EEI Financial Conference

November 11-13, 2018

Safe Harbor Statement

Many factors impact forward-looking statements including, but not limited to, the following: impact of regulation by the EPA, the FERC, the MPSC, the NRC, and for DTE Energy, the CFTC, as well as other applicable governmental proceedings and regulations, including any associated impact on rate structures; the amount and timing of cost recovery allowed as a result of regulatory proceedings, related appeals, or new legislation, including legislative amendments and retail access programs; economic conditions and population changes in our geographic area resulting in changes in demand, customer conservation, and thefts of electricity and, for DTE Energy, natural gas; environmental issues, laws, regulations, and the increasing costs of remediation and compliance, including actual and potential new federal and state requirements; health, safety, financial, environmental, and regulatory risks associated with ownership and operation of nuclear facilities; the cost of protecting assets against, or damage due to, cyber crime and terrorism; volatility in the short-term natural gas storage markets impacting third-party storage revenues related to DTE Energy; impact of volatility of prices in the oil and gas markets on DTE Energy's gas storage and pipelines operations; impact of volatility in prices in the international steel markets on DTE Energy's power and industrial projects operations; volatility in commodity markets, deviations in weather, and related risks impacting the results of DTE Energy's energy trading operations; changes in the cost and availability of coal and other raw materials, purchased power, and natural gas; advances in technology that produce power or reduce power consumption; changes in the financial condition of significant customers and strategic partners; the potential for losses on investments, including nuclear decommissioning and benefit plan assets and the related increases in future expense and contributions; access to capital markets and the results of other financing efforts which can be affected by credit agency ratings; instability in capital markets which could impact availability of short and long-term financing; the timing and extent of changes in interest rates; the level of borrowings; the potential for increased costs or delays in completion of significant capital projects; changes in, and application of, federal, state, and local tax laws and their interpretations, including the Internal Revenue Code, regulations, rulings, court proceedings, and audits; the effects of weather and other natural phenomena on operations and sales to customers, and purchases from suppliers; unplanned outages; employee relations and the impact of collective bargaining agreements; the risk of a major safety incident; the availability, cost, coverage, and terms of insurance and stability of insurance providers; cost reduction efforts and the maximization of plant and distribution system performance; the effects of competition; changes in and application of accounting standards and financial reporting regulations; changes in federal or state laws and their interpretation with respect to regulation, energy policy, and other business issues; contract disputes, binding arbitration, litigation, and related appeals; and the risks discussed in our public filings with the Securities and Exchange Commission. New factors emerge from time to time. We cannot predict what factors may arise or how such factors may cause results to differ materially from those contained in any forward-looking statement. Any forward-looking statements speak only as of the date on which such statements are made. We undertake no obligation to update any forward-looking statement to reflect events or circumstances after the date on which such statement is made or to reflect the occurrence of unanticipated events. This presentation should also be read in conjunction with the Forward-Looking Statements section of the joint DTE Energy and DTE Electric 2017 Form 10-K and 2018 Forms 10-Q (which section is incorporated by reference herein), and in conjunction with other SEC reports filed by DTE Energy and DTE Electric.

Growth plan continues to deliver significant shareholder value

DTE Energy

Strong track record for shareholders

- ✓ Decade-long record of beating guidance
- ✓ Strong TSR over 1, 3, 5 and 10 year periods

Distinctive focus on culture

- ✓ Elite workforce engagement
- ✓ Force for growth in our community

Broad utility infrastructure investment

- ✓ Doubling renewables, strengthening grid
- ✓ Accelerating gas main renewal program

Strong non-utility growth agenda

- ✓ Expanding pipeline and gathering platform
- ✓ Delivering industrial / renewable gas solutions

Targeting 5% - 7% operating EPS* growth through 2023

* Reconciliation of operating earnings (non-GAAP) to reported earnings included in the appendix

DTE Energy overview

70% - 75% Utility

DTE Electric
Electric generation and distribution

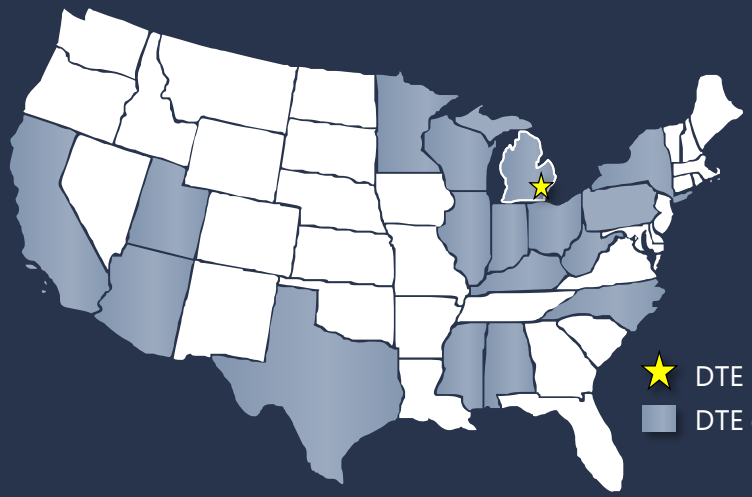
DTE Gas
Natural gas transmission, storage and distribution

25% - 30% Non-utility

Gas Storage & Pipelines (GSP)
Transport, store and gather natural gas

Power & Industrial Projects (P&I)
Own and operate energy related assets

Energy Trading
Gas, power and renewables marketing

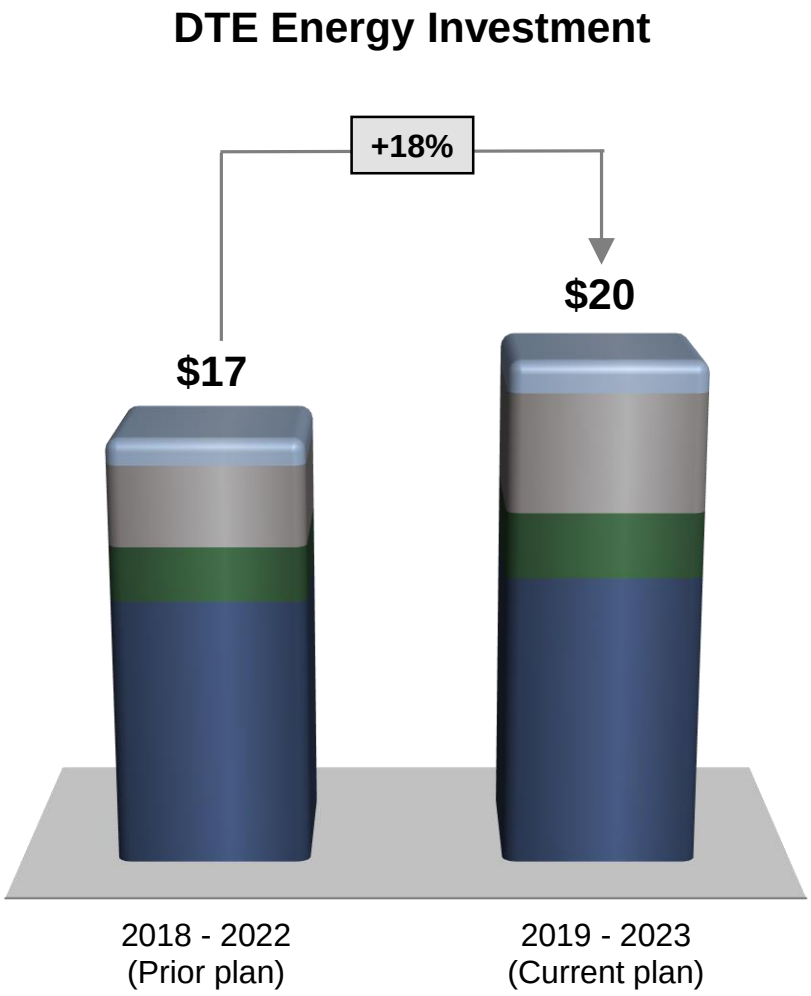


- **Strong track record for shareholders**

- Distinctive focus on culture
- Broad utility infrastructure investment
- Strong non-utility growth agenda
- Summary

Growth fueled by investment in utility infrastructure and generation along with non-utility opportunities

(billions)



Electric $11.3 billion
Distribution infrastructure, cleaner generation, maintenance

Gas $2.5 billion
Base infrastructure, main renewal acceleration

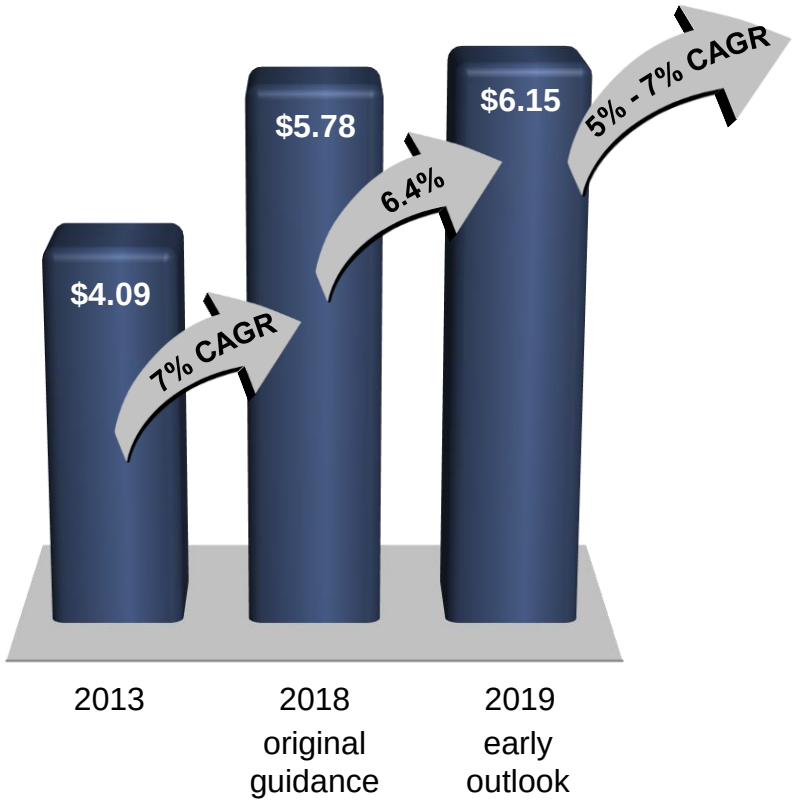
GSP $4.0 - $5.0 billion
Expansions, NEXUS / Link buildouts, acquisitions

P&I $1.0 - $1.4 billion
Industrial energy services, renewable natural gas (RNG)

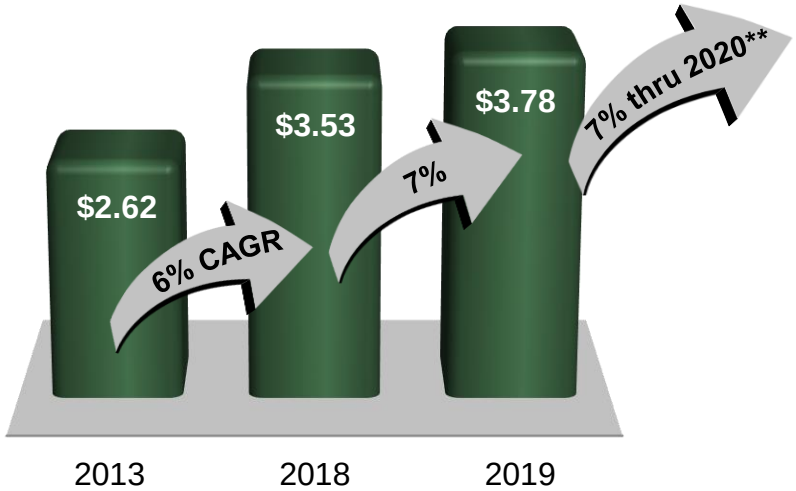
Targeting 5% - 7% operating EPS* growth through 2023 and annualized dividend growth of 7% through 2020

DTE Energy

Operating EPS



Annualized Dividend Per Share



* Reconciliation of operating earnings (non-GAAP) to reported earnings included in the appendix

** Subject to Board approval

- Strong track record for shareholders
- **Distinctive focus on culture**
- Broad utility infrastructure investment
- Strong non-utility growth agenda
- Summary

Highly engaged employees and top decile customer satisfaction provide a solid framework for success

DTE Energy

Employee engagement

Ranked top 3% in the world

6 consecutive Gallup Great Workplace Awards

Safety

National Safety Council's top 2% of companies surveyed in safety culture

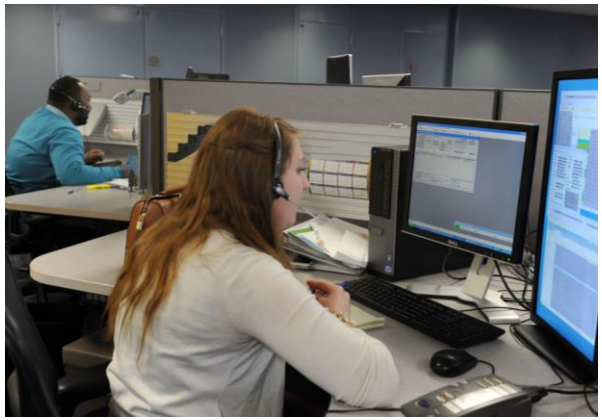
Community involvement

Ranked as one of the country's top corporate citizens by Points of Light and J.D. Power**

Customer satisfaction

Both utilities ranked 1st by business customers*

Both utilities ranked 2nd in residential customer satisfaction**

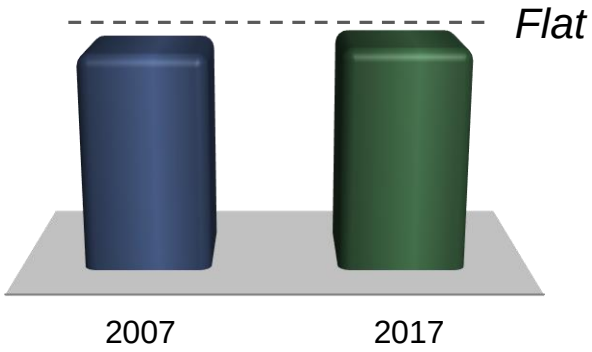


* J.D. Power 2017 Electric and Gas Utility Business Customer Satisfaction Study. Visit jdpower.com

** J.D. Power 2018 Electric and Gas Utility Residential Midwest Customer Satisfaction Study. Visit jdpower.com

Distinctive continuous improvement culture results in strong track record of cost management

Utility O&M*



- ✓ **Flat** utility O&M over the past 10 years
  - Average annual peer increase of 2.5%
- ✓ **Lowered** average industrial customer rate **16%** over the past 5 years

All 10,000 employees engaged in CI to surface and solve problems

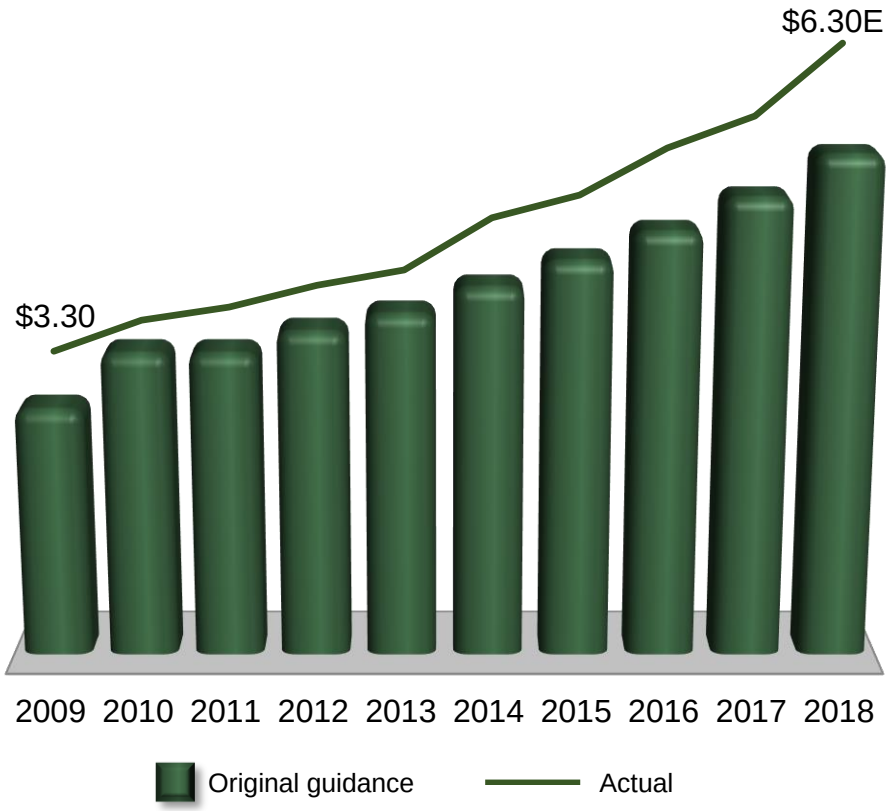
- ✓ **Controlling costs** while improving the customer experience
  - Productivity enhancements
  - Technology innovations
  - Automation
  - Infrastructure replacements
  - Transition to cleaner energy

* Source: SNL Financial, FERC Form 1 and FERC Form 2; excluding electric fuel and purchased power and gas production expense

Focus on culture and commitment to customers has delivered strong returns for shareholders

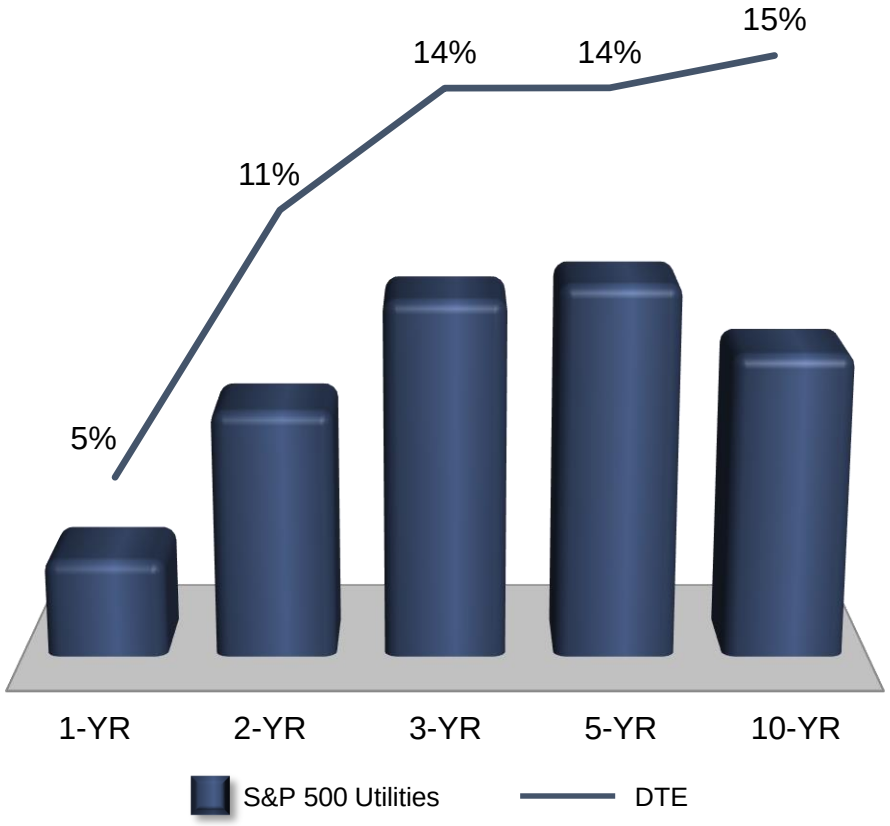
Decade of exceeding guidance…

Operating EPS*



…and delivering strong TSR results

Total Shareholder Return**
(Annualized)



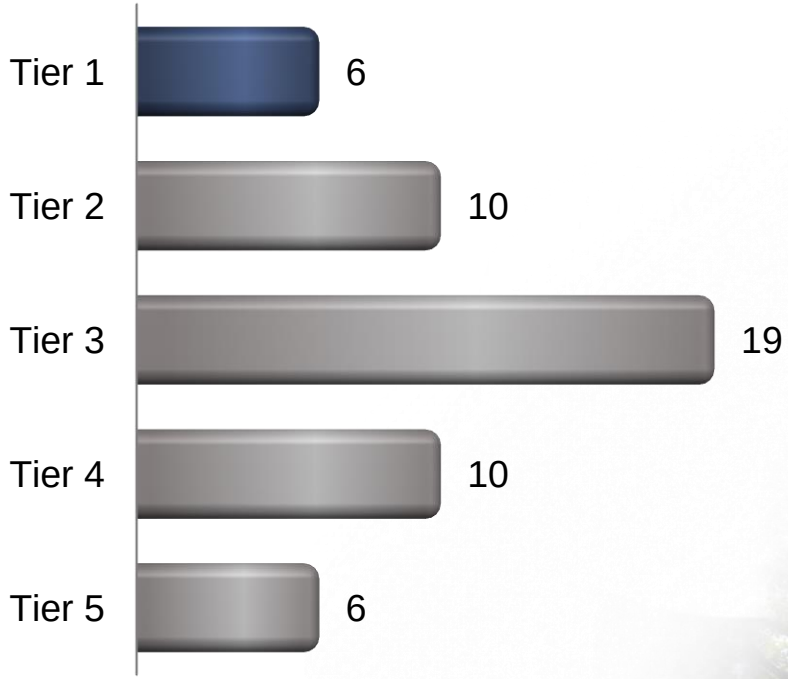
* Reconciliation of operating earnings (non-GAAP) to reported earnings included in the appendix

** Source: Bloomberg as of 9/30/2018

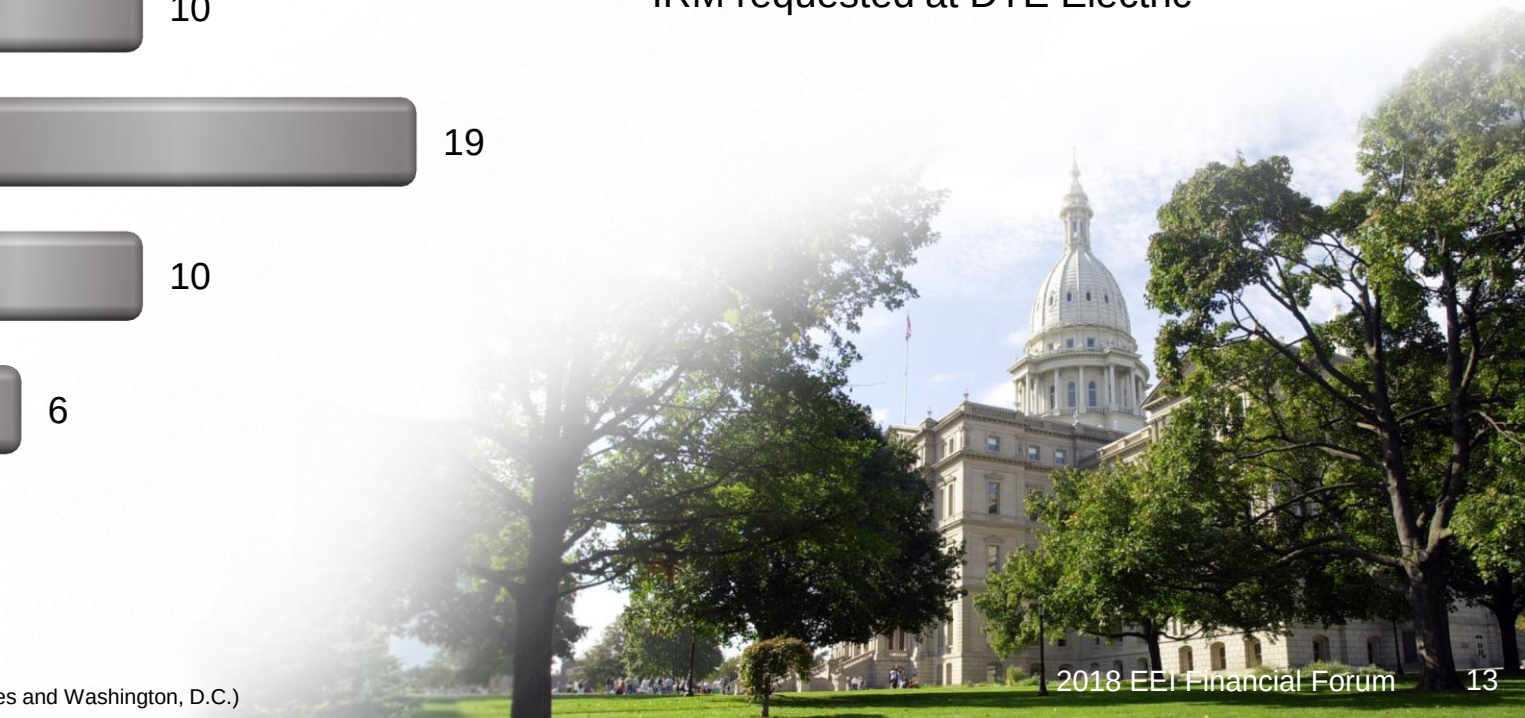
- Strong track record for shareholders
- Distinctive focus on culture
- **Broad utility infrastructure investment**
- Strong non-utility growth agenda
- Summary

Michigan has a constructive regulatory environment

**Ranking of U.S. regulatory jurisdictions*
(Michigan in Tier 1)**

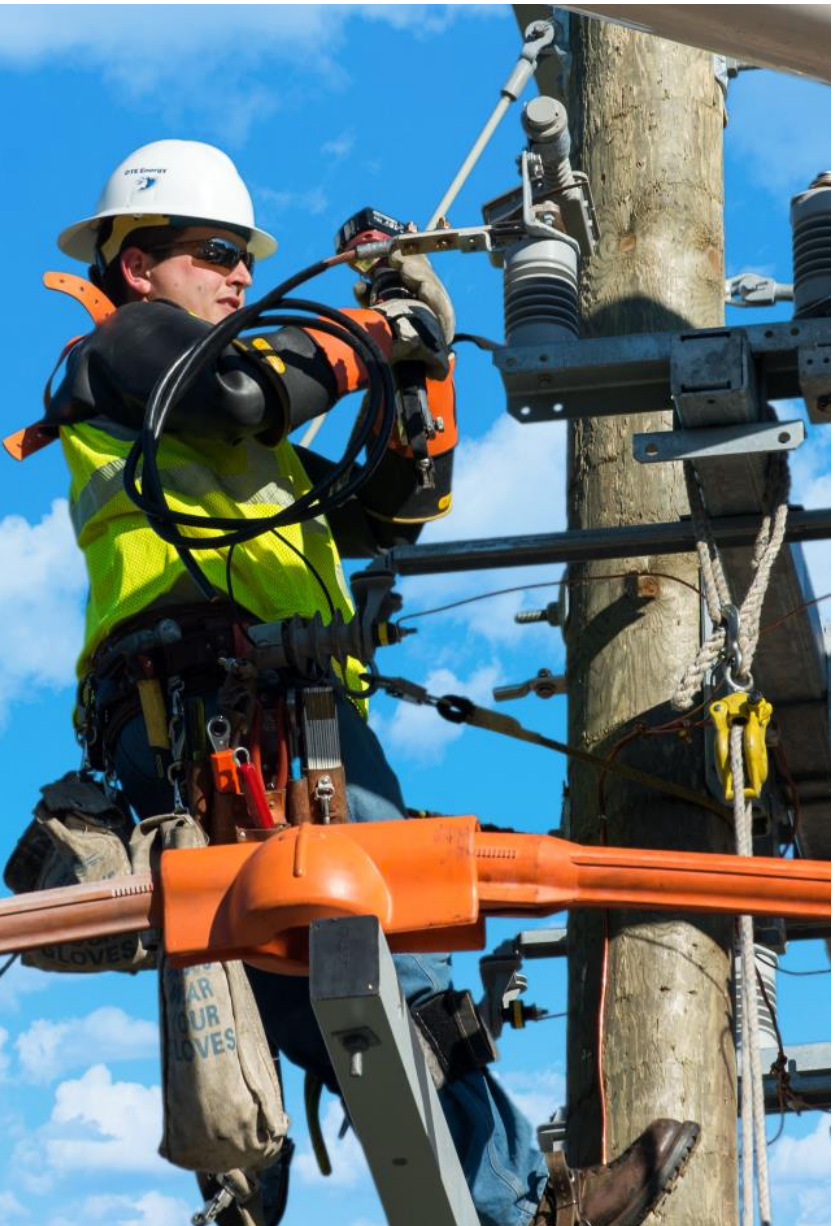


- ✓ Recovery mechanism for renewables
- ✓ Certificate of necessity to build 1,100 MW natural gas power plant
- ✓ Infrastructure recovery mechanism (IRM) accelerated at DTE Gas
- ✓ IRM requested at DTE Electric



* Source: UBS, February 2018 (50 states and Washington, D.C.)

DTE Electric overview



- ✓ **2.2 million** customers
- ✓ **11,000 megawatt** system capacity
- ✓ **Largest** electric utility in Michigan

DTE Electric service territory

Providing cleaner energy and strengthened distribution infrastructure for our customers

Cleaner energy

Delivering 50% clean energy by 2030 and >80% carbon emissions reduction by 2050*

Infrastructure redesign

Addresses substation load growth and aging infrastructure

Technology enhancement

Targets 100% remote monitoring and enhances cybersecurity

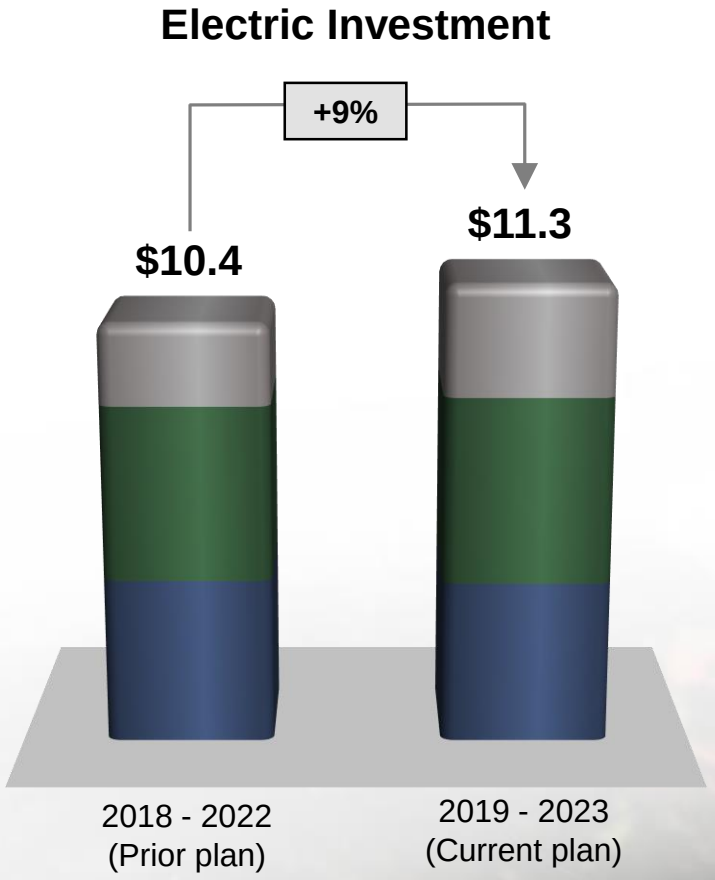
Enhanced tree trimming

Improves distribution reliability

* CO_2 percentage reductions from 2005 levels

Increasing reliability and customer satisfaction with investments in cleaner energy and distribution

(billions)



Targeting 7% - 8% operating earnings* growth

Cleaner generation
Building new gas plant, doubling renewable portfolio, adding voluntary renewable options

Distribution infrastructure
Progressing to best-in-class in reliability

Base infrastructure
Reducing costs through productivity and efficiency investments

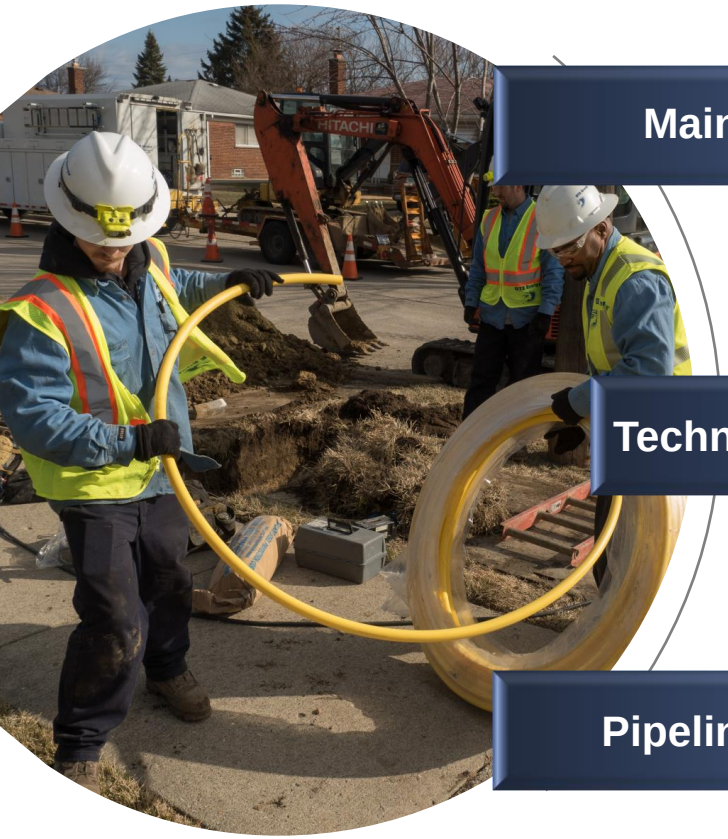
* Reconciliation of operating earnings (non-GAAP) to reported earnings included in the appendix

DTE Gas overview

- ✓ **1.3 million** customers
- ✓ **139 Bcf** storage capacity
- ✓ **One** of the nation's **largest** natural gas utilities

DTE Gas service territory

Replacing aging infrastructure achieves fundamental shift in performance, cost and productivity



Main renewal

Minimizes leaks, both reducing costs and improving customer satisfaction

Technology enhancement

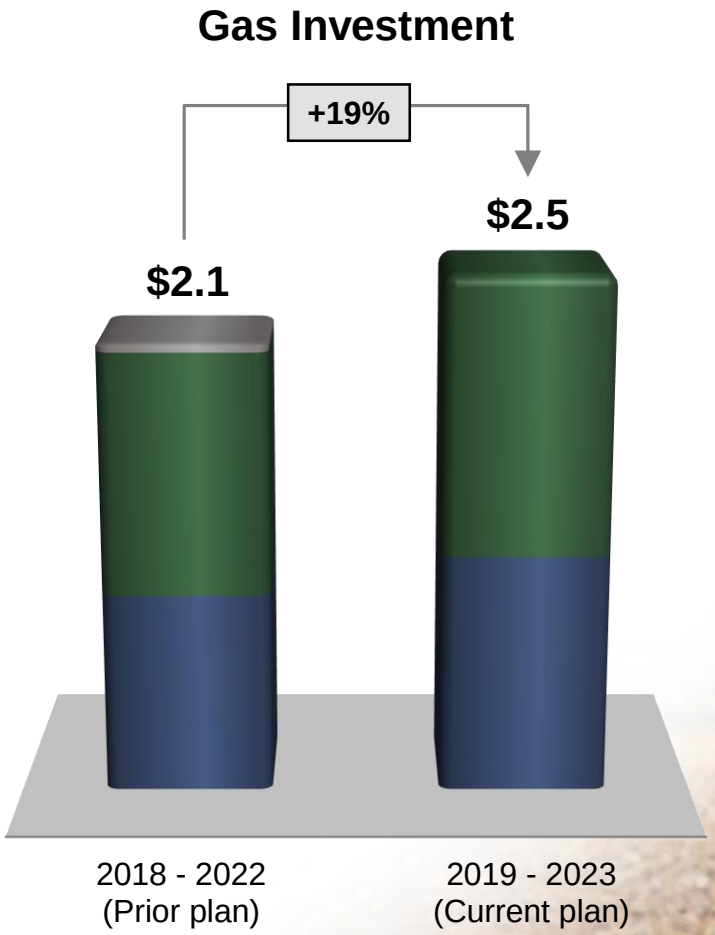
Reduces manual meter reading, improving both operational efficiencies and customer satisfaction

Pipeline integrity

Strengthens the system, decreasing the potential for system issues

Improving service to customers through infrastructure renewal and replacement

(billions)



NEXUS related
Added compression

Infrastructure renewal
Accelerating main renewal program

Base infrastructure
Enhancing transmission, compression, distribution, storage

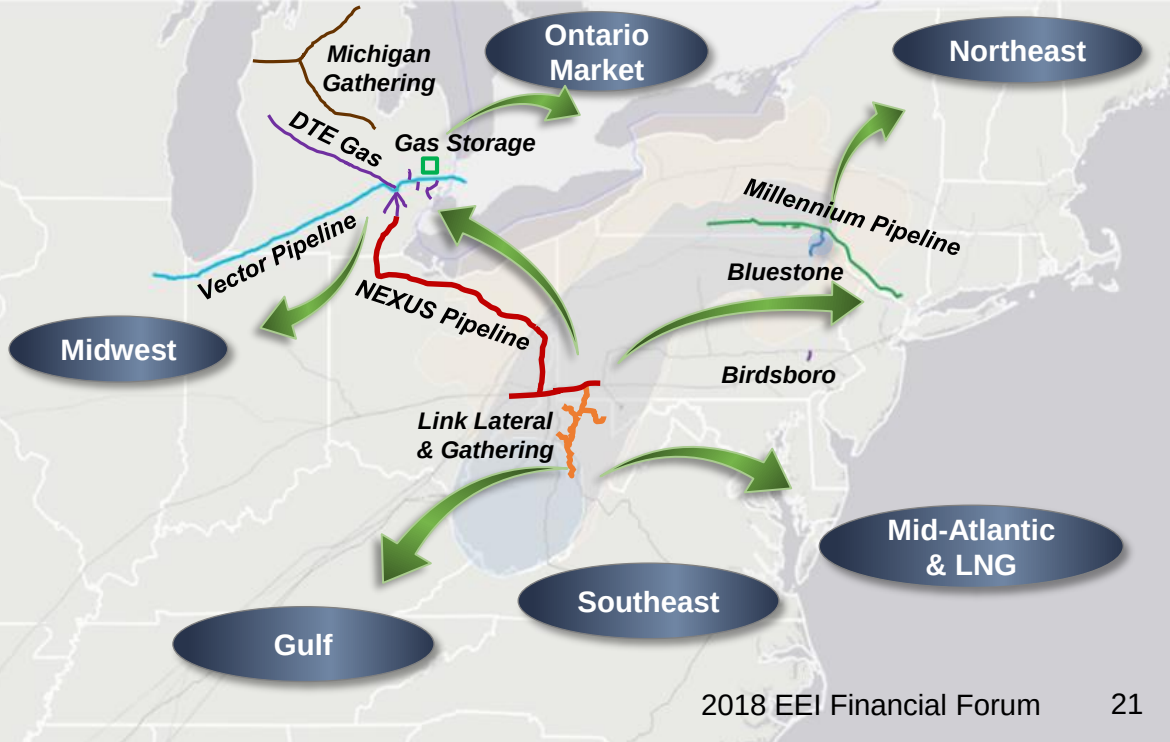
Targeting 8% - 9% operating earnings* growth

* Reconciliation of operating earnings (non-GAAP) to reported earnings included in the appendix

- Strong track record for shareholders
- Distinctive focus on culture
- Broad utility infrastructure investment
- **Strong non-utility growth agenda**
- Summary

GSP overview

- ✓ **Transport, gather, store** natural gas
- ✓ **6** pipelines
- ✓ **2,000 miles** of pipe and gathering lines
- ✓ **91 Bcf** of storage



Focus on growth platforms drives continued success

Pipeline

Connecting high-quality markets to world-class geology

Gathering

Serving among strongest geology in a growing basin

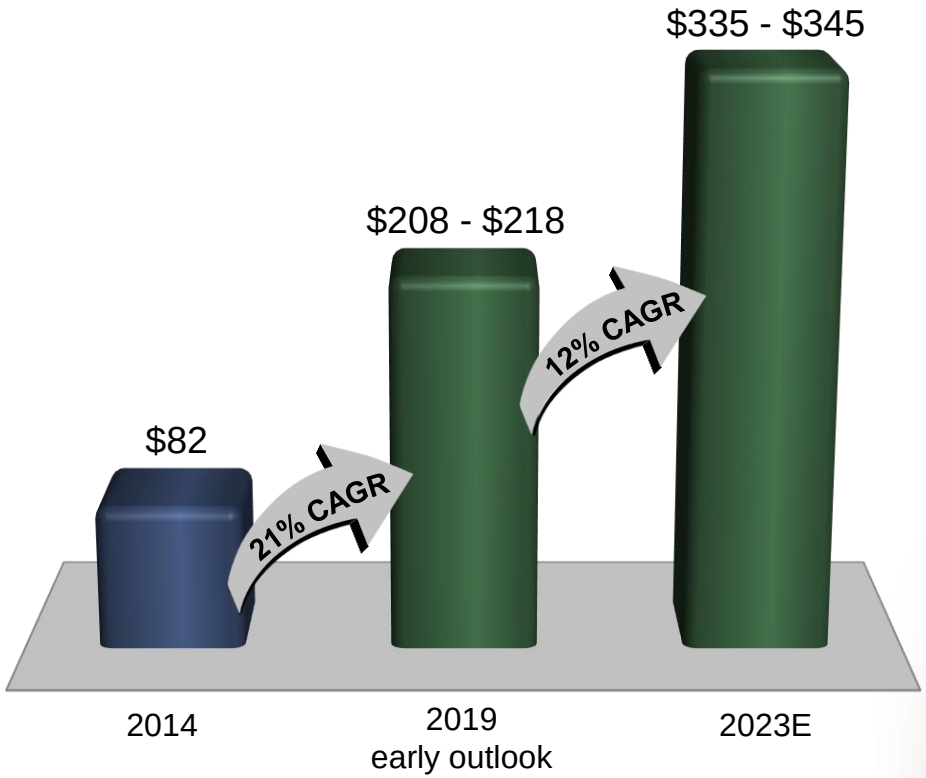
Storage

Capitalizing on strategic location to serve key markets and future power generation load growth

Multiple platforms underpin long-term growth

(millions)

GSP Operating Earnings*



$4.0 - $5.0 billion investment (2019 - 2023)

- 5-year growth of 21% through 2019
- 12% growth from 2019 early outlook
  - Continued pipeline expansions
  - Investment around Link and NEXUS platforms
  - Strategic acquisitions
- Strong development queue

* Reconciliation of operating earnings (non-GAAP) to reported earnings included in the appendix

Gas Storage & Pipelines continues growth track record

Accomplishments

2013 - 2018 operating earnings* growth of ~$160 million

- Deployed ~$3.5 billion of capital over the past 5 years
- *Bluestone:* significant expansion from 0.3 to 1.2 Bcf/day
- *Millennium and Vector:* multiple expansions completed
- *Link:* strategic acquisition, expansions underway
- *NEXUS:* in service, poised for growth

Future growth

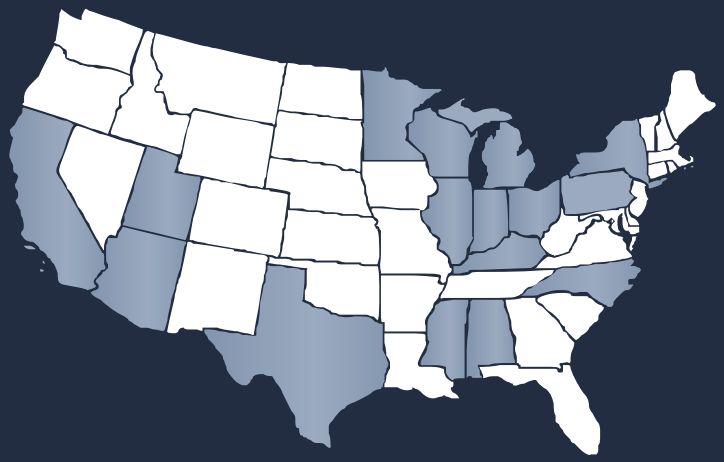
2018 - 2023 operating earnings growth of ~$110 million

- Plan to invest $4 billion - $5 billion
- *Link:* continued expansion opportunities
- *NEXUS:* multiple future expansions
- *Greenfield gathering:* opportunities exist in Marcellus/Utica basins
- *Strategic acquisitions:* opportunities to acquire assets in our core geography

* Reconciliation of operating earnings (non-GAAP) to reported earnings included in the appendix

P&I overview

- ✓ **Leading developer** of energy related businesses in North America
- ✓ **Business lines** include industrial energy services, renewable energy and reduced emissions fuel



Focus on growth platforms drives continued success

Industrial Energy Services

Developing new cogeneration projects to improve customer environmental attributes and lower energy costs

Renewable Energy

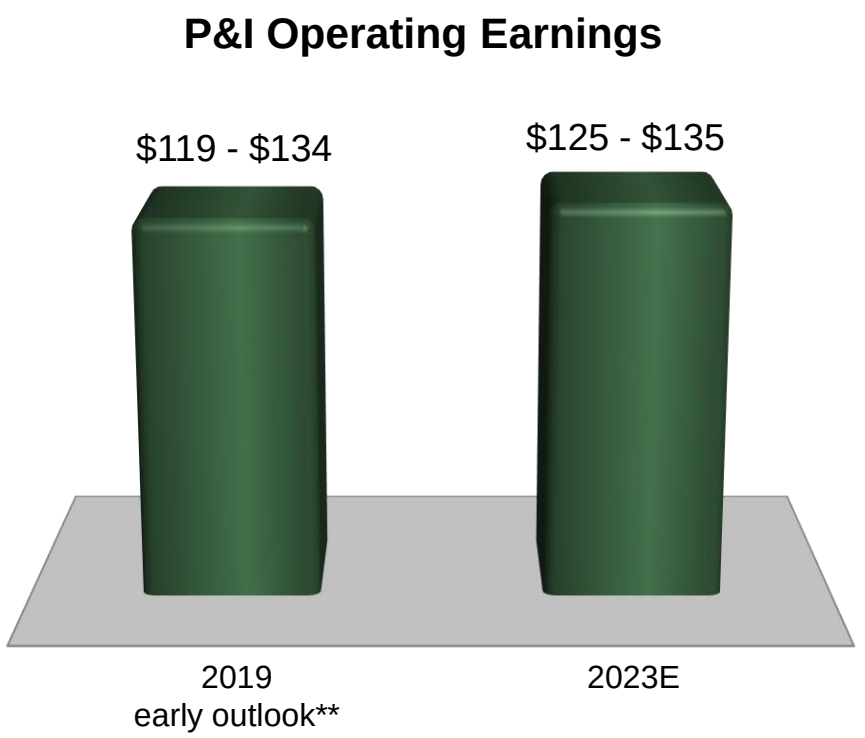
Expanding business to generate RNG at landfill and agricultural sites

Reduced Emissions Fuel

Maximizing cash flows to reinvest in long-term earnings across DTE

Operating earnings* post REF are underpinned by attractive growth opportunities

(millions)



$1.0 - $1.4 billion investment (2019 - 2023)

- P&I growth opportunities stronger than previously anticipated, driving higher earnings in 5-year plan
- Current project development queue is very strong
- 5-year plan calls for P&I to:
  - Backfill REF earnings with new projects
  - Originate ~$15 million of project earnings each year through 2023
  - Achieve ~$130 million of long-term earnings by 2023

* Reconciliation of operating earnings (non-GAAP) to reported earnings included in the appendix

** Includes REF tax equity deal - accelerates cash flows of $100 million/year for 3 years and reduces income by ~$40 million

Long track record providing industrial energy services solutions

P&I has investment opportunities in active development and multiple targets in early screening

- Strong track record of repeat business with multiple customers
- Cogeneration drivers include:
  - Increasing electricity rates
  - Low natural gas costs
  - Superior efficiency of industrial cogeneration systems
- 2-3 GW of additional industrial cogeneration forecasted in the U.S. over the next 3-4 years
- P&I expects to develop multiple cogeneration projects over the next 5 years

Leveraging expertise by developing growing portfolio of renewable natural gas projects

RNG has favorable long-term outlook with bipartisan governmental support

- RNG is methane that is upgraded to natural gas pipeline quality standards
- P&I has produced RNG from landfill gas for over 15 years and recently entered the agricultural waste gas sector
- Acquired four new projects in 2017/2018
  - Significant development queue with additional opportunities for growth
- Federal and state mandates are driving significant demand increases
  - National renewable fuel standard
  - California low-carbon fuel standard
  - International compliance standards
  - Additional states reviewing standards

Energy Trading overview

Marketing and intelligence expertise

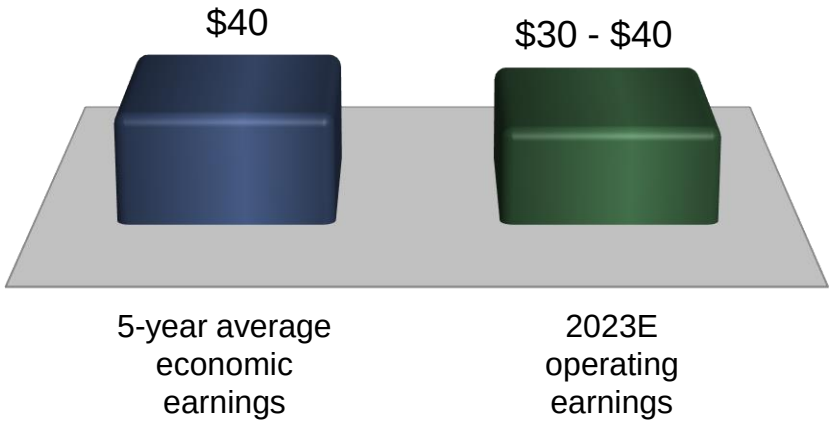
supports other business units

- ✓ Moves GSP customers' gas to market
- ✓ Markets and originates for P&I's RNG business

Energy Trading business provides valuable market insights and cash for reinvestment

(millions)

Energy Trading Earnings*



Contributed ~$500 million cash over the last ten years

- 20+ years of experience in the trading business
- Marketing capabilities support other business units
  - Moves GSP customers' gas to market
  - Markets and originates for P&I's RNG business
- Physical assets increasingly underlie positions
  - Economic earnings closely correlated to longer term operating earnings
  - Future operating earnings expected to be in line with historical economic earnings of $40 million

* Reconciliation of operating earnings (non-GAAP) to reported earnings included in the appendix

- Strong track record for shareholders
- Distinctive focus on culture
- Broad utility infrastructure investment
- Strong non-utility growth agenda
- **Summary**

Summary

- Targeting 5% - 7% operating EPS* growth through 2023
- Driving utility growth through infrastructure investments focused on cleaner energy, improved reliability and an enhanced customer experience
- Continuing strategic and sustainable growth in non-utility businesses
- Maintaining strong balance sheet metrics
- Delivering strong EPS and dividend growth that drive premium total shareholder returns

* Reconciliation of operating earnings (non-GAAP) to reported earnings included in the appendix

Appendix

2019 operating EPS* early outlook grows 6.4% from 2018 original guidance

(millions, except EPS)

	2018 Original Guidance	2018 Revised Guidance	2019 Early Outlook
DTE Electric	$648 - $662	$667 - $679	$698 - $712
DTE Gas	152 - 160	152 - 160	171 - 179
Gas Storage & Pipelines	185 - 195	225 - 235	208 - 218
Power & Industrial Projects	115 - 135	155 - 170	119 - 134
Energy Trading	5 - 20	20 - 30	15 - 25
Corporate & Other	(100) - (90)	(110) - (100)	(112) - (102)
DTE Energy	**$1,005 - $1,082**	**$1,109 - $1,174**	**$1,099 - $1,166**
Operating EPS	**$5.57 - $5.99**	**$6.12 - $6.48**	**$5.97 - $6.33**

* Reconciliation of operating earnings (non-GAAP) to reported earnings included in the appendix

2018 cash flow and capital expenditures guidance

DTE Energy

(billions)

Cash Flow

	2018 Guidance
Cash From Operations*	$2.2
Capital Expenditures	(3.6)
Free Cash Flow	**($1.4)**
Asset Sales & Other	-
Dividends	(0.6)
Net Cash	**($2.0)**
Debt Financing:	
Issuances	$2.1
Redemptions	(0.1)
Change in Debt	**$2.0**

(millions)

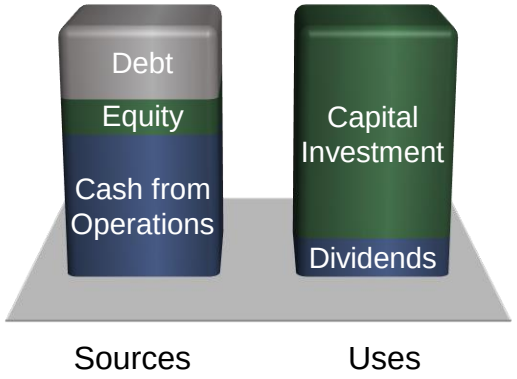
Capital Expenditures

	2018 Guidance
DTE Electric	
Base Infrastructure	$750
New Generation	340
Distribution Infrastructure	810
	$1,900
DTE Gas	
Base Infrastructure	$257
NEXUS Related	13
Main Renewal	190
	$460
Non-Utility	$1,100-$1,300
Total	**$3,460-$3,660**

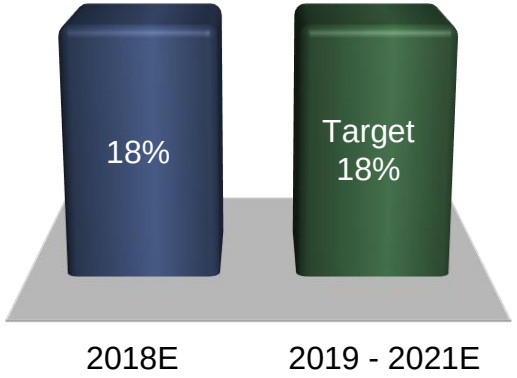
* Includes $0.25 billion of equity issued for employee benefit programs

Maintaining strong cash flow and balance sheet

Sources and Uses
(2019 - 2021)



Funds from Operations* / Debt**



- Issuing $1.0 billion - $1.5 billion of equity 2019 - 2021
  - Up to $250 million of equity in 2019 using internal mechanisms
- Strong cash from operations support capital investments
- Targeting strong investment-grade credit rating

* Funds from Operations (FFO) is calculated using operating earnings

** Debt excludes a portion of DTE Gas' short-term debt and considers 50% of the junior subordinated notes and 100% of the convertible equity units as equity

DTE Electric and DTE Gas regulatory update

DTE Electric

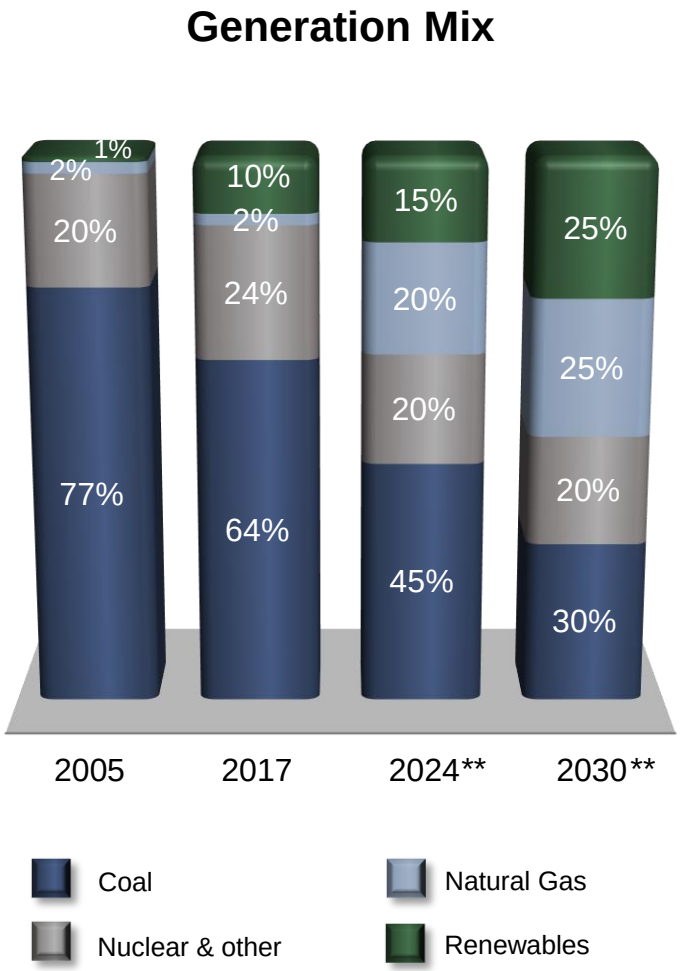
- General rate case - filed July 2018 (U-20162)
  - Final order: May 2019
  - Rate recovery: $320 million
  - ROE: 10.5%
  - Capital structure: 49% debt, 51% equity
  - Rate base: $17.2 billion
- Capacity charge case - April 2017 (U-18248)
  - March 2018 MPSC staff report indicated adequate capacity
- 5-year electric distribution plan filed January 2018 (U-18014)
- Received Certificate of Necessity for natural gas plant April 2018 (U-18419)

DTE Gas

- General rate case - order received September 2018 (U-18999)
  - Effective: October 2018
  - Rate recovery: $9 million ($47 million net rate impact after termination of tax credit)
  - ROE: 10.0%
  - Capital structure: 48% debt, 52% equity
  - Rate base: $4.2 billion
- Expect to file rate cases every ~2 years

Doubling renewable generation provides cleaner mix

DTE Energy



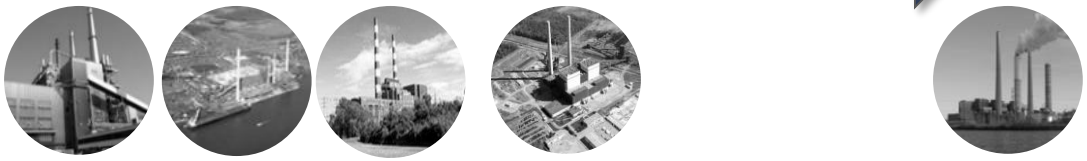
- ✓ **300 MW** volunteer renewable program with potential for more
- ✓ **Targeting 50%** clean energy by 2030
- ✓ **Over 80% reduction** of carbon emissions by 2050*
- ✓ **Additional** 1,000 MW by 2022

* CO_2 percentage reductions from 2005 levels
** Timing and mix are subject to change

Replacing coal with renewables and natural gas

DTE Energy

Planned Retirements (~6,400 MW)



River Rouge | St. Clair | Trenton Channel | Belle River | Monroe

2020 — 2030 — 2040 — 2050

Planned Additions (~7,500 MW*)

- 2018-2022: 1,000 MW
- 2018-2022: 15 MW
- 2022: 1,100 MW

Additional renewables capacity (TBD)

Additional natural gas capacity (TBD)

A steady march toward zero-emitting and low-emitting resources

* Subject to change based on capacity mix

2009 - 2010 full year reconciliation of reported to operating EPS (non-GAAP)

DTE Energy

Use of Operating Earnings Information – DTE Energy management believes that operating earnings provide a more meaningful representation of the company's earnings from ongoing operations and uses operating earnings as the primary performance measurement for external communications with analysts and investors. Internally, DTE Energy uses operating earnings to measure performance against budget and to report to the Board of Directors.

2009 Segment Diluted Earnings Per Share

	Pre-tax adjustments	Income taxes	EPS
DTE Energy Reported EPS			**$3.24**
DTE Electric			
Chrysler accounts receivable bad debt reserve	$0.04	($0.02)	$0.02
DTE Gas			
Gain on sale of MichCon natural gas gathering and treating assets	(0.12)	0.04	(0.08)
Amortization of goodwill associated with sale of MichCon natural gas gathering and treating assets	0.12	(0.04)	0.08
Gas Storage & Pipelines			
	-	-	-
Power & Industrial Projects			
Chrysler accounts receivable bad debt reserve	0.01	-	0.01
General Motors accounts receivable bad debt reserve	0.03	(0.01)	0.02
Energy Trading			
Corporate & Other			
Residual hedge impact from Antrim sale	0.02	(0.01)	0.01
DTE Energy Operating EPS	**$0.10**	**($0.04)**	**$3.30**

2010 Segment Diluted Earnings Per Share

	Pre-tax adjustments	Income taxes	EPS
DTE Energy Reported EPS			**$3.74**
DTE Electric			
Settlement with Detroit Thermal	($0.03)	$0.01	($0.02)
DTE Gas			
Performance Excellence Program deferral approved by MPSC	(0.19)	0.07	(0.12)
Gas Storage & Pipelines			
	-	-	-
Power & Industrial Projects			
	-	-	-
Energy Trading			
	-	-	-
Corporate & Other			
	-	-	-
DTE Energy Operating EPS	**($0.22)**	**$0.08**	**$3.60**

2011 - 2012 full year reconciliation of reported to operating EPS (non-GAAP)

DTE Energy

Use of Operating Earnings Information – DTE Energy management believes that operating earnings provide a more meaningful representation of the company's earnings from ongoing operations and uses operating earnings as the primary performance measurement for external communications with analysts and investors. Internally, DTE Energy uses operating earnings to measure performance against budget and to report to the Board of Directors.

2011 Segment Diluted Earnings Per Share

	Pre-tax adjustments	Income taxes	EPS
DTE Energy Reported EPS			**$4.18**
DTE Electric			
Fermi asset retirement obligation	$0.08	($0.03)	$0.05
DTE Gas			
	-	-	-
Gas Storage & Pipelines			
	-	-	-
Power & Industrial Projects			
	-	-	-
Energy Trading			
Corporate & Other			
Income tax adjustment due to enactment of MCIT	(0.50)	-	(0.50)
DTE Energy Operating EPS	**($0.42)**	**($0.03)**	**$3.73**

2012 Segment Diluted Earnings Per Share

	Pre-tax adjustments	Income taxes	EPS
DTE Energy Reported EPS			**$3.55**
DTE Electric			
	-	-	-
DTE Gas			
	-	-	-
Gas Storage & Pipelines			
	-	-	-
Power & Industrial Projects			
Coke oven gas settlement	$0.06	($0.02)	$0.04
Chicago Fuels Terminal sale	0.02	(0.01)	0.01
Pet coke mill impairment	0.01	-	0.01
Energy Trading			
	-	-	-
Corporate & Other			
	-	-	-
Discontinued operations			
Unconventional gas production	0.48	(0.15)	0.33
DTE Energy Operating EPS	**$0.57**	**($0.18)**	**$3.94**

2013 - 2014 full year reconciliation of reported to operating EPS (non-GAAP)

DTE Energy

Use of Operating Earnings Information – DTE Energy management believes that operating earnings provide a more meaningful representation of the company's earnings from ongoing operations and uses operating earnings as the primary performance measurement for external communications with analysts and investors. Internally, DTE Energy uses operating earnings to measure performance against budget and to report to the Board of Directors.

2013 Segment Diluted Earnings Per Share

	Pre-tax adjustments	Income taxes	EPS
DTE Energy Reported EPS			**$3.76**
DTE Electric			
	-	-	-
DTE Gas			
	-	-	-
Gas Storage & Pipelines			
	-	-	-
Power & Industrial Projects			
Asset impairment	$0.03	($0.01)	$0.02
Energy Trading			
Certain mark-to-market transactions	0.51	(0.20)	0.31
Corporate & Other			
	-	-	-
DTE Energy Operating EPS	**$0.54**	**($0.21)**	**$4.09**

2014 Segment Diluted Earnings Per Share

	Pre-tax adjustments	Income taxes	EPS
DTE Energy Reported EPS			**$5.10**
DTE Electric			
	-	-	-
DTE Gas			
	-	-	-
Gas Storage & Pipelines			
	-	-	-
Power & Industrial Projects			
	-	-	-
Energy Trading			
Certain mark-to-market transactions	($0.93)	$0.36	($0.57)
Corporate & Other			
Investment impairment	0.04	(0.01)	0.03
NY state tax law change	0.07	(0.03)	0.04
DTE Energy Operating EPS	**($0.82)**	**$0.32**	**$4.60**

2015 - 2016 full year reconciliation of reported to operating EPS (non-GAAP)

DTE Energy

Use of Operating Earnings Information – DTE Energy management believes that operating earnings provide a more meaningful representation of the company's earnings from ongoing operations and uses operating earnings as the primary performance measurement for external communications with analysts and investors. Internally, DTE Energy uses operating earnings to measure performance against budget and to report to the Board of Directors.

2015 Segment Diluted Earnings Per Share

	Pre-tax adjustments	Income taxes	EPS
DTE Energy Reported EPS			**$4.05**
DTE Electric			
2011/2012 PSCR disallowance	$0.11	($0.04)	$0.07
Tree trimming disallowance	0.06	(0.01)	0.05
DTE Gas			
	-	-	-
Gas Storage & Pipelines			
	-	-	-
Power & Industrial Projects			
Contract termination	0.08	(0.03)	0.05
Shenango Plant Closure	0.62	(0.23)	0.39
Energy Trading			
Certain mark-to-market transactions	0.43	(0.17)	0.26
Natural gas pipeline refund	(0.08)	0.03	(0.05)
Corporate & Other			
	-	-	-
DTE Energy Operating EPS	**$1.22**	**($0.45)**	**$4.82**

2016 Segment Diluted Earnings Per Share

	Pre-tax adjustments	Income taxes	EPS
DTE Energy Reported EPS			**$4.83**
DTE Electric			
	-	-	-
DTE Gas			
	-	-	-
Gas Storage & Pipelines			
Transaction costs for AGS & SGG Acquisition	$0.08	($0.03)	$0.05
Power & Industrial Projects			
	-	-	-
Energy Trading			
Certain mark-to-market transactions	0.64	(0.25)	0.39
Corporate & Other			
Transaction costs for AGS & SGG Acquisition	0.02	(0.01)	0.01
DTE Energy Operating EPS	**$0.74**	**($0.29)**	**$5.28**

2017 full year reconciliation of reported to operating EPS (non-GAAP)

Use of Operating Earnings Information – DTE Energy management believes that operating earnings provide a more meaningful representation of the company's earnings from ongoing operations and uses operating earnings as the primary performance measurement for external communications with analysts and investors. Internally, DTE Energy uses operating earnings to measure performance against budget and to report to the Board of Directors.

2017 Segment Diluted Earnings Per Share

	Pre-tax adjustments	Income taxes	EPS
DTE Energy Reported EPS			**$6.32**
DTE Electric			
MPSC disallowance of PSCR	$0.09	($0.03)	$0.06
Implementation costs of new billing system	0.05	(0.02)	0.03
Remeasurement of deferred taxes due to TCJA	-	(0.03)	(0.03)
DTE Gas			
Implementation costs of new billing system	0.03	(0.01)	0.02
Gas Storage & Pipelines			
Remeasurement of deferred taxes due to TCJA	-	(0.64)	(0.64)
Power & Industrial Projects			
Impairment of REF assets due to third party plant closure	0.07	(0.03)	0.04
Remeasurement of deferred taxes due to TCJA	-	(0.12)	(0.12)
Energy Trading			
Remeasurement of deferred taxes due to TCJA	-	0.01	0.01
Certain mark-to-market transactions	(0.49)	0.19	(0.30)
Corporate & Other			
Remeasurement of deferred taxes due to TCJA	-	0.20	0.20
DTE Energy Operating EPS	**($0.25)**	**($0.48)**	**$5.59**

2014 full year reconciliation of reported to operating earnings (non-GAAP)

Use of Operating Earnings Information – DTE Energy management believes that operating earnings provide a more meaningful representation of the company's earnings from ongoing operations and uses operating earnings as the primary performance measurement for external communications with analysts and investors. Internally, DTE Energy uses operating earnings to measure performance against budget and to report to the Board of Directors.

2014 Segment Net Income	Reported Earnings	Pre-tax Adjustments	Income Taxes	Operating Earnings
DTE Electric	$ 528	-	-	$ 528
DTE Gas	140	-	-	140
Gas Storage & Pipelines	82	-	-	82
Power & Industrial Projects	90	-	-	90
Energy Trading	122			20
Certain mark-to-market transactions		(167)	65	
Corporate & Other	(57)			(44)
Investment impairment		8	(3)	
NY state tax law change		12	(4)	
DTE Energy	**$ 905**	**$ (147)**	**$ 58**	**$ 816**

2013 - 2017 Energy Trading reconciliation of operating earnings to economic earnings (non-GAAP)

DTE Energy

(millions)

	2013	2014	2015	2016	2017
Reported earnings	($58)	$122	($22)	($45)	$72
Operating adjustments	55	(102)	37	70	(52)
Operating earnings	(3)	20	15	25	20
Accounting adjustments*	24	37	39	15	9
Economic earnings	$21	$57	$54	$40	$29

	2013	2014	2015	2016	2017
Certain mark-to-market transactions (pre-tax)	$90	($167)	$77	$115	($88)
Income taxes	(35)	65	(30)	(45)	34
Natural gas pipeline refund (pre-tax)			(16)		
Income taxes			6		
Deferred tax remeasurement (pre-tax)					0
Income taxes					2
Operating adjustments	$55	($102)	$37	$70	($52)

- Economic earnings (non-GAAP) equals economic gross margin** minus O&M expenses and taxes
- DTE Energy management uses economic earnings (non-GAAP) as one of the performance measures for external communications with analysts and investors
- Internally, DTE Energy uses economic earnings (non-GAAP) as one of the measures to review performance against financial targets and budget

* Consists of 1) the income statement effect of not recognizing changes in the fair market value of certain non-derivative contracts including physical inventory and capacity contracts for transportation, transmission and storage. These contracts are not marked-to-market, instead are recognized for accounting purposes on an accrual basis; and 2) operating adjustments for unrealized marked-to-market changes of certain derivative contracts

** Economic gross margin is the change in net fair value of realized and unrealized purchase and sale contracts including certain non-derivative contract costs

Reconciliation of reported to operating earnings (non-GAAP)

Use of Operating Earnings Information – Operating earnings exclude non-recurring items, certain mark-to-market adjustments and discontinued operations. DTE Energy management believes that operating earnings provide a more meaningful representation of the company's earnings from ongoing operations and uses operating earnings as the primary performance measurement for external communications with analysts and investors. Internally, DTE Energy uses operating earnings to measure performance against budget and to report to the Board of Directors.

In this presentation, DTE Energy provides guidance for future period operating earnings. It is likely that certain items that impact the company's future period reported results will be excluded from operating results. A reconciliation to the comparable future period reported earnings is not provided because it is not possible to provide a reliable forecast of specific line items (i.e. future non-recurring items, certain mark-to-market adjustments and discontinued operations). These items may fluctuate significantly from period to period and may have a significant impact on reported earnings.

For comparative purposes, 2012 operating earnings excluded the Unconventional Gas Production segment that was classified as a discontinued operation on 12/31/2012.