

**ADVANCED WATER TREATMENT SYSTEM OPERATING
AT LITTLE TRAVERSE BAY ENVIRONMENTAL PROJECT**

PETOSKEY, Mich., Nov. 9, 2011 – CMS Land Company has begun operation of a state of the art water treatment system more than a year in advance of a Michigan Department of Environmental Quality (MDEQ) deadline.

On Oct. 13 Little Traverse Bay Environmental Project personnel began operating a water treatment system to clean and release water from a treatment facility located near Resort Township's East Park to Little Traverse Bay.

Official testing results demonstrate that the system is removing mercury from the collected water to a level below the requirement of 1.3 parts per trillion (ppt) for release under the federal Clean Water Act. To put this standard into perspective, one ppt is equivalent to a single drop of water in 20 Olympic-sized swimming pools, or 13 million gallons of water. Current federal standards allow up to 2,000 ppt of mercury in drinking water.

“After almost a month of operation, testing results are demonstrating that this water treatment system is removing mercury and providing environmental protection that few, if any other water treatment sites can match,” said David Mengebier, CMS Land president. “This accomplishment is also important in that it meets the public’s desire to implement a local remedy to a local concern, and means that the collected water from East Park will no longer have to be trucked away for disposal.”

The project is addressing environmental issues left behind by an abandoned cement factory that was redeveloped into East Park and the Bay Harbor development. An average of 150,000 gallons of water a day is intercepted by underground collection lines before it reaches Little Traverse Bay as part of the remediation effort. Tanker trucks have travelled more than 3.3 million miles over the past five years to dispose of the water.

In December 2010 the MDEQ approved a permit that allows CMS Land to use the best available technology to treat the water it collects and then safely release it to the bay.

While the approved permit meets all requirements of the Clean Water Act, CMS Land encouraged the MDEQ to include a special condition to enhance environmental protection. This special condition requires the installation of new technology to reduce

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the already low levels of mercury in the treated water even further. The permit calls for that technology to be installed by the end of 2012.

The installed water treatment system includes the Captur Process (see graphic) that CMS identified as a new method able to meet the special challenges at the project. CMS worked with Captur Technologies to conduct numerous testing programs to prove the technology and its mercury removal capabilities.

Larger water treatment facilities typically are designed to handle a variety of waste streams and are not equipped for maximum contaminant removal from a specific waste stream. The Captur Process adds another step to the typical mercury removal process. Captur utilizes a proprietary polymer developed and designed specifically for the characteristics of the water collected at East Park and Bay Harbor.

The water collected at the project first flows through a solids removal tank and then a high performance filtration system. It is then routed through specifically designed modules containing the Captur polymer. As the water moves through the Captur modules, the small amount of mercury remaining in the water attaches itself to the polymer. The polymer, with the attached mercury, is removed from the modules when expended. The polymers and the captured contaminants are sent to a licensed landfill, isolating them from the environment.

CMS is nearing completion of an additional treatment plant outside of Bay Harbor on U.S. 31. The Captur Process will be installed at the new treatment facility later this year. It is expected that the Captur Process will provide greater benefit when installed at the Bay Harbor facility because the untreated water collected there contains somewhat higher levels of mercury.

The new water treatment methodology also has the potential to provide enhanced environmental protection beyond the project as it provides a new option for mercury removal at other water treatment sites.

This accomplishment follows another significant milestone achieved in 2011.

Earlier this year the U.S. Environmental Protection Agency (EPA) approved the Remedial Investigation and Alternatives Evaluation Reports for East Park and the Bay Harbor development.

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The reports contain more than six years of scientific study and information CMS has collected from both sites and the proposed long term remedies. The information was analyzed and reviewed by the EPA, MDEQ and CMS Land and provided a detailed understanding of the environmental conditions at East Park and the Bay Harbor development.

The EPA approval transferred project oversight to the MDEQ. CMS Land and the MDEQ expect to reach an agreement soon that will identify the remaining final remedies and govern the ongoing and future environmental protection standards for the remedies to meet.

CMS Land already has installed the bulk of the proposed long-term remedies as part of its interim environmental response. The remedies are working well with no pH impacts associated with the cement dust being recorded anywhere along the five mile long shoreline in more than a year.

East Park and Bay Harbor were reclaimed from the site of an abandoned limestone quarry and cement factory covering 1,200 acres and five miles of Lake Michigan shoreline. The brownfield site was redeveloped in 1994 and was the largest reclamation project in North America.

Although no longer a partner in the project that redeveloped the abandoned site, CMS Land agreed to address certain environmental issues associated with the cement dust left behind by the cement plant.

CMS Land is a subsidiary of CMS Energy. CMS Energy is a Michigan-based company that has an electric and natural gas utility, Consumers Energy, as its primary business and also owns and operates independent power generation businesses.

CMS Land is separate from Consumers Energy and no utility funds are used to pay for the Little Traverse Bay Environmental Project.

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For more information about the work done at the park as part of the Little Traverse Bay Environmental Project, please visit: www.protectingourbay.com

