

CMS ENERGY CORP
Form 424B2
May 03, 2016
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**Filed Pursuant to Rule 424(b)(2)
Registration No 333-195496**

CALCULATION OF REGISTRATION FEE

Title of each Class of Securities to be Registered	Amount to be Registered	Maximum Offering Price Per Unit	Proposed Maximum Aggregate Offering Price	Amount of Registration Fee(1)
3.00% Senior Notes due 2026	\$300,000,000	99.622%	\$298,866,000	\$30,096

(1) This filing fee is calculated in accordance with Rule 457(r) under the Securities Act of 1933, as amended. In accordance with Rules 456(b) and 457(r) under the Securities Act, the registrant initially deferred payment of all of the registration fees for Registration Statement No. 333-195496 filed by the registrant on April 25, 2014.

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PROSPECTUS SUPPLEMENT TO PROSPECTUS DATED APRIL 25, 2014

\$300,000,000

CMS Energy Corporation

3.00% Senior Notes due 2026

We are offering \$300,000,000 aggregate principal amount of our 3.00% Senior Notes due 2026, referred to as the Notes. The Notes will bear interest at the rate of 3.00% per year. Interest on the Notes is payable semi-annually in arrears on May 15 and November 15 of each year, commencing on November 15, 2016. The Notes will mature on May 15, 2026.

We may redeem some or all of the Notes at our option at any time for cash at the applicable redemption price described in this prospectus supplement, plus accrued and unpaid interest, if any, thereon to, but not including, the redemption date. See **Description of the Notes** **Optional Redemption** . There will be no sinking fund for the Notes.

The Notes will be issued only in denominations of \$2,000 and integral multiples of \$1,000 in excess thereof. The Notes will be CMS Energy Corporation's unsecured senior obligations and will rank equal in right of payment with all of CMS Energy Corporation's other existing and future unsecured senior indebtedness.

The Notes will constitute a new series of securities with no established trading market. We do not intend to apply to list the Notes for trading on any national securities exchange or to include the Notes in any automated quotation system.

This investment involves risk. See **Risk Factors beginning on page S-9 of this prospectus supplement and page 3 of the accompanying prospectus and the **Risk Factors** section beginning on page 30 of our Annual Report on Form 10-K for the fiscal year ended December 31, 2015, which is incorporated by reference into this prospectus supplement and the accompanying prospectus.**

	Per Note	Total
Price to the public	99.622% \$	298,866,000
Underwriting discounts and commissions	0.650% \$	1,950,000
Proceeds to CMS Energy Corporation (before expenses)	98.972% \$	296,916,000

Interest on the Notes will accrue from May 5, 2016 to the date of delivery.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus supplement or the accompanying prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

We expect to deliver the Notes on or about May 5, 2016 only in book-entry form through the facilities of The Depository Trust Company for the accounts of its participants, including Euroclear Bank S.A./N.V., as operator of the Euroclear System, and Clearstream Banking, *société anonyme*.

Joint Book-Running Managers

Barclays

Goldman, Sachs & Co.

J.P. Morgan

RBC Capital Markets

Wells Fargo Securities

Co-Managers

Comerica Securities

PNC Capital Markets LLC

The date of this prospectus supplement is May 2, 2016.

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ABOUT THIS PROSPECTUS SUPPLEMENT

This document is in two parts. The first part is this prospectus supplement, which describes the specific terms of this offering of the Notes and also adds to and updates information contained or incorporated by reference in the accompanying prospectus and the documents incorporated by reference into this prospectus supplement and the accompanying prospectus. The second part is the accompanying prospectus, which contains a description of the securities registered by us and gives more general information, some of which may not apply to the Notes. To the extent there is a conflict between the information contained or incorporated by reference in this prospectus supplement (or any free writing prospectus), on the one hand, and the information contained or incorporated by reference in the accompanying prospectus, on the other hand, the information contained or incorporated by reference in this prospectus supplement (or any free writing prospectus) shall control.

This prospectus supplement and the accompanying prospectus are part of a registration statement that we filed with the Securities and Exchange Commission (**SEC**) using a shelf registration process. Under the registration statement, we may sell securities, including Notes, of which this offering is a part.

It is important for you to read and consider all information contained in this prospectus supplement and the accompanying prospectus, including the documents incorporated by reference herein and therein, in making your investment decision. This prospectus supplement and the accompanying prospectus incorporate important business and financial information about us and our subsidiaries that is not included in or delivered with these documents. This information is available without charge to security holders upon written or oral request. See **Where You Can Find More Information** .

The terms **CMS Energy** , **we** , **our** and **us** as used in this document refer to CMS Energy Corporation and its subsidiaries and predecessors as a combined entity, except where it is made clear that such term means only CMS Energy Corporation.

This prospectus supplement, the accompanying prospectus and any free writing prospectus that we prepare or authorize contain and incorporate by reference information that you should consider when making your investment decision. We have not, and the underwriters and their affiliates and agents have not, authorized anyone to provide you with different or additional information. If anyone provides you with different or additional information, you should not rely on it. We are not, and the underwriters and their affiliates and agents are not, making an offer to sell these securities in any jurisdiction where the offer or sale is not permitted. This prospectus supplement may only be used where it is legal to sell these securities. You should assume that the information contained in this prospectus supplement, the accompanying prospectus, any such free writing prospectus and the documents incorporated by reference herein and therein is accurate only as of their respective dates or on other dates that are specified in those documents, regardless of the time of delivery of this prospectus supplement and the accompanying prospectus. Our business, financial condition, liquidity, results of operations and prospects may have changed since these dates.

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This summary may not contain all of the information that may be important to you. You should read carefully this prospectus supplement and the accompanying prospectus and the documents incorporated by reference into this prospectus supplement and the accompanying prospectus in their entirety before making an investment decision.

CMS Energy Corporation

CMS Energy is an energy company operating primarily in Michigan and is the parent holding company of several subsidiaries, including Consumers Energy Company (**Consumers**) and CMS Enterprises Company (**Enterprises**). Consumers is an electric and gas utility company serving Michigan's lower peninsula. Consumers owns and operates electric distribution, transmission and generation facilities and gas transmission, storage and distribution facilities. Consumers serves individuals and businesses operating in the alternative energy, automotive, chemical, metal and food products industries, as well as a diversified group of other industries. Consumers provides electricity and/or natural gas to 6.7 million of Michigan's 10 million residents. Consumers' rates and certain other aspects of its business are subject to the jurisdiction of the Michigan Public Service Commission and the Federal Energy Regulatory Commission. Enterprises, through its subsidiaries and equity investments, is engaged primarily in domestic independent power production and the marketing of independent power production and owns power generation facilities fueled mostly by natural gas and biomass. CMS Energy manages its businesses by the nature of services each provides and operates principally in three business segments: electric utility, gas utility, and enterprises, its non-utility operations and investments. CMS Energy's principal executive offices are located at One Energy Plaza, Jackson, Michigan 49201, and CMS Energy's telephone number is (517) 788-0550.

Recent Developments***First Quarter 2016 Results of Operations*****NET INCOME AVAILABLE TO COMMON STOCKHOLDERS**

In Millions, Except Per Share Amounts

March 31	2016		Three Months Ended		2015		Change
Net Income Available to Common Stockholders	\$	164	\$	202	\$		(38)
Basic Earnings Per Share		0.59		0.73			(0.14)
Diluted Earnings Per Share		0.59		0.73			(0.14)

In Millions

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March 31	2016		Three Months Ended		2015		Change
Electric utility	\$	91	\$	94	\$		(3)
Gas utility		81		121			(40)
Enterprises		6		7			(1)
Corporate interest and other		(14)		(20)			6
Net Income Available to Common Stockholders	\$	164	\$	202	\$		(38)

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Presented in the following table are specific after-tax changes to net income available to common stockholders:

In Millions

Reasons for the change	March 31, 2016 better/(worse) than 2015	
	Three Months Ended	
<i>Consumers electric utility and gas utility</i>		
<i>Electric sales</i>		
Weather	\$ (18)	
Non-weather		\$ (18)
<i>Gas sales</i>		
Weather	(56)	
Non-weather	13	(43)
Electric rate increase		29
Gas rate increase		8
Employee benefit costs		6
Depreciation and property taxes		(14)
Operating and maintenance costs		(7)
Other	(4)	\$ (43)
<i>Enterprises</i>		
Maintenance costs		(1)
<i>Corporate interest and other</i>		
EnerBank earnings		2
Other		4
Total change		\$ (38)

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The Offering

The following summary is qualified in its entirety by reference to the more detailed information appearing elsewhere in this prospectus supplement and the accompanying prospectus. For additional information concerning the Notes, see Description of the Notes .

Issuer	CMS Energy Corporation.
Securities Offered	\$300,000,000 aggregate principal amount of 3.00% Senior Notes due 2026 (the Notes) to be issued under the indenture dated as of September 15, 1992 between us and The Bank of New York Mellon (ultimate successor to NBD Bank, National Association), as trustee (the trustee), as amended and supplemented from time to time, including as supplemented by a supplemental indenture thereto establishing the terms of the Notes to be dated as of May 5, 2016 (collectively, the indenture). The indenture is referred to in the accompanying prospectus as the senior debt indenture.

Issue Price