authorized by the order will go into effect for service rendered on and after November 5, 2010.

Consumers Energy had, under the provisions of Michigan law, previously self-implemented a retail electric rate increase effective in July 2010 in the annual amount of \$150 million. The November 4, 2010 order requires Consumers Energy to reduce those self-implemented rates in the annual amount of \$4,251,000. Further, the MPSC directed Consumers Energy to file an application to refund an amount equal to the difference between the total revenues collected by application of the self-implemented rates and the revenues that would have been collected had the final authorized rates been in effect for the period of time the self-implemented rates were effective, together with interest as required by law.

The order extends for another year the pilot decoupling mechanism (pursuant to an order issued in the previous electric rate case, Case No. U-15645), which, subject to certain conditions which continue in place, adjusts rates to collect or refund the difference in revenues that is calculated based upon a comparison, by customer class, of weather-adjusted actual sales and the level of sales used to set rates in the order.

The November 4, 2010 order contains a number of other findings, including but not limited to provisions relating to rate design and cost allocation among customers, the elimination of rate adjustment mechanisms to track pension costs, other post-employment benefits costs, and uncollectible costs, and the requirement to establish an independent trust for a liability owed to the Department of Energy related to spent nuclear fuel disposal costs. The November 4, 2010 order can be found at the MPSC's website at <http://efile.mpsc.state.mi.us> (Case No. U-16191).

This Form 8-K contains forward-looking statements as defined in Rule 3b-6 of the Securities Exchange Act of 1934, as amended, Rule 175 of the Securities Act of 1933, as amended, and relevant legal decisions. The forward-looking statements are subject to risks and uncertainties. They should be read in conjunction with FORWARD-LOOKING STATEMENTS AND INFORMATION and RISK FACTORS sections of CMS Energy Corporation's (CMS Energy) Form 10-K and Consumers Energy Company's (Consumers Energy) Form 10-K each for the Year Ended December 31, 2009 and as updated in CMS Energy's and Consumers Energy's Forms 10-Q for the Quarters Ended March 31, 2010, June 30, 2010, and September 30, 2010. 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.

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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: November 5, 2010

By: /s/ Thomas J. Webb

Thomas J. Webb
Executive Vice President
and Chief Financial
Officer

CONSUMERS ENERGY COMPANY

Dated: November 5, 2010

By: /s/ Thomas J. Webb

Thomas J. Webb
Executive Vice President
and Chief Financial
Officer