

A CMS Energy Company

January 31, 2008

Ms. Mary Jo Kunkle
Executive Secretary
Michigan Public Service Commission
6545 Mercantile Way
P.O. Box 30221
Lansing, MI 48909

Re: Case No. U-12486; In the matter, on the Commission's own Motion, to enforce the provisions of 2000 PA 141 with respect to mercury emissions

Dear Ms. Kunkle:

Included in this electronic file is the "**Consumers Energy Company's Report in Response to June 19, 2000 Order.**" This is a paperless filing and is therefore being filed only in a PDF format. I have also enclosed a proof of service.

Sincerely,

Raymond E. McQuillan

cc: Gary Kitts, MPSC

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STATE OF MICHIGAN

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

In the matter, on the Commission's own motion, to)
enforce the provisions of 2000 PA 141 with respect) Case No. U-12486
to mercury emissions.)
_____)

**CONSUMERS ENERGY COMPANY'S
REPORT IN RESPONSE TO JUNE 19, 2000 ORDER**

A. Introduction

Consumers Energy submits the enclosed report in response to the Commission's June 19, 2000 order in the captioned docket. The Commission ordered the owner or operator of each electrical power generating facility in Michigan to file a report showing that it is in compliance with all applicable federal Environmental Protection Agency regulations governing mercury emissions and how it determined that it is in compliance. If any facility is not in compliance, the report shall detail how it will bring itself into compliance and shall commit to a date for full compliance. The commission also ordered that the first report required under Case No. U-12486 be filed within 90 days of the Commission's June 19, 2000 Order, and that each subsequent report be filed by January 31 of each succeeding year. The following report satisfies the requirements of Subsection 10d(9) 2000 PA 141; MCL 460.10d(9); and MSA 22.13(10d)(9).

B. Overview of Consumers Energy Electric Generating Facilities

Consumers Energy is the owner operator of electrical power generating facilities, utilizing various fuel alternatives.

1. Hydro Electric Plants

Alcona Dam
Caulkins Bridge Dam
Cooke Dam
Croton Dam
Five Channels Dam
Foote Dam
Hardy Dam
Hodenpyl Dam
Loud Dam
Ludington Pumped Storage
Mio Dam
Rogers Dam
Tippy Dam
Webber Dam

2. **Nuclear**

3. **Natural Gas**

BC Cobb 1, 2, 3
Gaylord Peaker
Morrow Peaker
Straits Peaker
Thetford Peaker
Zeeland Generating Station

4. **Natural Gas & Oil**

Karn 3 and 4

5. **Coal**

JH Campbell 1, 2, 3
BC Cobb 4 and 5
Karn /Weadock (Karn 1, 2 and Weadock 7,8)
JR Whiting 1, 2, 3

C. **Mercury Emissions Reporting**

1. **Hydro**

The generating facilities listed under B1 above, are hydro electric facilities. These facilities do not generate mercury emissions to the atmosphere.

2. **Natural Gas and Oil-Fired Facilities**

The facilities listed under B3, above, utilize natural gas as their fuel. The facilities listed under B4, above, utilize both natural gas and oil. USEPA has deemed that atmospheric mercury emissions from these fuels are negligible. No federal control or reporting requirements for mercury are applicable.

3. **Coal-Fired Facilities**

The facilities listed under B5, above, utilize coal as their fuel. On December 14, 2000, USEPA issued a regulatory determination to regulate mercury emissions from electric generating units. USEPA published a final rule in the Federal Register on May 18, 2005. This rule will be implemented in two phases. The first will reduce national emissions approximately 20% by 2010. Phase 2 will result in a national 70% reduction by 2018. Michigan will promulgate a state rule to implement its requirements under this Federal rule. This rulemaking process began in early 2006 and is continuing.

Since 1996, Consumers Energy has been conducting laboratory analyses on samples of coal purchased and burned. Annual summary data become available by March of the following calendar year. These analyses were similar to those required by USEPA as part of its Mercury Information Collection Request, conducted for calendar year 1999.

Estimated mercury emissions for calendar year 2006, rounded to the nearest whole pound, from each coal-fired facility, are presented below.

Plant/Site	Estimated Emission (pounds)
Campbell	386.2
Cobb	85.7
Karn/Weadock	224.6
Whiting	130.6
2006 Total	827.0

Beginning January 1, 2009, all coal-fired electric generating units greater than 25 MW are required to have continuous monitoring systems in place, which will measure actual mercury emissions.

D. Mercury Pollution Prevention

Consumers Energy has been an active participant in Michigan's voluntary Mercury Pollution Prevention Program. This effort is geared towards reducing the amounts of elemental mercury in use or in inventory, within the entire company. Since 1996, this program has produced a greater than 90% reduction in elemental mercury in use throughout the Company's Michigan facilities.

Respectfully submitted,

CONSUMERS ENERGY COMPANY

January 31, 2008

STATE OF MICHIGAN

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Case No. U-12486

PROOF OF SERVICE

STATE OF MICHIGAN)
) SS
COUNTY OF JACKSON)

Christen M. Rutz, being first duly sworn, deposes and says that she is employed in the Legal Department of Consumers Energy Company; that on January 31, 2008 she served an electronic copy of the "**Consumers Energy Company's Report in Response to June 19, 2000 Order**" upon: Mr. Gary Kitts, Chief Administrative Officer, Michigan Public Service Commission, at grkitts@michigan.gov.

Christen M. Rutz

Subscribed and sworn to before me this 31st day of January, 2008.

Sharon K. Davis, Notary Public
State of Michigan, County of Jackson
My Commission Expires: 07/28/10
Acting in the County of Jackson