



DTE Energy®

Business Update

December 9, 2015






Safe Harbor Statement

The information contained herein is as of the date of this presentation. Many factors may impact forward-looking statements including, but not limited to, the following: impact of regulation by the EPA, FERC, MPSC, NRC and 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 increased thefts of electricity and, for DTE Energy, natural gas; environmental issues, laws, regulations, and the increased 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; changes in the cost and availability of coal and other raw materials, purchased power and natural gas; the potential for losses on investments, including nuclear decommissioning and benefit plan assets and the related increases in future expense and contributions; volatility in the short-term natural gas storage markets impacting third-party storage revenues related to DTE Energy; volatility in commodity markets; deviations in weather and related risks impacting the results of DTE Energy's energy trading operations; 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 construction 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; the cost of protecting assets against, or damage due to, terrorism or cyber attacks; employee relations and the impact of collective bargaining agreements; the risk of a major safety incident at an electric distribution or generation facility and, for DTE Energy, a gas storage, transmission or generation facility; 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 our 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" sections in each of DTE Energy's and DTE Electric's 2014 Forms 10-K and 2015 Forms 10-Q (which sections are incorporated herein by reference), and in conjunction with other SEC reports filed by DTE Energy and DTE Electric.

There continue to be positive developments for DTE Energy

- Reaffirming 2015 EPS guidance and 2016 EPS early outlook
- Michigan energy policy reform
  - Progress continues toward completion
- Utility regulatory filings
  - Expect constructive outcome for DTE Electric rate case later this month
  - Received approval for acceleration of main replacement at DTE Gas
  - Expect to file DTE Gas rate case in year-end timeframe
- NEXUS filed its FERC application in November
- Millennium filed its FERC application for Valley Lateral project

- **Overview**
- **Long-Term Growth Update**
- **Summary**

DTE Energy's growth is driven by strong, stable utilities and complementary non-utility businesses

Strong, Stable and Growing Utilities
Fully Regulated by Michigan Public Service Commission

~80% of total earnings



DTE Electric

Electric generation and distribution



DTE Gas

Natural gas transmission, storage and distribution

Complementary Non-Utility Businesses

~20% of total earnings



Gas Storage & Pipelines

Transport and store natural gas



Power & Industrial Projects

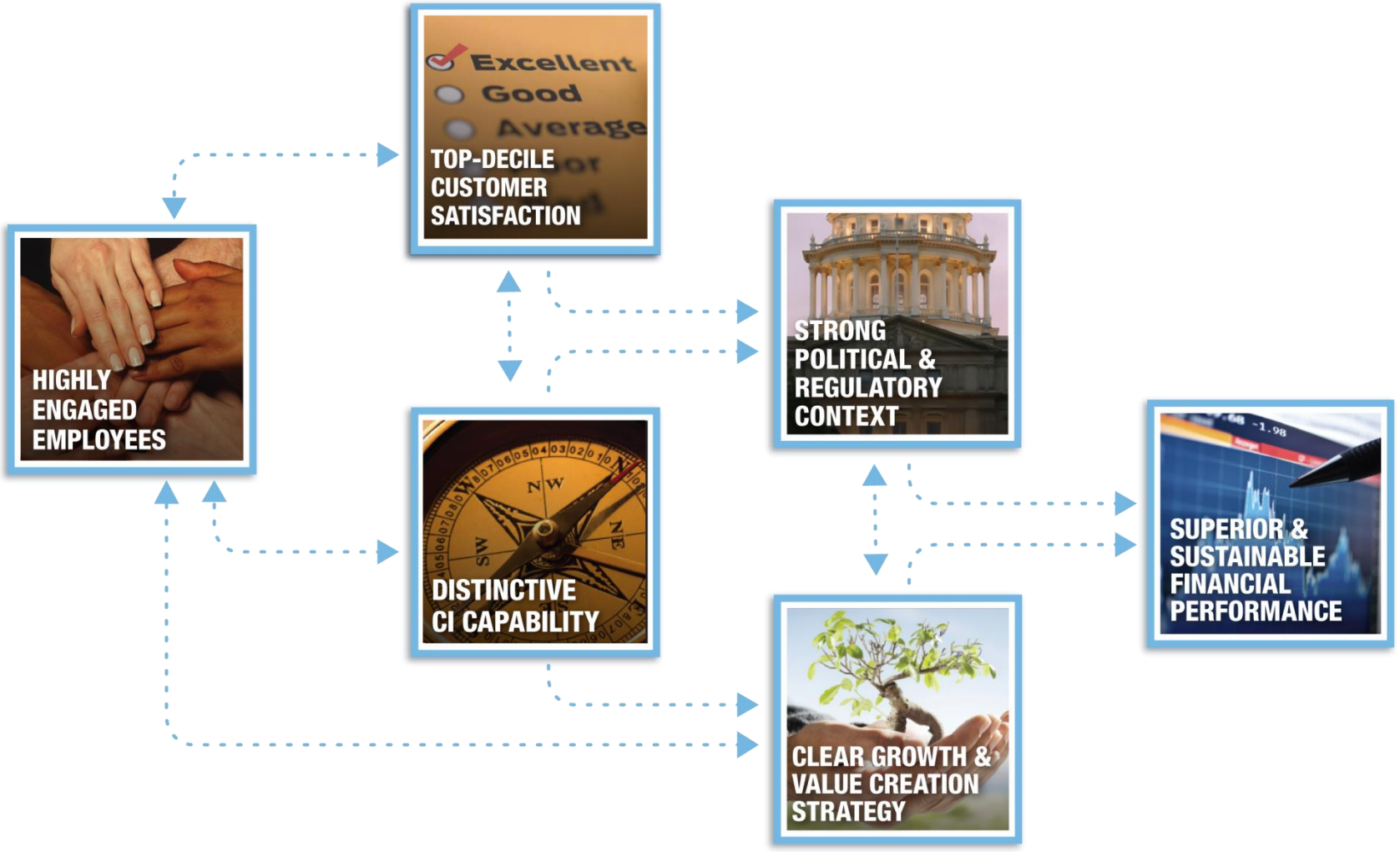
Own and operate energy related assets



Energy Trading

Generate economic value and provide strategic benefits

Our system of priorities is fundamental to how we create value for our shareholders



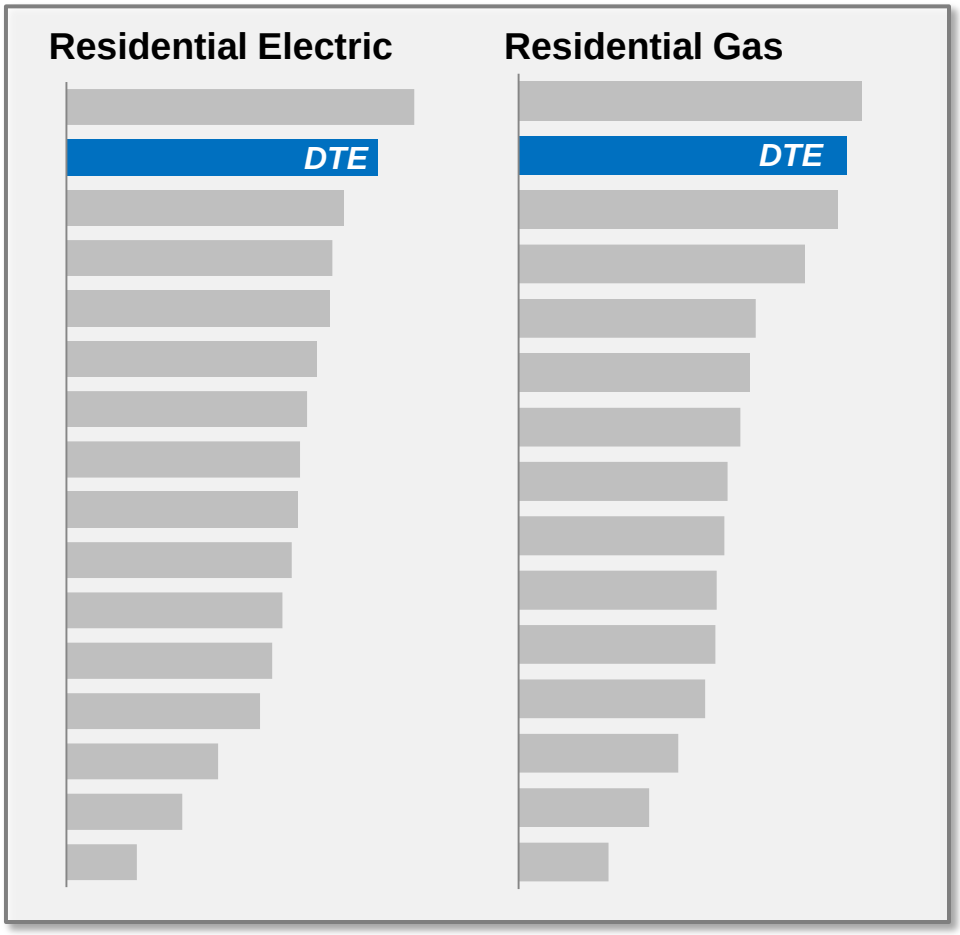
5% - 6% Annual EPS Growth

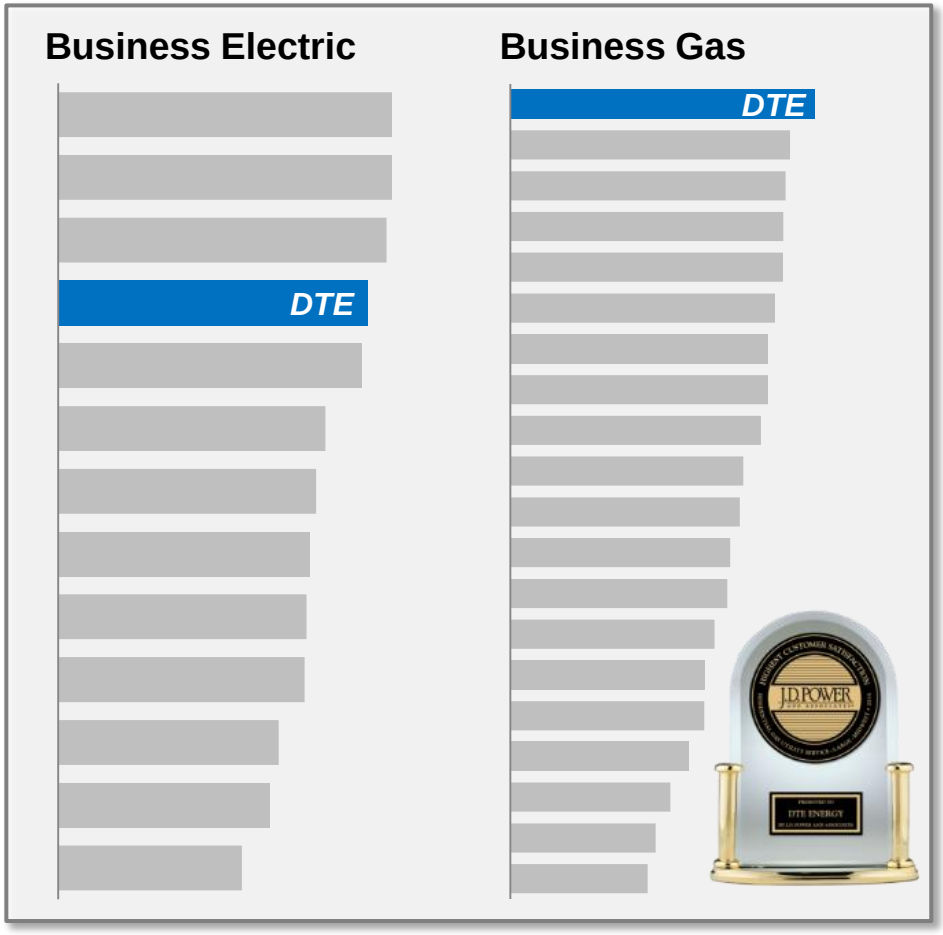
Attractive Dividend

Strong Balance Sheet

Engaged employees focusing on improving our customers' experiences have led to strong satisfaction results

J.D. Power Rank vs. Midwest Peers

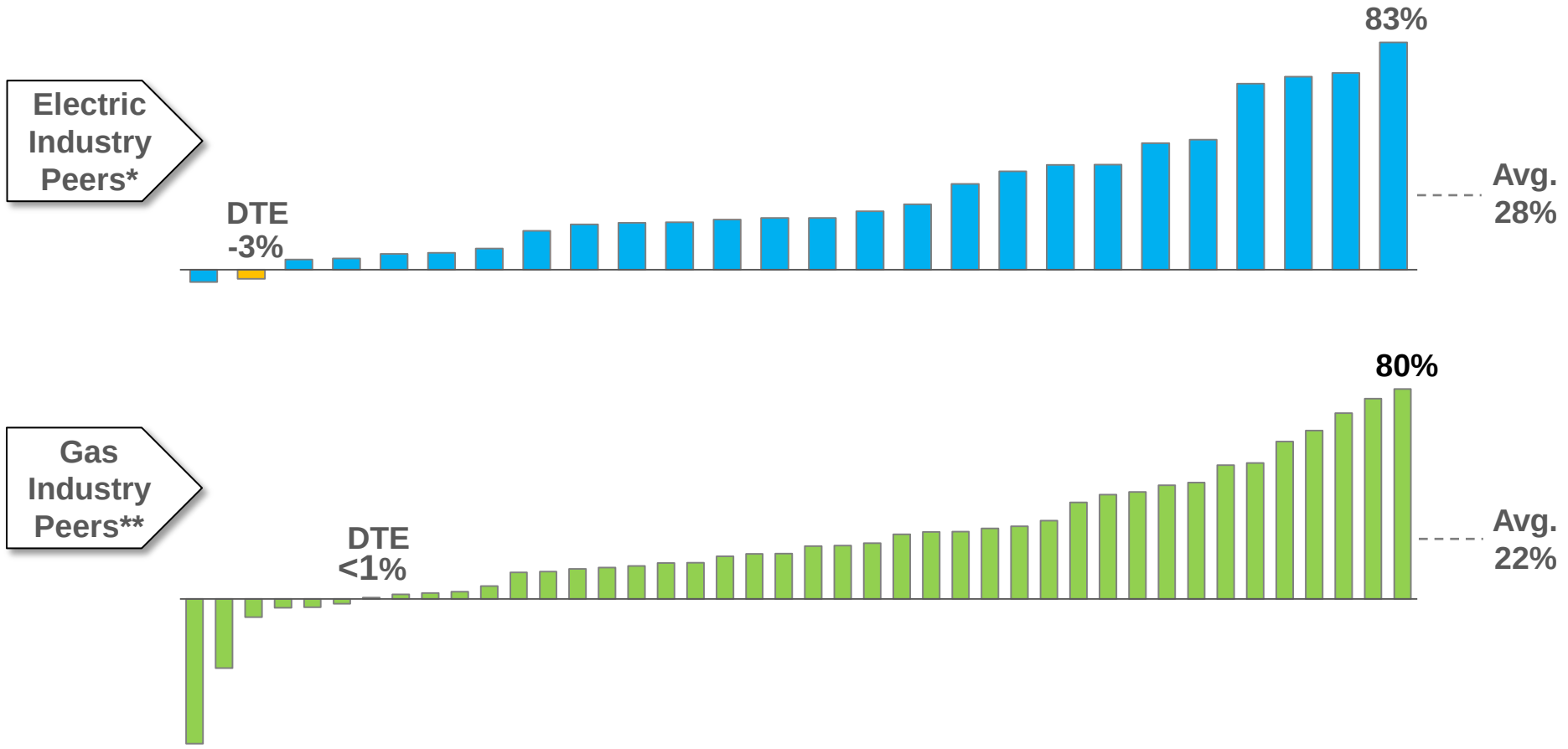




Note: DTE Energy received the highest numerical score in the Midwest in the proprietary J.D. Power 2015 Gas Utility Business Customer Satisfaction Study SM. Based on 9,243 online interviews ranking 20 Midwest providers. Proprietary study results are based on experiences and perceptions of businesses surveyed 4/14-7/14 and 8/14-12/14. Your experiences may vary. Visit jdpower.com

DTE's continuous improvement capability has enabled us to lead the industry in cost management

2008 to 2014 Change in O&M Costs



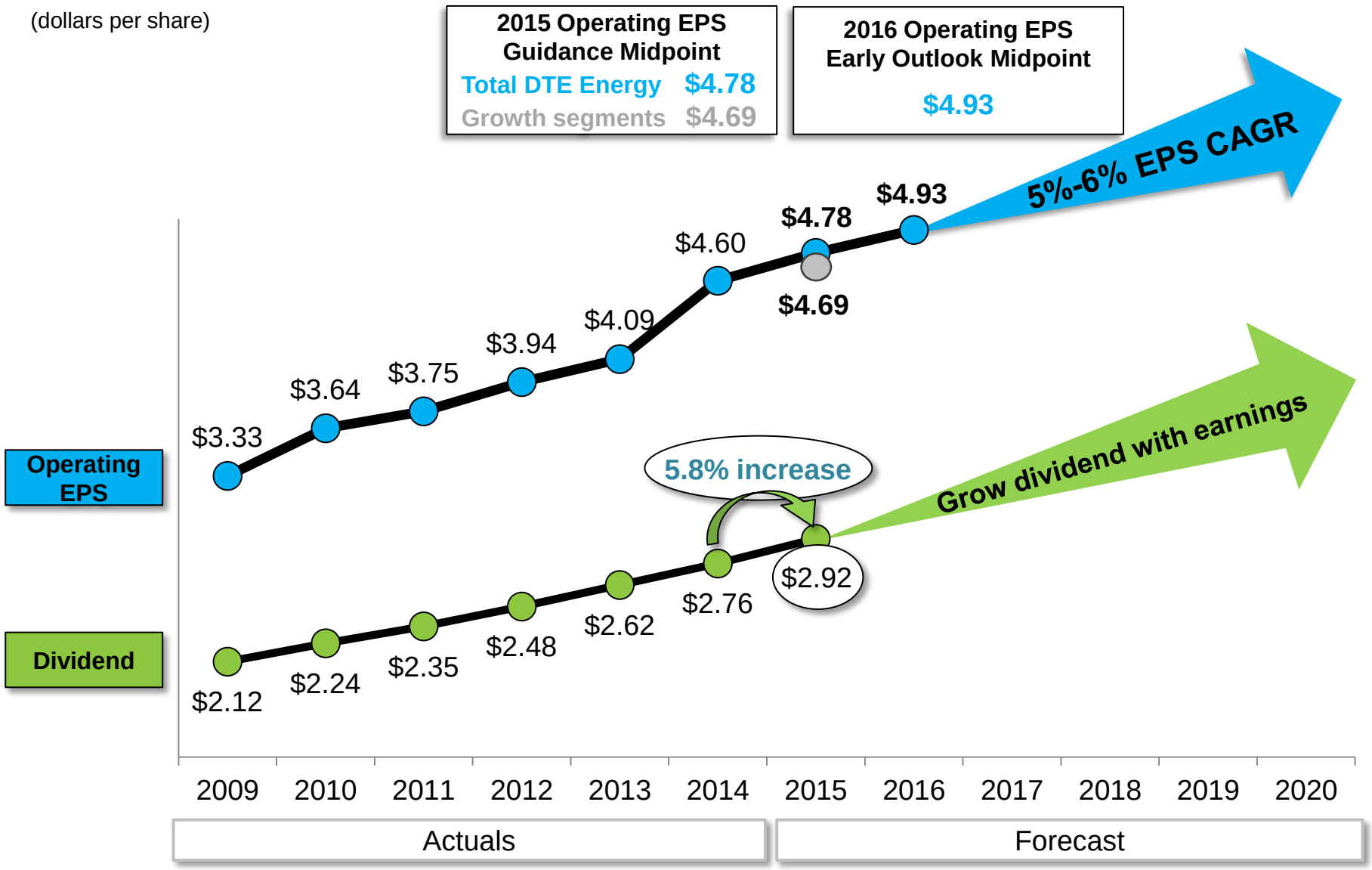
DTE has consistently ranked in the top of the peer group in cost control

* Source: SNL Financial, FERC Form 1; major US Electric Utilities with O&M > $800 million; excluding fuel and purchased power

** Source: SNL Financial, FERC Form 2; gas distribution companies with > 300,000 customers; excluding production expense

Our 2015 operating EPS* guidance and 2016 early outlook midpoints provide solid growth

(dollars per share)



* Reconciliation to GAAP reported earnings included in the appendix

We are reaffirming our 2015 operating EPS* guidance and 2016 early outlook

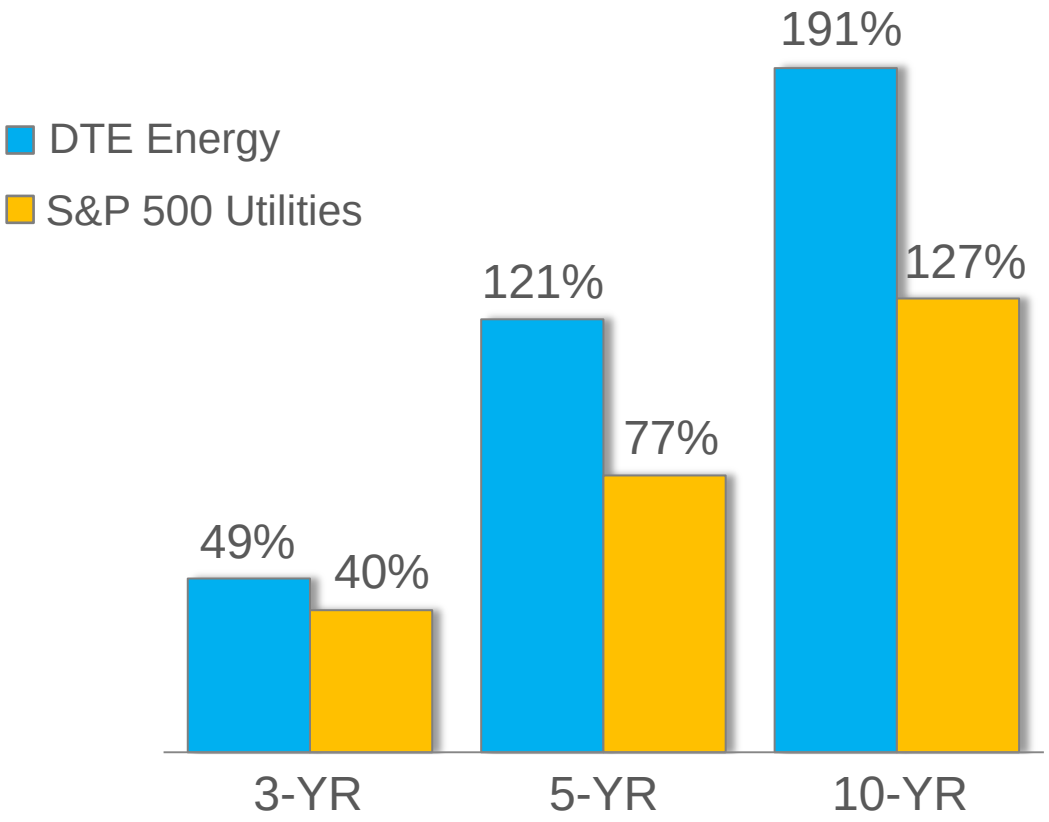
(millions, except EPS)	3Q 2015 YTD	2015 Guidance	2016 Early Outlook
DTE Electric	$461	$554 - $570 ✓	$588 - $604
DTE Gas	93	128 - 134 ✓	135 - 141
Gas Storage & Pipelines	79	95 - 100 ↑	102 - 110
Power & Industrial Projects	83	95 - 100 ↑	95 - 105
Corporate & Other	(47)	(50) - (46) ↓	(50) - (46)
Growth segments**	**$669**	**$822 - $858**	**$870 - $914**
Growth segments operating EPS	**$3.73**	**$4.59 - $4.79**	**$4.80 - $5.05**
Energy Trading	$14	$10 - $20 ↑	$0
DTE Energy	**$683**	**$832 - $878**	**$870 - $914**
Operating EPS	**$3.81**	**$4.65 - $4.91**	**$4.80 - $5.05**
Avg. Shares Outstanding	179	179	181

* Reconciliation to GAAP reported earnings included in the appendix

** Total DTE Energy excluding Energy Trading

DTE has consistently delivered total shareholder return above the peer average

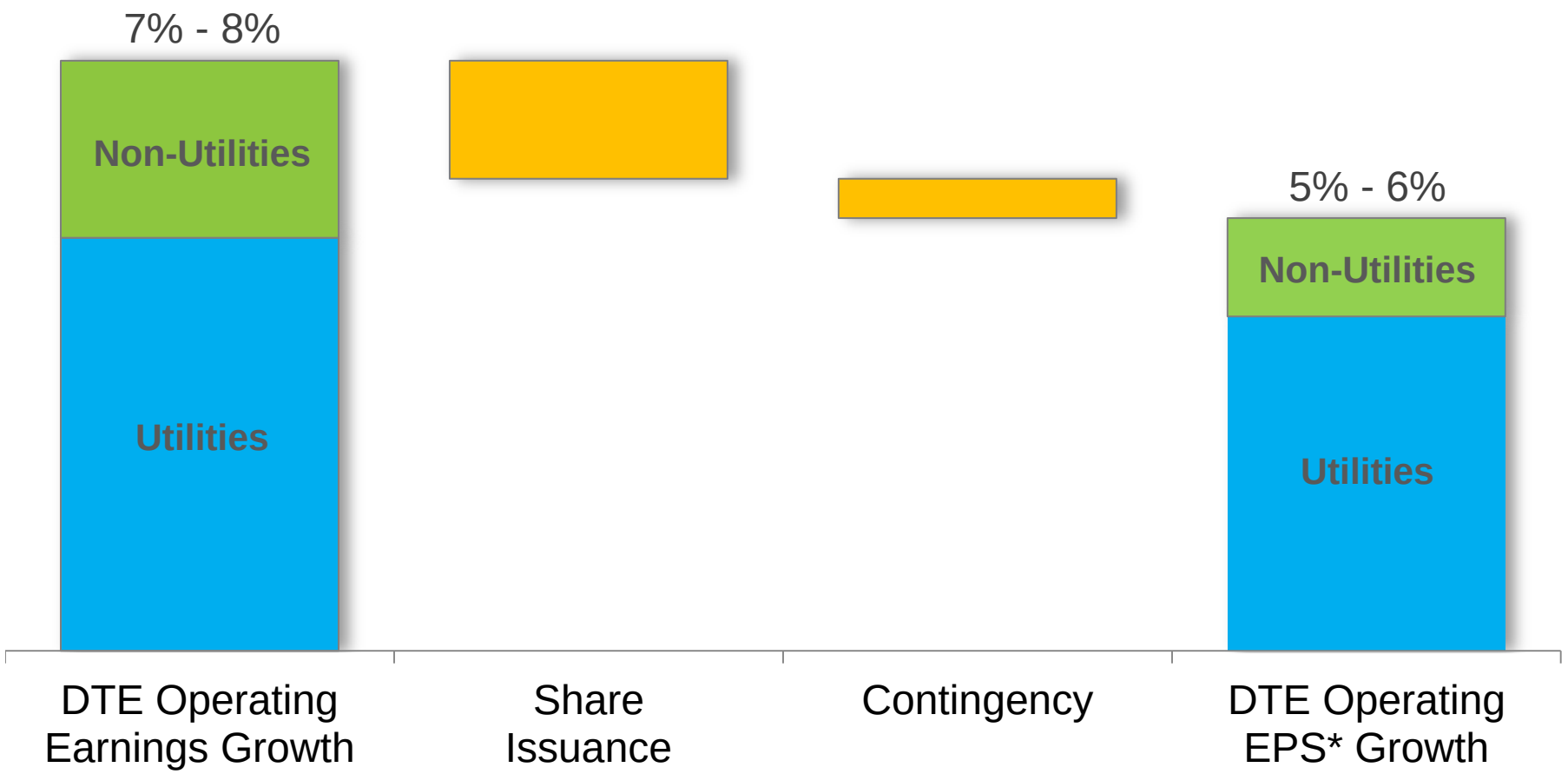
Total Shareholder Return



- Total return in or near top quartile of S&P 500 Utilities for 3, 5 and 10 years

Source: Bloomberg (as of 11/30/15)

Strong growth opportunities coupled with contingency planning gives us confidence in our ability to deliver 5% to 6% operating EPS growth going forward



* Reconciliation to GAAP reported earnings included in the appendix

- Overview
- **Long-Term Growth Update**
- Summary

Our long-term plan will provide solid results for our stakeholders

DTE Energy Forecast 2016 – 2020	Capital Expenditures ($ billions)	Operating Earnings Growth*	Rate Base Growth*	Targeted Utility ROE / Non-utility IRR
DTE Electric	$8.2	6% - 7%	6% - 7%	10.5%
DTE Gas	$1.6	7% - 8%	7% - 8%	10.5%
Gas Storage & Pipelines (GSP)	$2.0 - $2.6	10% - 15%		10% - 12%
Power & Industrial Projects (P&I)	$0.6 - $0.9	15% - 20%**		10% - 12%
DTE Energy	**~$13**	**7% - 8%**		

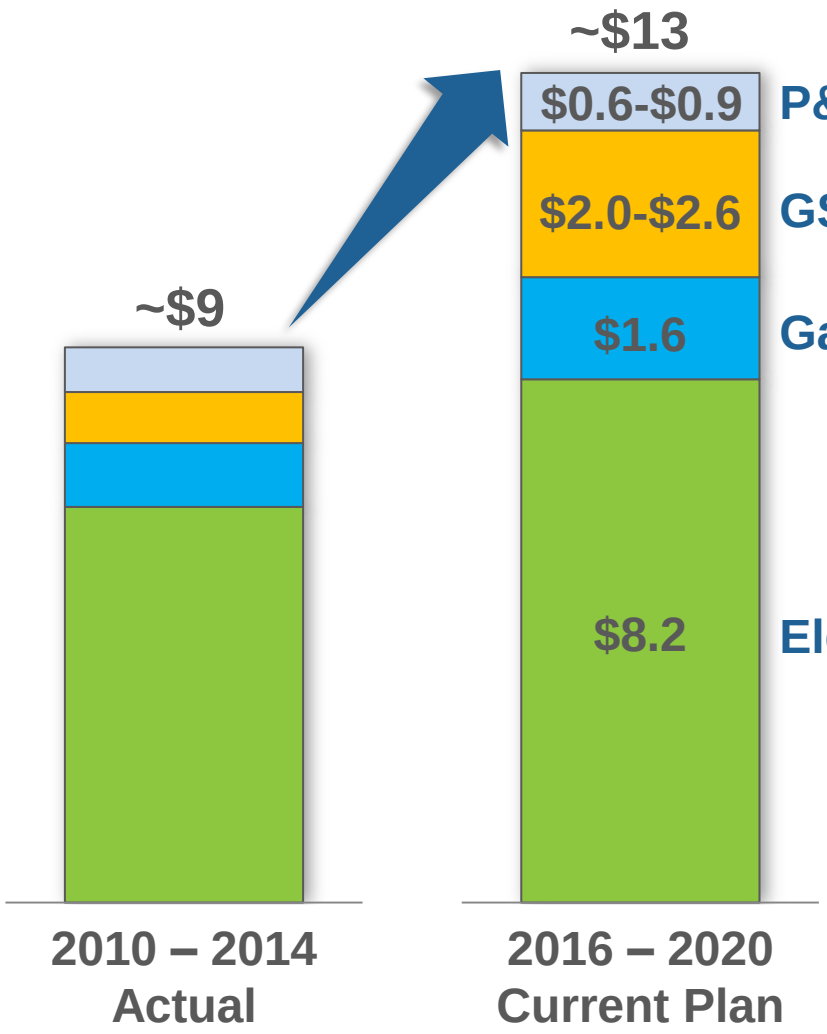
These targets provide for 5% to 6% operating EPS growth long term

* 5 year CAGR

** Growth rates are for the non-REF (reduced emissions fuel) business lines within P&I

We will invest ~$13 billion in capital projects to drive growth through 2020

(billions)



P&I ---------- Cogeneration, on-site energy

GSP ---------- Gathering investments, NEXUS, pipeline expansions

Gas ---------- Base investments, infrastructure renewal, NEXUS related

Electric -------- Distribution infrastructure, maintenance, new generation

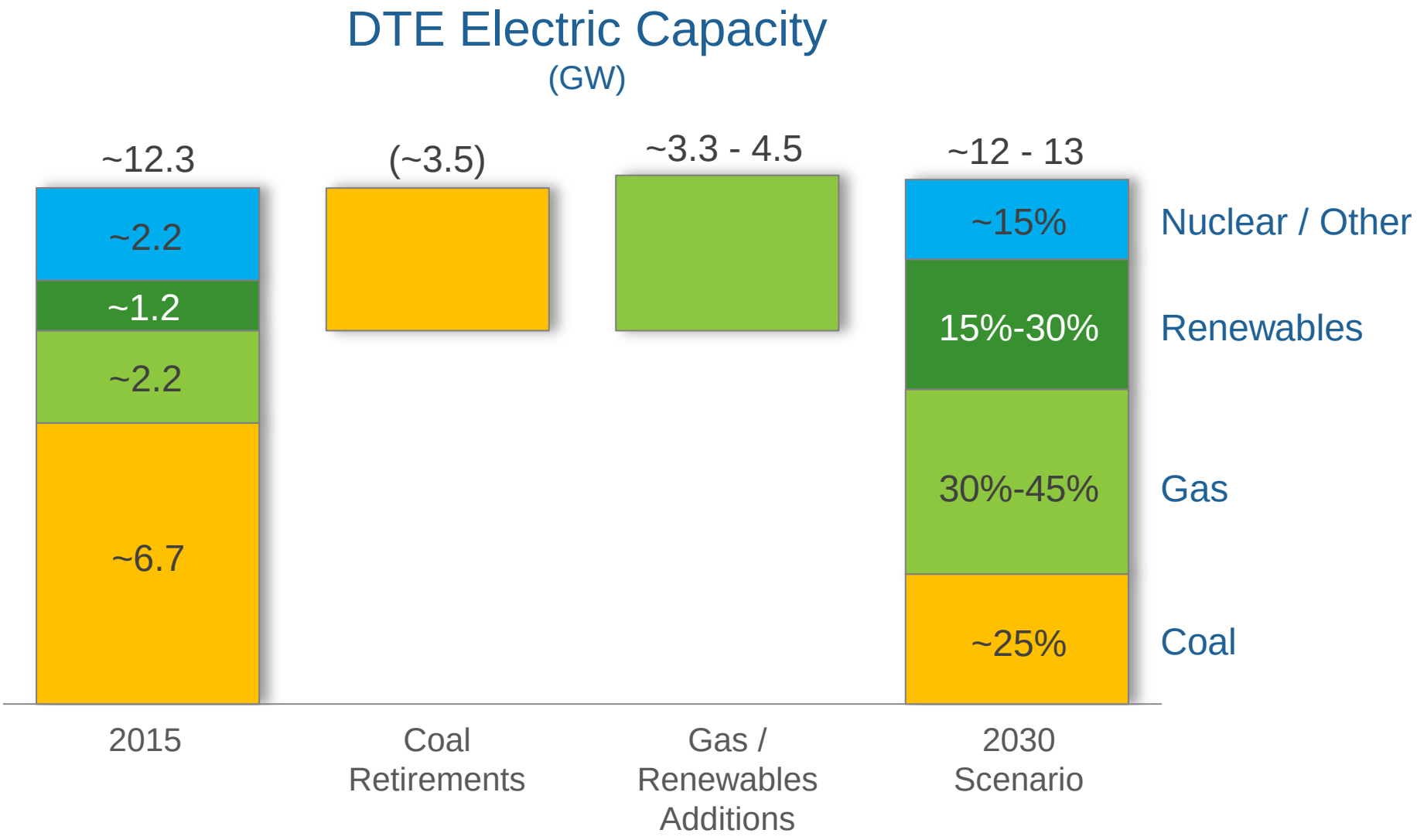
The EPA's Clean Power Plan has set forth significant carbon reduction goals which will transform the electric industry

DTE Energy



- ✓ The most transformational policy in the history of the electric industry
- ✓ Will cut CO_2 emissions by 32% by 2030, compared to 2005
- ✓ Initial compliance plans to be submitted by September 2016; final plans by September 2018
- ✓ Initial compliance to begin 2022 with full compliance in 2030

Our generation mix shifts from coal to natural gas and renewables as we address the EPA's Clean Power Plan



Note: Estimated amounts. Timing and mix of generation impacted by MISO capacity requirements and Michigan and EPA policies

Lansing leaders are working toward constructive energy policy reform



Governor
Rick Snyder



John
Quackenbush
MPSC Chair



Valerie Brader
Executive Director for the Michigan Agency for Energy



Senator Mike Nofs
Energy and Technology Committee Chair



Representative
Aric Nesbitt
Energy Policy Committee Chair

1. Clean
2. Reliable
3. Flexible
4. Affordable

Energy legislation is in final stages of development and near-term approval is expected



- House and Senate closely aligned
- Key elements focus on:
  - ✓ Retail open access and capacity requirements
  - ✓ Integrated resource planning
  - ✓ Renewable energy and energy efficiency

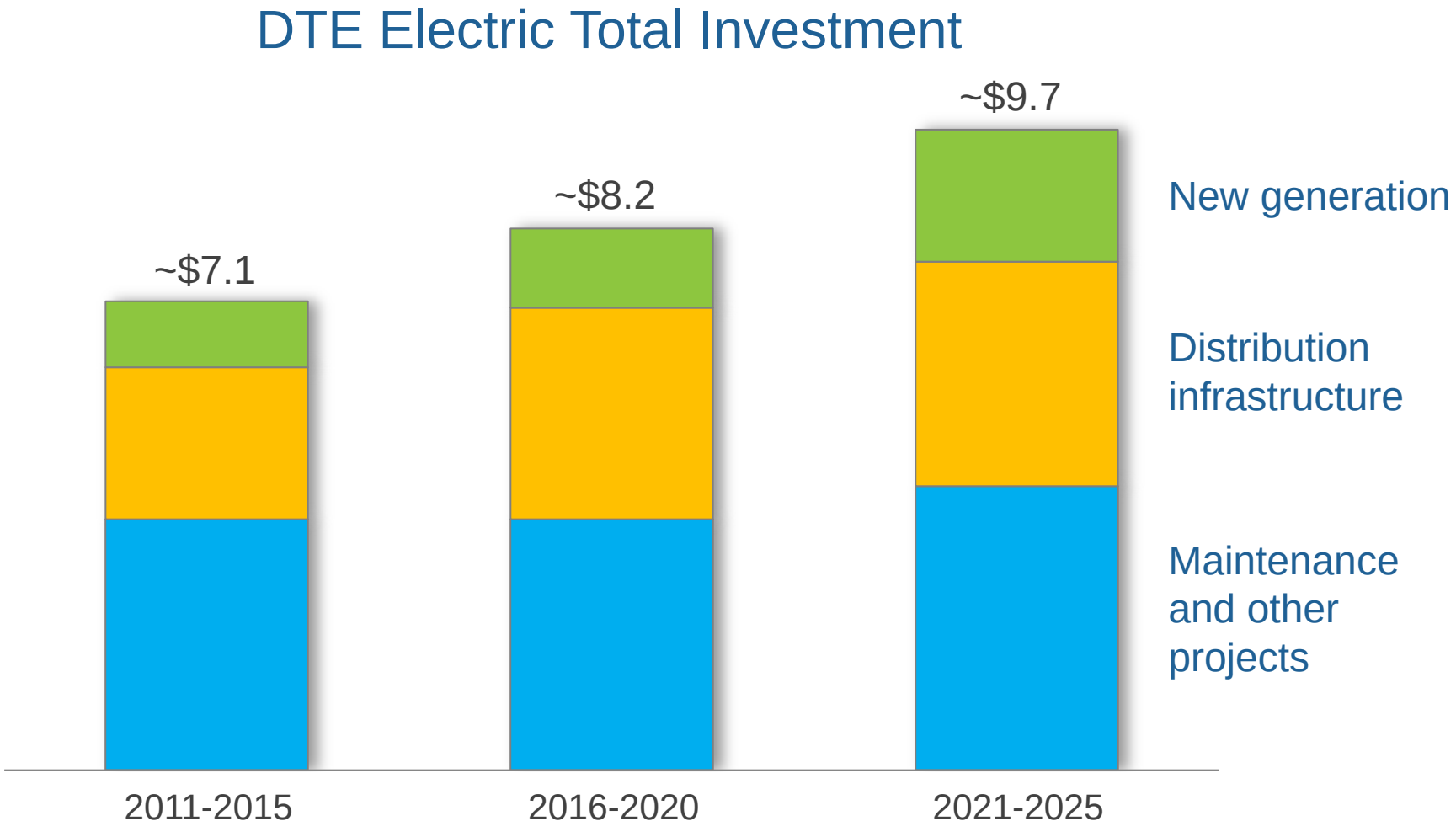


Potential timing

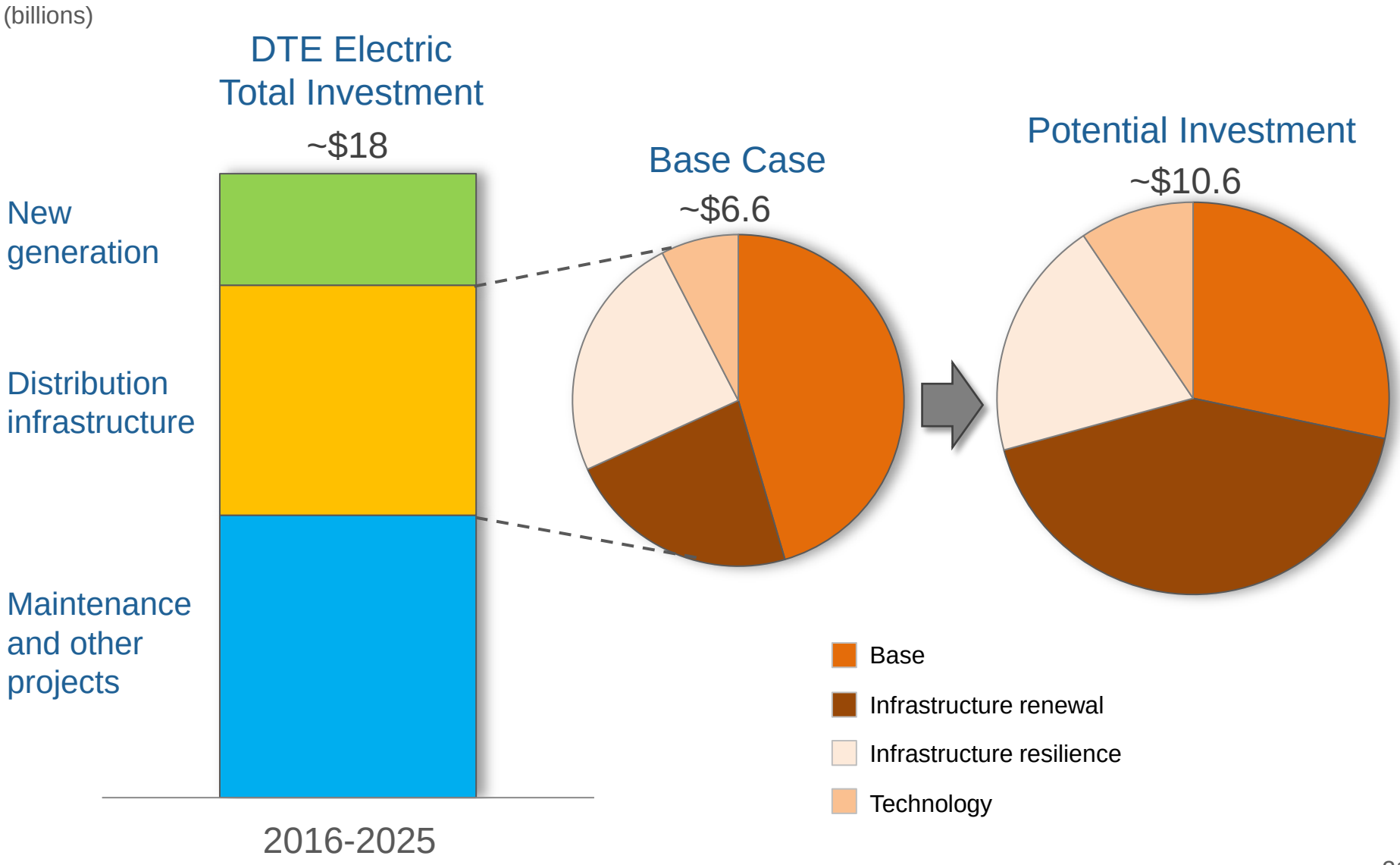
Oct/Nov	Dec	Jan	Jan/Feb
Revisions of committee proposals	House approval	Senate vote	Governor's signature of bill

Electric generation and infrastructure renewal will significantly increase investment in the decade ahead

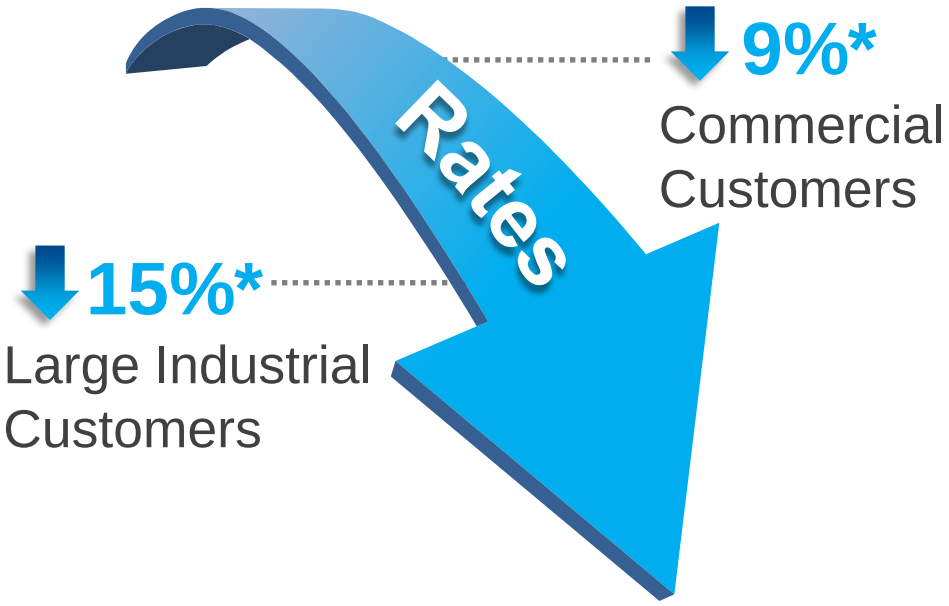
(billions)



Over the next 10 years we plan to invest $6.6 billion to $10.6 billion in distribution infrastructure



We enter this period of heavy investment with sharp declines in business rates



- $600 million of surcharge reductions in 2014 and 2015
- Business cost of service rates implemented in 2015
- These reductions are after $230 million July self-implementation
- Additional rate reductions in January 2016 with $100 million PSCR** reduction

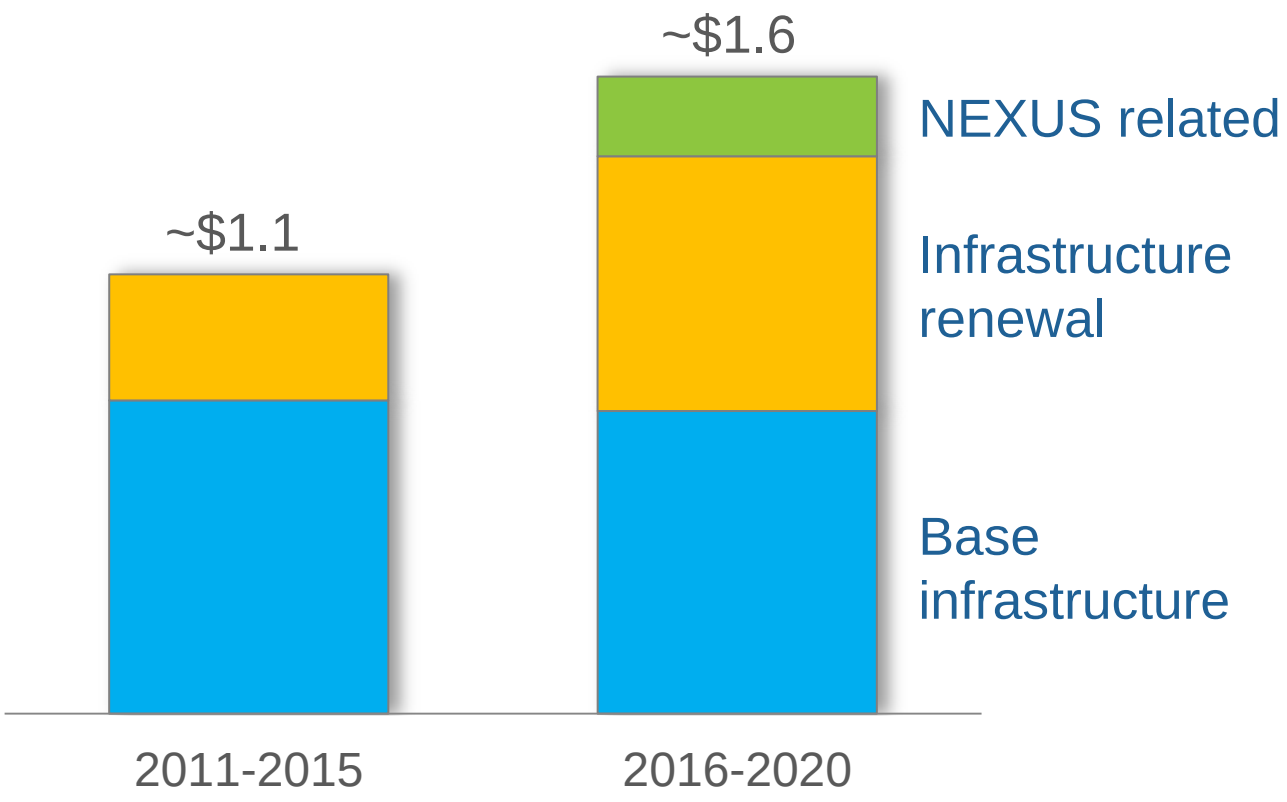
* Average rate reduction from 2013 through 2015 self-implementation

** Power Supply Cost Recovery

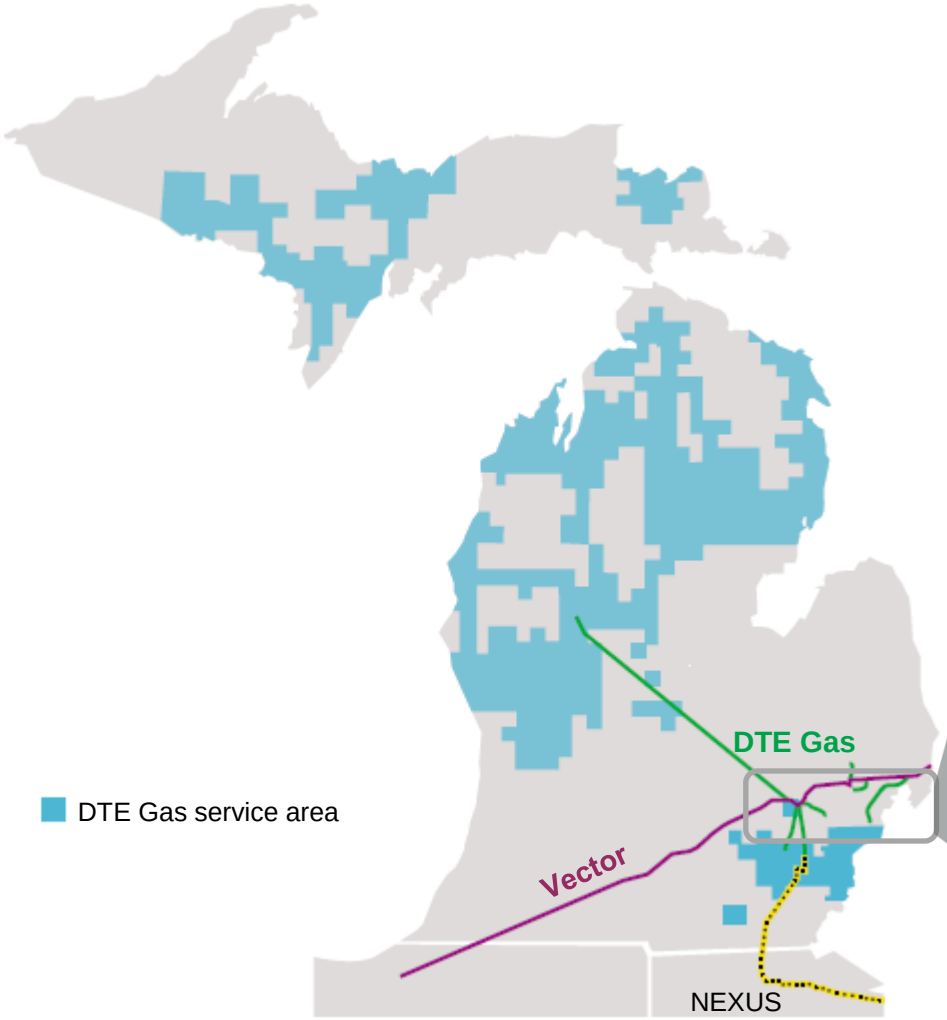
Investment in our gas utility will increase significantly over the next 5 years

(billions)

DTE Gas Total Investment

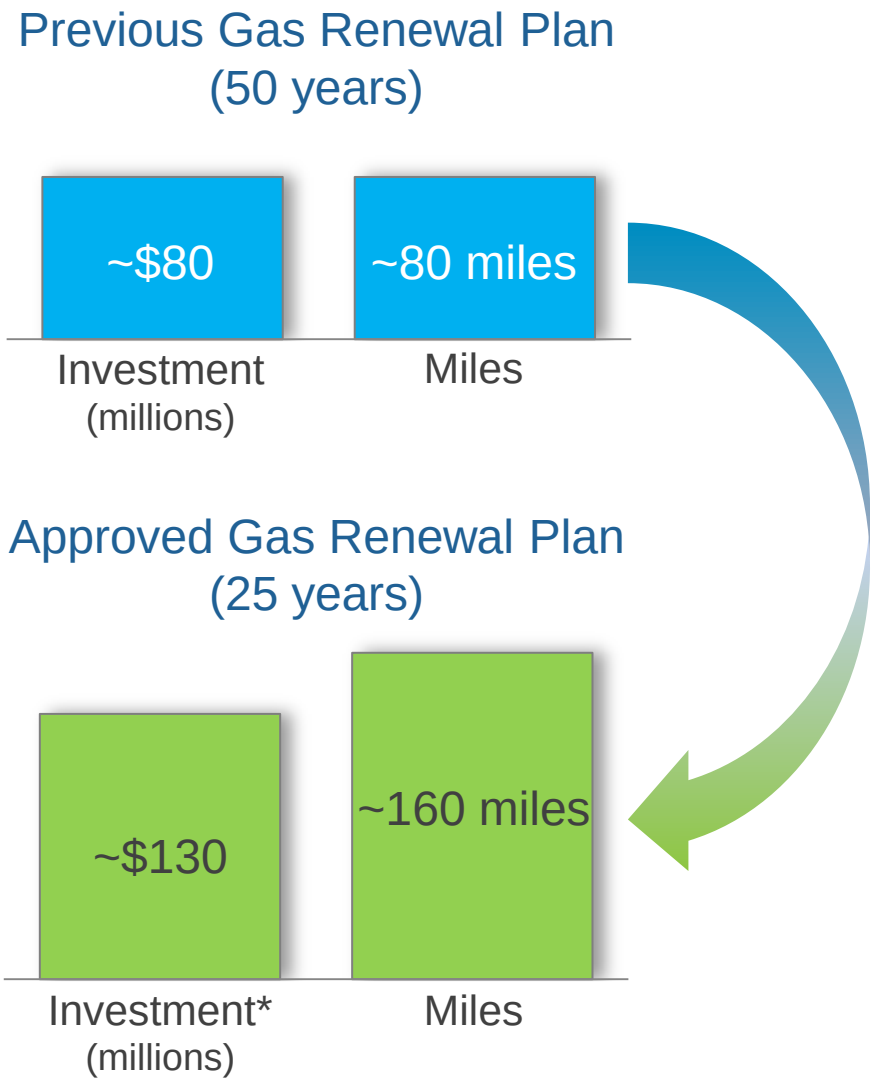


The DTE Gas system will be expanded to support the NEXUS interconnection



- $200 million of NEXUS related investment at DTE Gas through 2017
- Spend primarily for additional compression
- Supported by long-term transport agreement with NEXUS

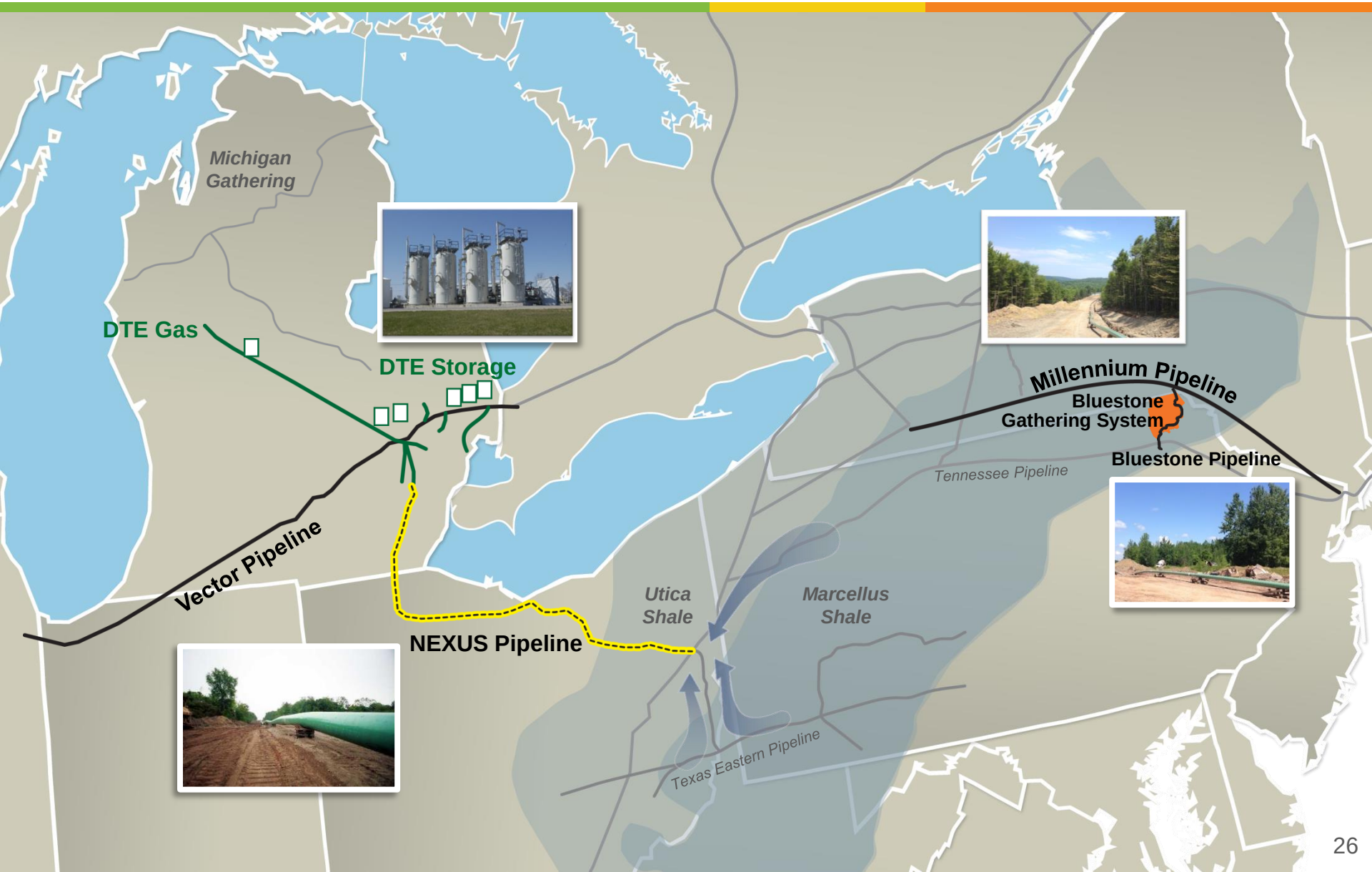
We received approval to expand our main replacement program



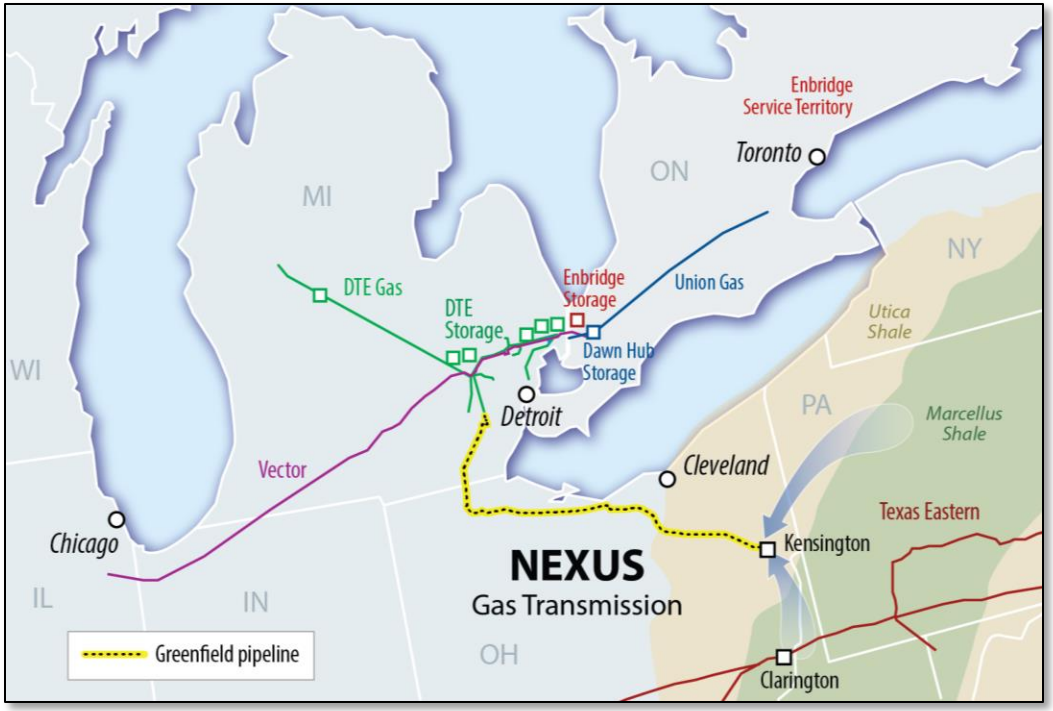
- MPSC approved expansion of main replacement program in November 2015
- Cuts renewal timeline in half, from 50 years to ~25 years
- Surcharge phased in 2016/2017

* Consists of main replacement, meter move-out and pipeline integrity

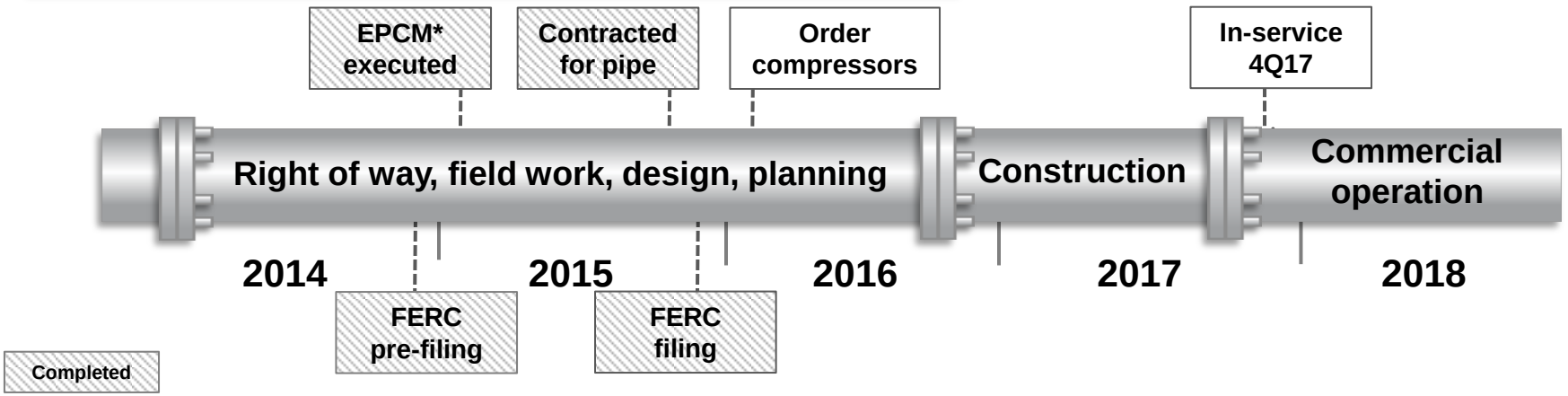
Gas Storage & Pipelines is developing an asset portfolio with multiple growth platforms



NEXUS project is on track; FERC filing completed in November



- 50% ownership with Spectra Energy
- 1.5 Bcf/d pipeline
- ~250 miles of pipe
- DTE expected investment of $1 billion



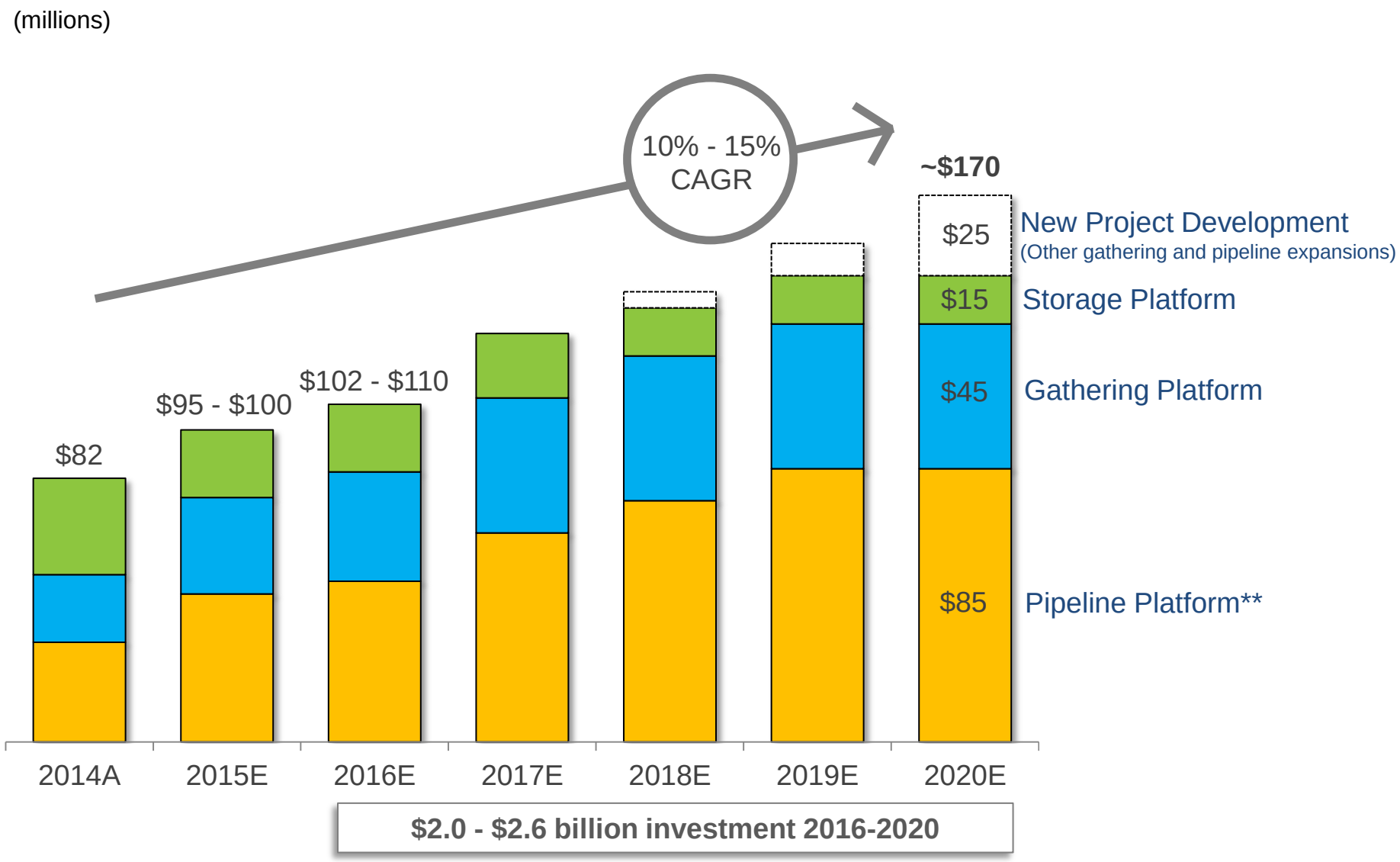
* Engineering, procurement, construction and project management contract

The Ohio market has provided strong support on the NEXUS path



- ✓ Interconnect agreements with local distribution companies, industrials and power generators in Ohio – 1.4 Bcf/d of opportunity
- ✓ Close proximity to significant additional power generation load

Gas Storage & Pipelines is targeting operating earnings* of $170 million by 2020



* Reconciliation to GAAP reported earnings included in the appendix

** Includes NEXUS at 50% ownership

Power & Industrial Projects (P&I) operates within three distinct business lines

Industrial Energy Services

- On-site utility services for industrial and commercial customers
- Coke and pulverized coal for steel customers



Renewable Energy

- Wood-fired power plants
- Landfill gas to energy projects

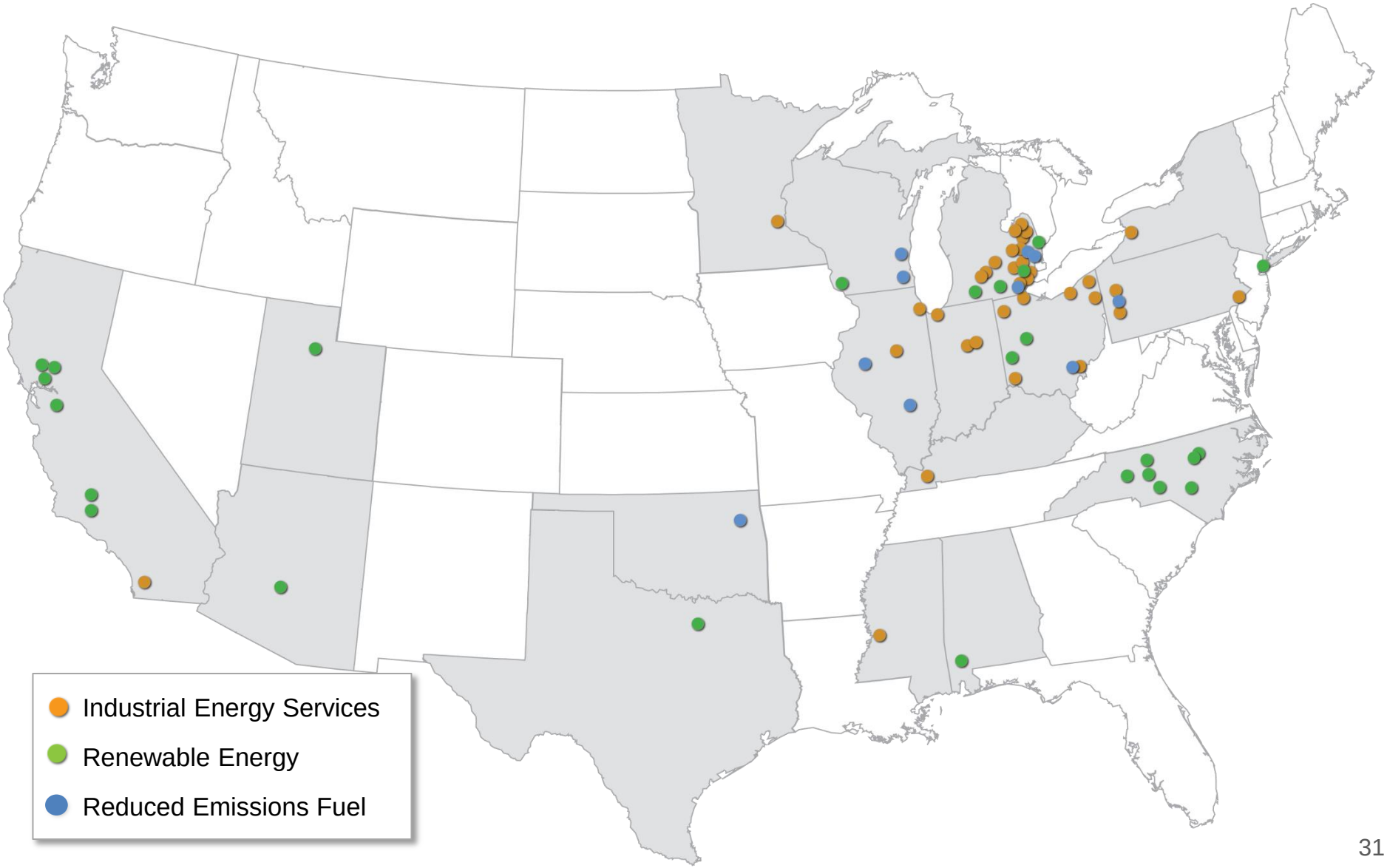


Reduced Emissions Fuel (REF)

- Projects reduce emissions from coal-fired plants
- Utility contracted



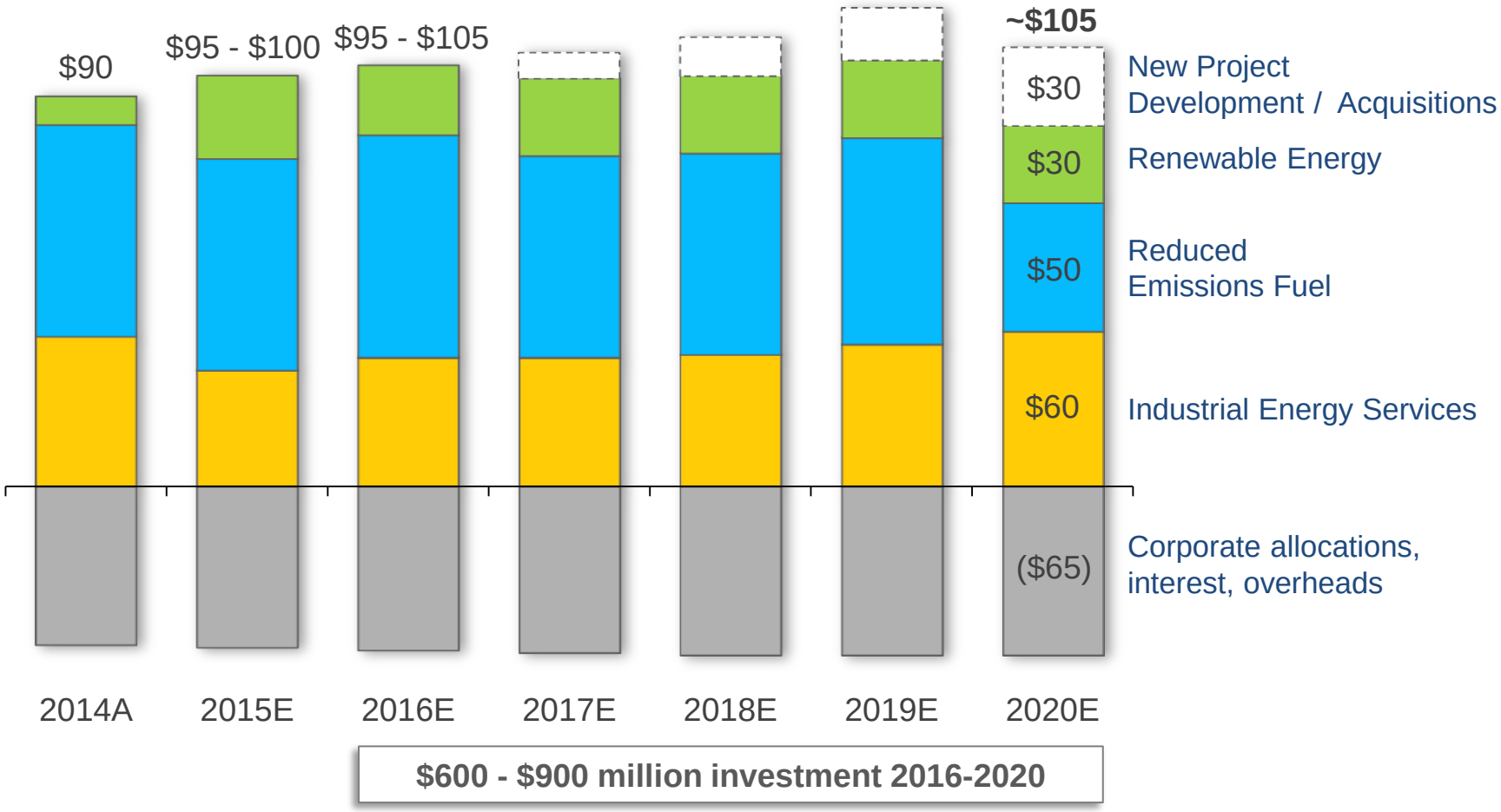
P&I serves its customers from 69 sites in 17 states



P&I's targeted new project growth of 15% to 20% will offset reduced emissions fuel expirations in 2020

(millions)

Operating Earnings*



* Reconciliation to GAAP reported earnings included in the appendix

- Overview
- Long-Term Growth Update
- Summary

Summary

- Proven track record of premium returns
- Targeting 5% to 6% operating EPS* growth and parallel dividend growth
  - Our 2016 early outlook midpoint of $4.93 EPS* represents 7% growth from original 2015 guidance midpoint
  - This year we increased our annual dividend 16 cents to $2.92 per share, a 5.8% increase
- Progress in Michigan's energy policy reform and constructive outcomes in DTE's regulatory filings provide certainty in utility investment
- Strategic growth opportunities in non-utility businesses provide diversity in earnings and geography

* Reconciliation to GAAP reported earnings included in the appendix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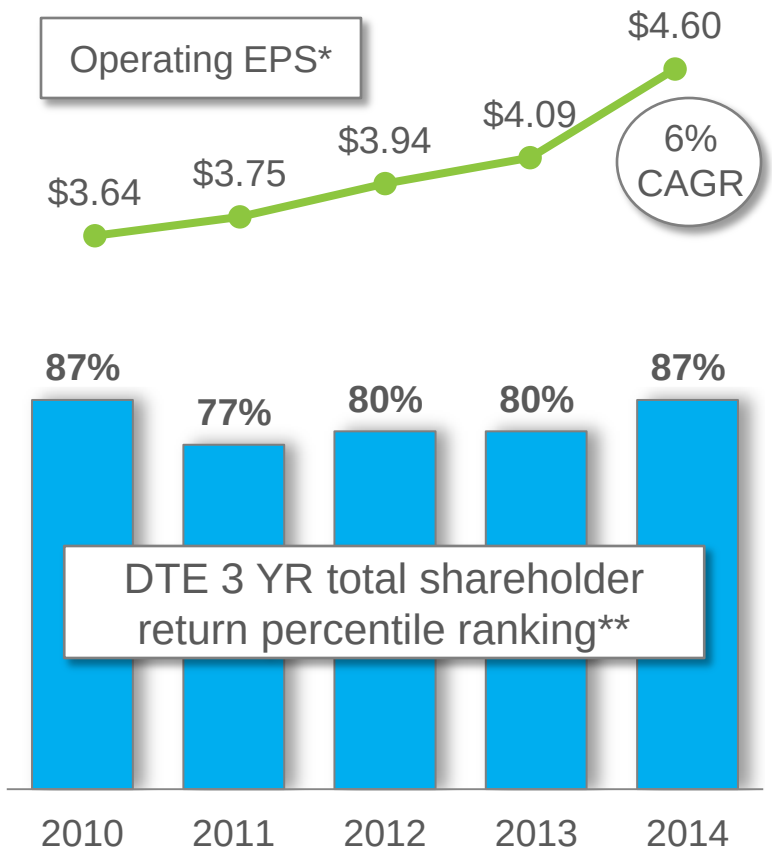
Appendix

We are confident our growth plan will deliver value to our shareholders

History of growth



Plan for success

2015 operating EPS Guidance midpoint

***$4.78** total DTE*

***$4.69** growth segments*

2016 operating EPS early outlook midpoint
$4.93

Providing 5% - 6% growth

***Significant** capital investment in the next 5 to 10 years...*

*...and **investment** need exceeds our plan*

* Reconciliation to GAAP reported earnings included in the appendix

** Compared to S&P 500 utilities. Source: Bloomberg

2015 cash flow and capital expenditures guidance

(billions)

Cash Flow Summary

	2014 Actual	2015 Guidance
Cash From Operations*	$1.8	$1.8
Capital Spending	(2.1)	(2.5)
Free Cash Flow	($0.3)	($0.7)
Asset Sales & Other	$ -	$0.1
Dividends	(0.5)	(0.5)
Net Cash	($0.8)	($1.1)
Debt Financing:		
Issuances	$2.0	$1.4
Redemptions	(1.2)	(0.3)
Change in Debt	$0.8	$1.1

(millions)

Capital Expenditures Summary

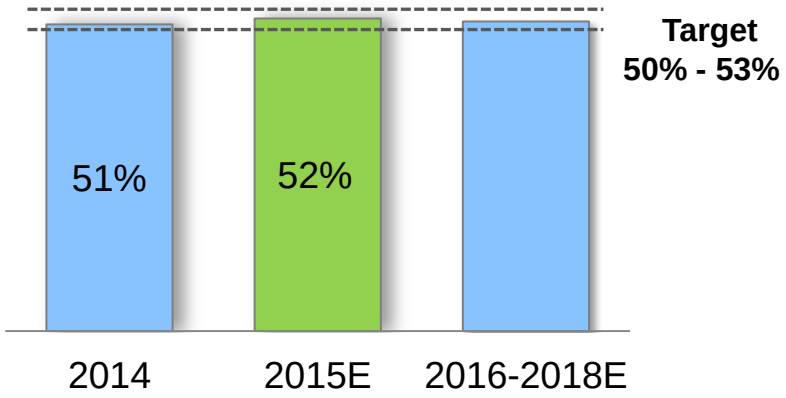
	2014 Actual	2015 Guidance
DTE Electric		
Operational	$1,187	$1,270
Environmental	169	100
New Generation	205	450
	$1,561	$1,820
DTE Gas		
Operational	$143	$200
Main Replacement**	81	80
	$224	$280
Non-Utility	$309	$350
Total	$2,094	$2,450

* Includes impact of ~$200 million of equity issued for employee benefit programs in 2015

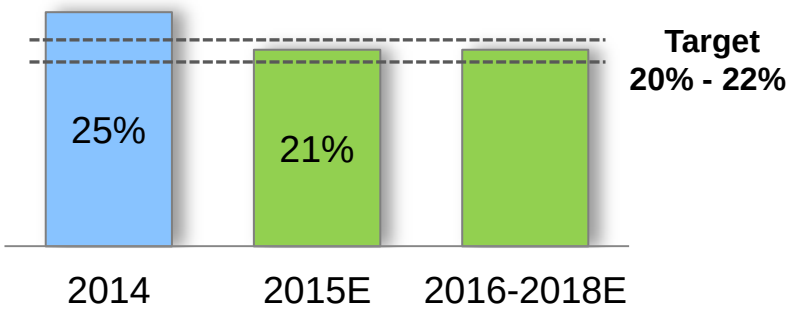
** Includes Main renewal / Meter Move-out / Pipeline Integrity

A strong balance sheet remains a key priority and supports our growth

Leverage*



FFO** / Debt*

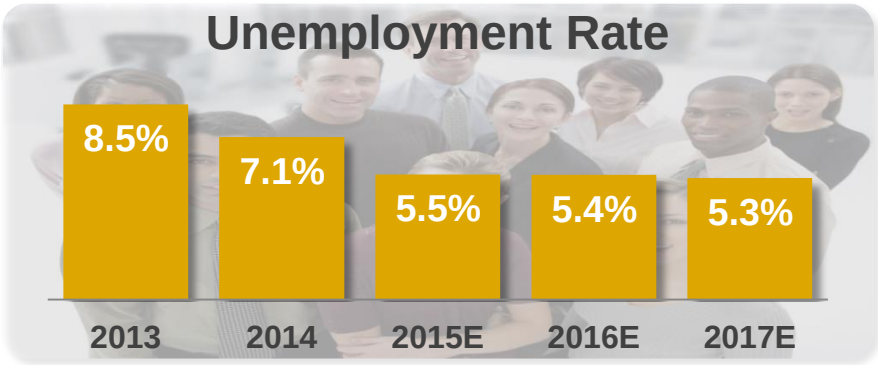


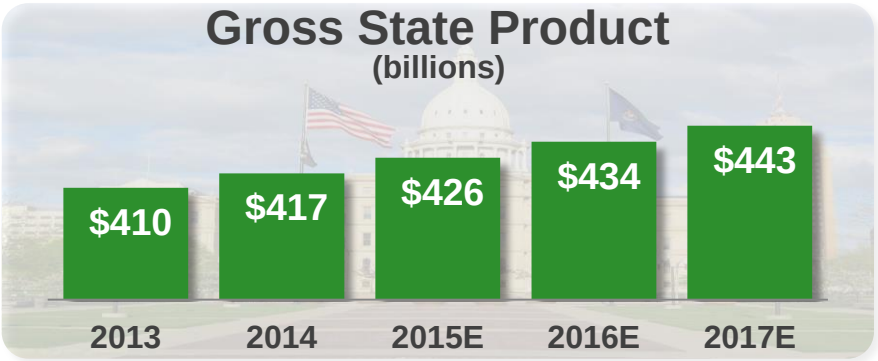
- Completed 2015 equity issuances of $200 million
  - Targeting ~$800 million of equity issuances next 3 years
  - DTE Gas issued $165 million of long-term debt in 3Q15
- $1.8 billion of available liquidity as of September 30, 2015
- Consistently maintain strong balance sheet metrics

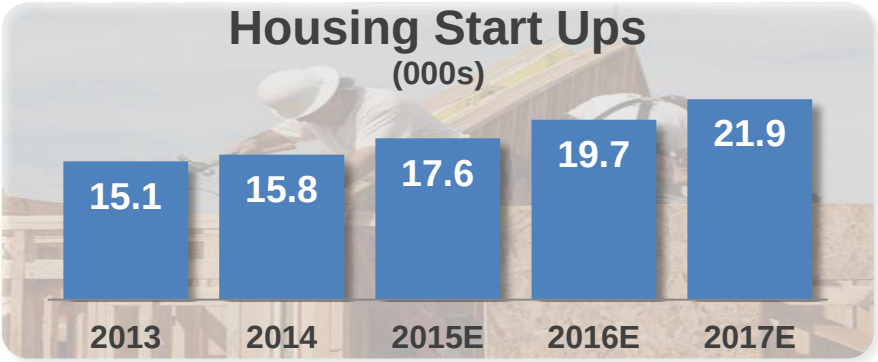
* Debt excludes securitization, a portion of DTE Gas' short-term debt, and considers 50% of the Junior Subordinated Notes as equity

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

Michigan's economy continues to improve







Source: IHS

Lowest Michigan unemployment since 2001

#7 most competitive state for job creation*

Michigan has **most** new manufacturing jobs since 2009**

#6 best state to make a living in 2015***

Detroit Metro **#8** in number of new or expansion projects*

* Source: Site Selection magazine
** Source: State of Michigan website
*** Source: Forbes

The Michigan Public Service Commission (MPSC) is the state regulator for electric and gas utilities

- The MPSC establishes fair and reasonable rates and administers fair terms and conditions of service for Michigan's utility customers
- The MPSC is composed of three members appointed by the Governor with the advice and consent of the Senate
- Commissioners are appointed to serve staggered six-year terms
- One commissioner is designated as chairman by the Governor



John Quackenbush
Chairman
Appointed: 9/15/11
Term Ends: 7/2/17



Sally Talberg
Commissioner
Appointed: 7/3/13
Term Ends: 7/2/19



Norm Saari
Commissioner
Appointed: 8/2/15
Term Ends: 7/2/21

Source: State of Michigan website - www.michigan.gov/

DTE regulatory filing timeline

DTE Electric

2014

- Filed cost of service rates and general rate case

2015

- Business cost of service rates implemented 3Q
- Self implement general rates 3Q
- Final rate order 4Q

2016

- Expect rate case filing 1H

DTE Gas

2014

- Filed expanded Infrastructure Recovery Mechanism (IRM)

2015

- IRM expansion approval 4Q
- Expect rate case around year end

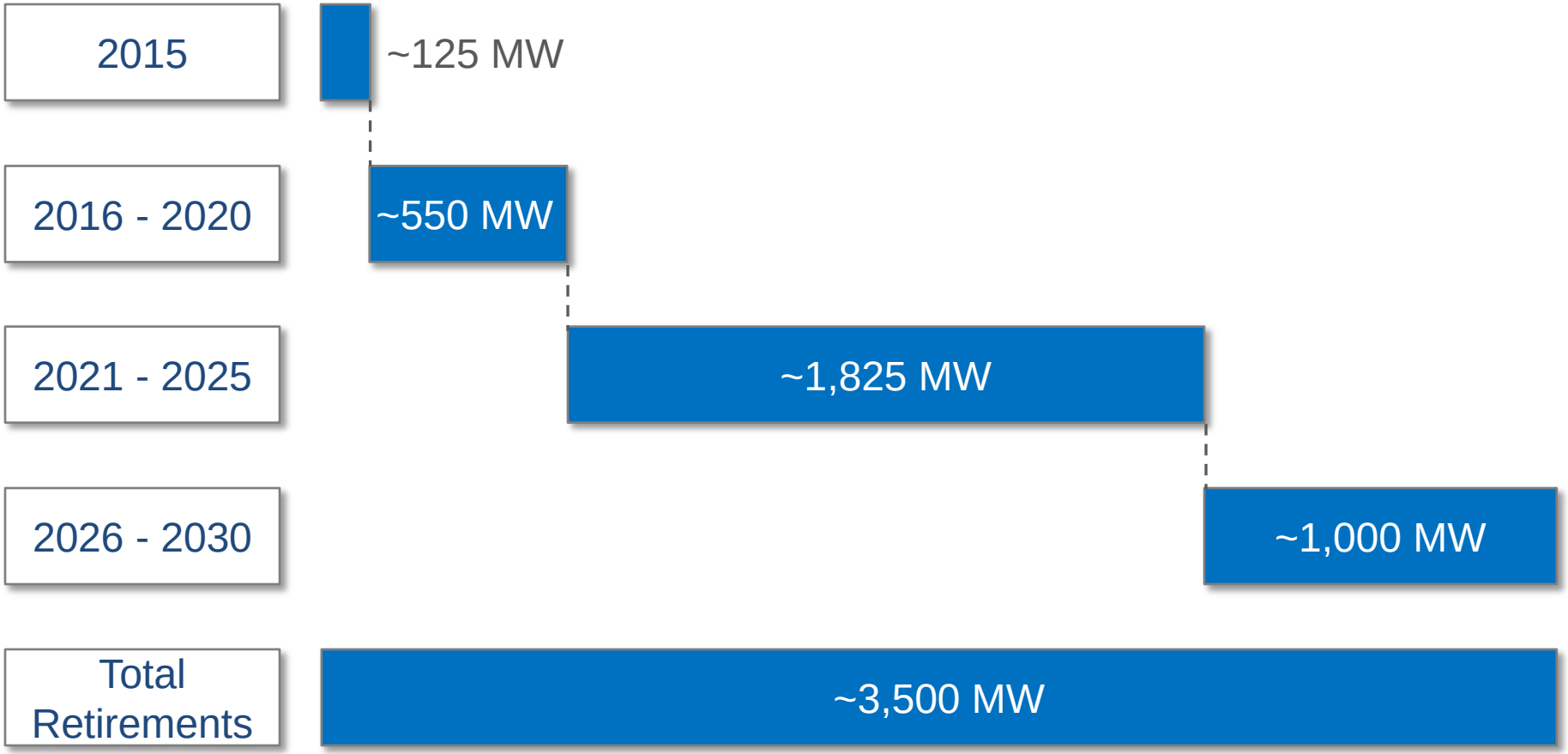
2016

- Begin expanded IRM 1Q

Coal retirements will commence in the 5 year window and then accelerate after 2020

DTE Coal Retirement Timeline

(Scenario*)

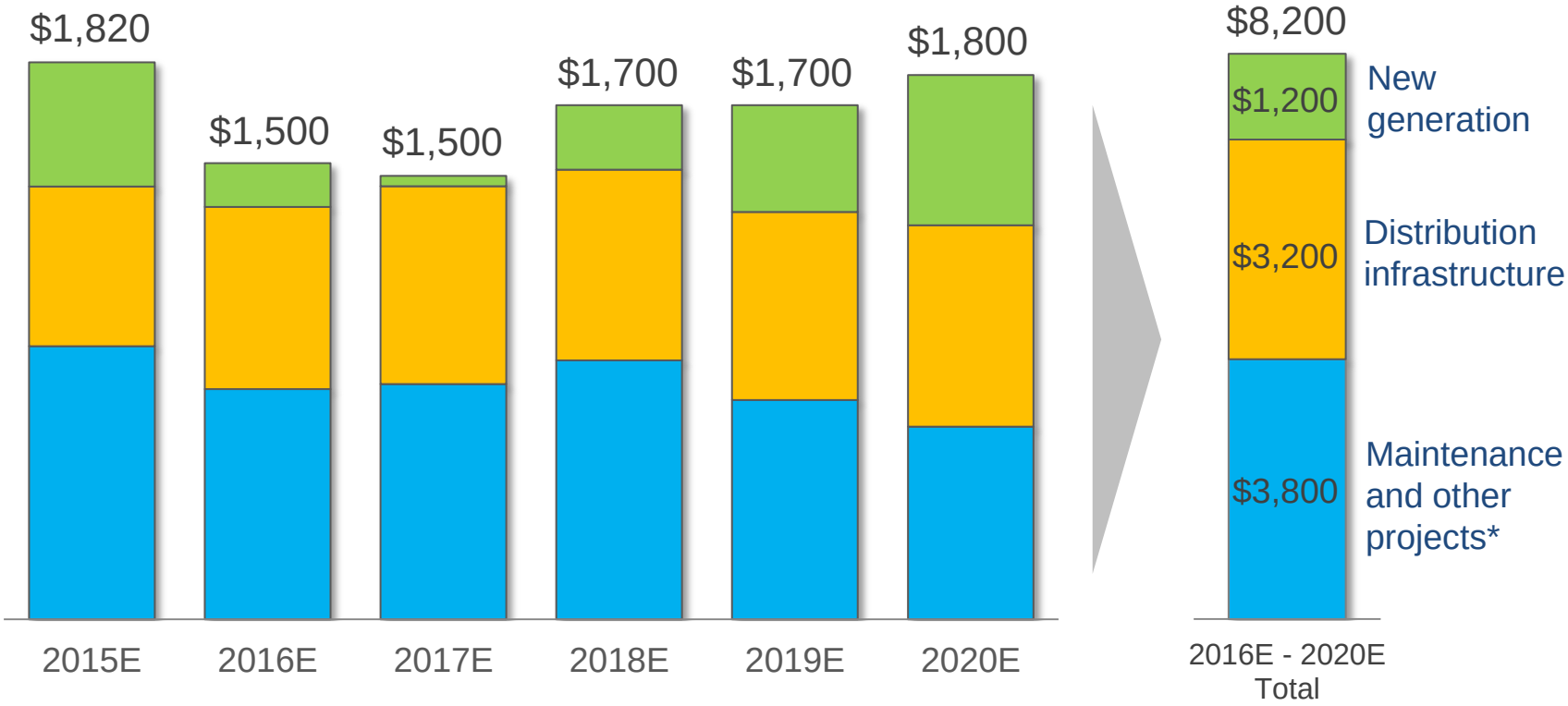


* Estimated amounts. Timing and mix of generation impacted by MISO capacity requirements and Michigan and EPA policies

DTE Electric plans $8.2 billion of investments over the next 5 years

(millions)

Targeting 6% - 7% growth



Depreciation ~$663M → ~$888M

YE Rate Base** ~$14.5B → ~$19.4B

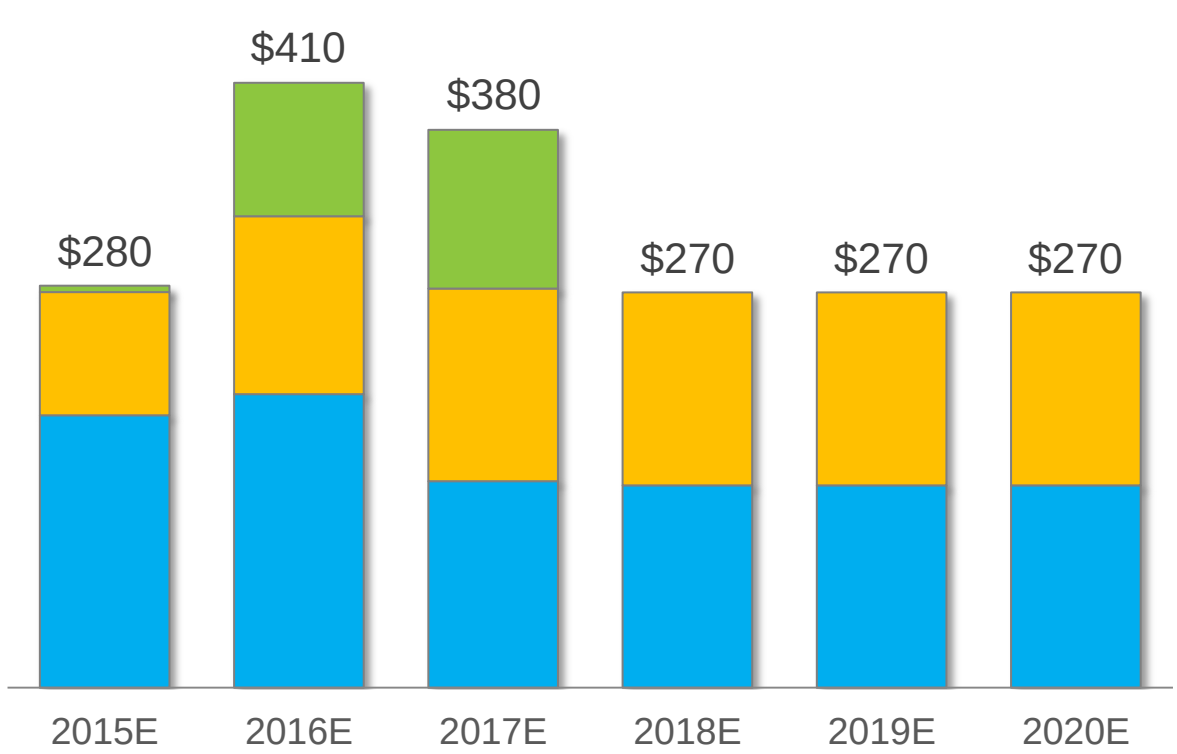
* Includes power reliability, existing generation maintenance, AMI, Ludington expansion and other investments

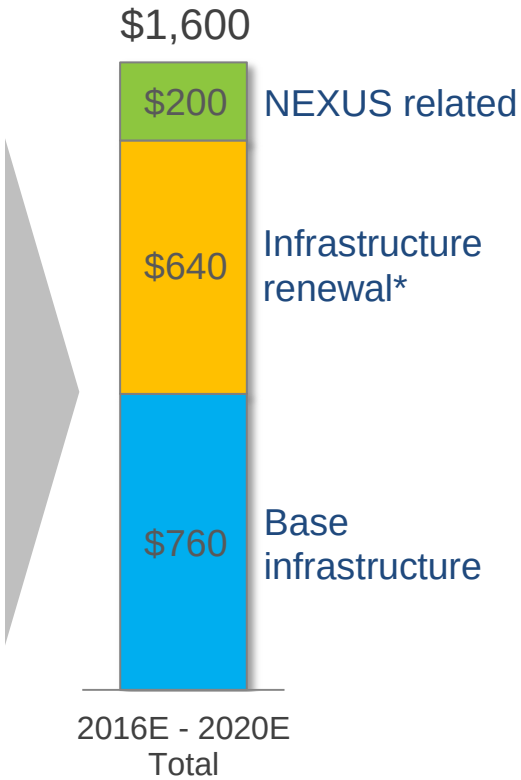
** Includes working capital

DTE Gas plans $1.6 billion of investments over the next 5 years

(millions)

Targeting 7% - 8% growth





Depreciation ~$102M → ~$136M

YE Rate Base** ~$3.3B → ~$4.5B - $4.6B

* Includes main renewal, meter move-out and pipeline integrity

** Includes working capital

Gas Storage & Pipelines operates projects within 3 asset platforms

Pipeline Platform

- Bluestone Pipeline
- Millennium Pipeline
  - Valley Lateral
- Vector Pipeline
- NEXUS Pipeline
  - FERC filing completed



Gathering Platform

- Bluestone Gathering
- Michigan Gathering

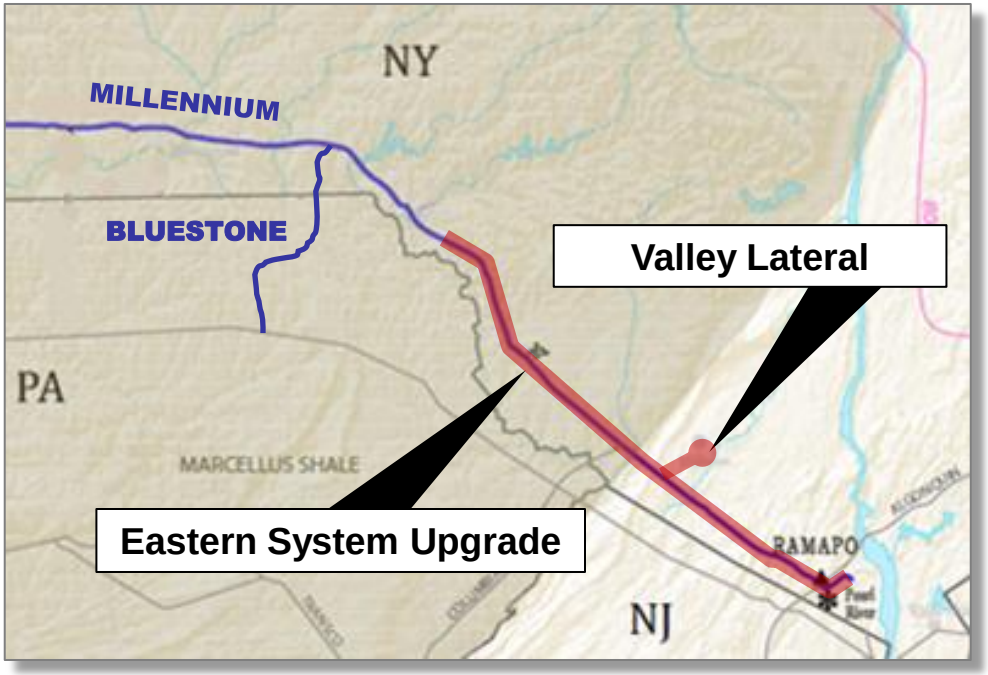


Storage Platform

- 91 Bcf of working capacity
- Strategically located between Chicago and Dawn trading hubs



Contractual commitments materially expand the Millennium pipeline



- Millennium Expansion
  - 200+ MMcf/day
  - In-service expected 4Q 2018
- Valley Lateral: ~130 MMcf/day on new 8 mile lateral
  - FERC filing complete November 2015; in-service expected April 2017
- Working with interested parties on additional expansion opportunities

Gas Storage & Pipelines assets have expansion opportunities to accommodate increased demand

Pipeline Assets	Capacity Bcf/ d	In-Service
Millennium Pipeline	0.8	
Expansion #1	0.2+	4Q 2018
Total Planned Capacity	**~1.0**	
Bluestone Pipeline (bi-directional)*	0.9	
Expansion #3	0.1	2Q 2016
Total Planned Capacity	**1.0**	
Vector Pipeline**	**1.3**	
NEXUS Pipeline	**1.5**	4Q 2017

* Includes 0.2 Bcf/d expansion completed in 2014 and 0.1 Bcf/d expansion completed in 2015

** Expiring capacity fully recontracted through Q4 2014 open season process

Third Quarter 2015 and September YTD Reconciliation of Reported to Operating Earnings

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.

	Net Income (millions)				EPS			
	3Q'15	3Q'14	YTD '15	YTD '14	3Q'15	3Q'14	YTD '15	YTD '14
DTE Energy Reported Earnings	$ 265	$ 156	$ 647	$ 606	$ 1.47	$ 0.88	$ 3.61	$ 3.42
DTE Electric								
2011/2012 PSCR* disallowance			12				0.07	
DTE Gas								
Gas Storage & Pipelines								
Power & Industrial Projects								
Contract termination			10				0.05	
Corporate & Other								
NY state tax law change				8				0.04
Energy Trading								
Natural gas pipeline refund			(10)				(0.06)	
Certain mark to market adjustments	(13)	25	24	(5)	(0.07)	0.14	0.14	(0.02)
DTE Energy Operating Earnings	$ 252	$ 181	$ 683	$ 609	$ 1.40	$ 1.02	$ 3.81	$ 3.44

* Power Supply Cost Recovery

2009 – 2014 Full Year
Reconciliation of Reported to Operating Earnings

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.

	Net Income (millions)						EPS					
	2009	2010	2011	2012	2013	2014	2009	2010	2011	2012	2013	2014
DTE Energy Report Earnings	**$ 532**	**$ 630**	**$ 711**	**$ 610**	**$ 661**	**$ 905**	**$3.24**	**$3.74**	**$4.18**	**$3.55**	**$3.76**	**$5.10**
DTE Electric												
Chrysler bad debt	4						0.02					
Settlement with Detroit Thermal		(3)						(0.02)				
Fermi 1 asset retirement obligation			9						0.05			
DTE Gas												
Performance excellence process		(20)						(0.12)				
Gas Storage & Pipelines												
Power & Industrial Projects												
Chrysler bad debt	1						0.01					
General Motors bad debt	3						0.02					
Coke oven gas settlement				7						0.04		
Chicago Fuels terminal sale				2						0.01		
Pet coke mill impairment				1						0.01		
Asset impairment					4						0.02	
Energy Trading												
Certain mark-to-market transactions					55	(102)					0.31	(0.57)
Corporate & Other												
Antrim hedge	3						0.01					
Michigan corporate income tax adj.			(87)						(0.50)			
Investment impairment						5						0.03
NY state tax law change						8						0.04
Unconventional Gas												
Discontinued operations	6	8	3	56			0.03	0.04	0.02	0.33		
DTE Energy Operating Earnings	**$ 549**	**$ 615**	**$ 636**	**$ 676**	**$ 720**	**$ 816**	**$3.33**	**$3.64**	**$3.75**	**$3.94**	**$4.09**	**$4.60**

Reconciliation of Other Reported to Operating Earnings

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.

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. These items may fluctuate significantly from period to period and may have a significant impact on reported earnings.

For comparative purposes, 2009 through 2012 operating earnings exclude the Unconventional Gas Production segment that was classified as a discontinued operation on 12/31/2012.