

Extension granted for approved Antrim County disposal well

PETOSKEY, Mich., Dec. 17, 2009 – The Beeland Group, LLC, a subsidiary of CMS Land Company, recently received an extension of an approved permit for a deep injection well in Antrim County from the Michigan Department of Environmental Quality (MDEQ).

The extension to test drill the well was granted on Dec. 9 and will extend the terms of the approved permit until Feb. 7, 2011. The MDEQ and U.S. Environmental Protection Agency originally approved the permits in February and March 2008 respectively, noting that the well could operate safely. A test drill of the well, verifying the application information, is required before the agencies approve an operational permit.

The extension of the Antrim County well permit is important in the event CMS Land Company is unable to secure approval to locally dispose of the water collected at the Little Traverse Bay Environmental Project in Emmet County.

“We are hopeful stakeholders will rally around a local solution and assist CMS in securing approval to safely dispose of the water where it is collected,” said David Mengebier, president of CMS Land Company.

In its efforts to identify a local water disposal option, CMS submitted permit applications for a local disposal well on Oct. 30 and a National Pollutant Discharge Elimination System (NPDES) application on Nov. 19 to treat and release to the lake water collected at Resort Township’s East Park. CMS plans to submit another application later this year to treat and release the water collected at the Bay Harbor development to the lake and continues discussions with the City of Petoskey to determine if the city’s waste water treatment plant can accept the water for disposal.

Mengebier notes that CMS prefers the City of Petoskey and the NPDES options as they are environmentally friendly, will reduce transportation safety risks, and are relatively economical.

CMS has stated consistently that it is critical to secure a local water disposal solution rather than continuing to truck the collected water significant distances for

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disposal. Earlier this year, in an attempt to reach consensus on a local water disposal option, CMS requested that the legal proceedings associated with the approved Antrim County disposal well permits be placed in a stay status while local options were aggressively pursued.

While not the preferred solution, the Antrim County well is supported by sound science and the proven performance of other disposal wells in the area as a safe disposal option. Its location is approximately one-half the distance of the current disposal options, which would lessen transportation safety concerns.

The collection and treatment of large quantities of groundwater is the primary method CMS uses to address pH and mercury levels at the Bay Harbor and East Park sites. CMS is currently shipping up to 27 trucks a day containing 11,500 gallons of water each to Traverse City and Johannesburg for disposal.

East Park and Bay Harbor were reclaimed from the site of an abandoned 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.

While no longer a partner in the project that redeveloped an abandoned cement factory into the Bay Harbor community and two public parks, CMS Land Company agreed to address certain environmental issues associated with the cement dust left behind by the cement plant. CMS has worked for five years and spent more than \$90 million on the project to date and has achieved significant environmental progress in the protection of Little Traverse Bay.

CMS Land is a subsidiary of CMS Energy. CMS Energy is a Michigan-based company that has as its primary business operations an electric and natural gas utility, natural gas pipeline systems and independent power generation.

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