

CONSUMERS ENERGY CO

Form FWP

March 10, 2008

Final Term Sheet  
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Issuer: Consumers Energy Company  
 Size: \$250,000,000 5.65% First Mortgage Bonds due 2018  
 Maturity: September 15, 2018  
 Interest rate: 5.65%  
 Yield to maturity: 5.699%  
 Spread: 225 basis points  
 Benchmark Treasury: 3.50% due February 15, 2018  
 Security:  
 Benchmark Treasury Yield: 3.449%  
 Optional redemption: Make-whole call at treasury rate plus 45 basis points  
 Interest payment dates: March 15 and September 15  
 First interest payment date: September 15, 2008  
 Public offering price: 99.617% per bond  
 Trade date: March 10, 2008  
 Settlement date: March 14, 2008 (T+4)  
 Ratings: Baa1 / BBB / BBB+ (Moody's / S&P / Fitch)  
**Note:** A securities rating is not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal at any time.

Joint Book-Running Managers: Barclays Capital Inc.;

Co-managers: BNP Paribas Securities Corp.;  
 Scotia Capital (USA) Inc.  
 Greenwich Capital Markets, Inc.;  
 Wedbush Morgan Securities Inc.;  
 Comerica Securities, Inc.;  
 Wells Fargo Securities, LLC;  
 The Williams Capital Group, L.P.

CUSIP: 210518CQ7

**Consumers Energy Company has filed a registration statement (including a prospectus) with the Securities and Exchange Commission ( SEC ) for the offering to which this communication relates. Before you invest, you should read the prospectus in that registration statement and other documents Consumers Energy Company has filed with the SEC for more complete information about Consumers Energy Company and this offering. You may get these documents for free by visiting EDGAR on the SEC website at www.sec.gov. Alternatively, Consumers Energy Company, any underwriter or any dealer participating in the offering will arrange to send you the prospectus if you request it by calling toll-free either Barclays Capital Inc. at 1-888-227-2275, Ext. 2663, BNP Paribas Securities Corp. at 1-800-854-5674 or Scotia Capital (USA) Inc. at 1-800-372-3930.**