DTE Energy®

AGA Financial Forum
Business Update

May 17-19, 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.

- **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

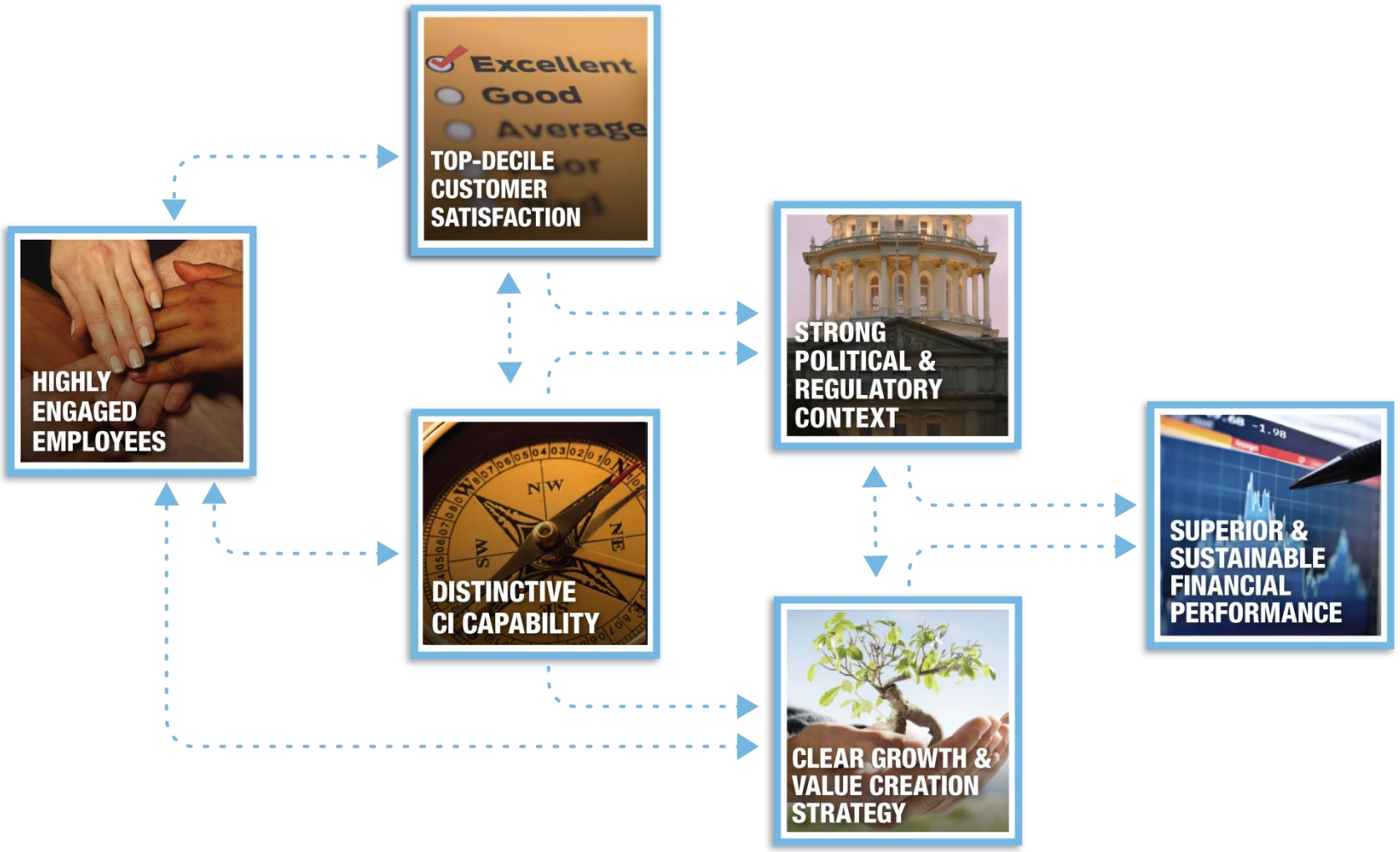


Energy Trading

Generate economic value and provide strategic benefits

DTE's earnings are ~95% regulated or contracted, consisting of electric and gas utilities, FERC regulated pipelines and long-term contracted energy projects

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



5% - 6% Annual EPS Growth | **Attractive Dividend** | **Strong Balance Sheet**

DTE Energy has earned Gallup's Great Workplace Award for the third year in a row



- Winners recognized for extraordinary ability to create an engaged workforce culture
- Annual award granted to a handful of companies worldwide
- DTE Energy is the only utility company to ever receive the award

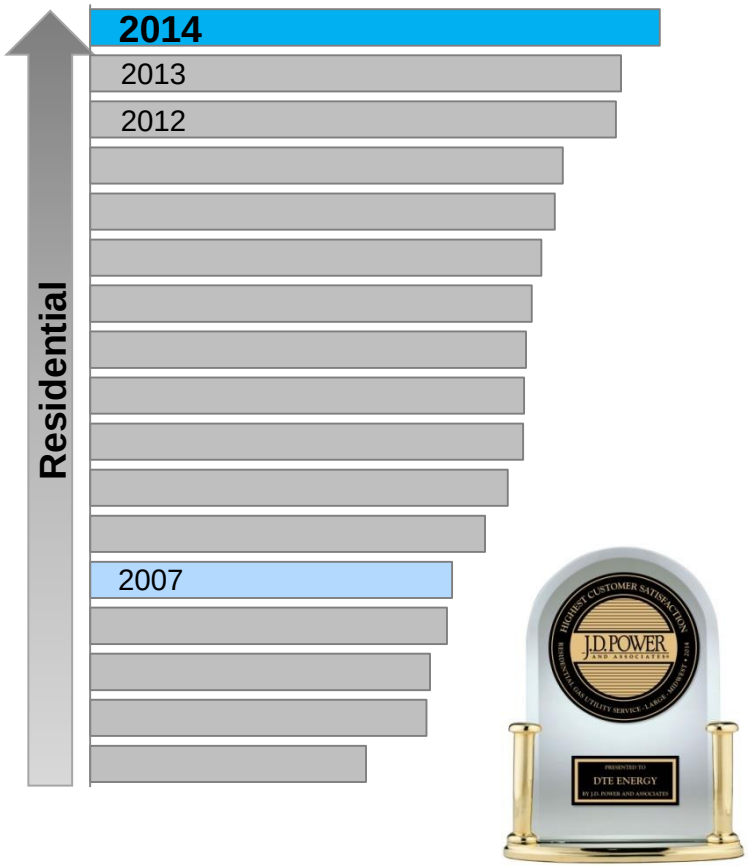
GALLUP® GREAT WORKPLACE AWARD

2013, 2014, 2015

DTE Energy has achieved "Highest in Customer Satisfaction With Business and Large Residential Natural Gas Service Providers in the Midwest"*

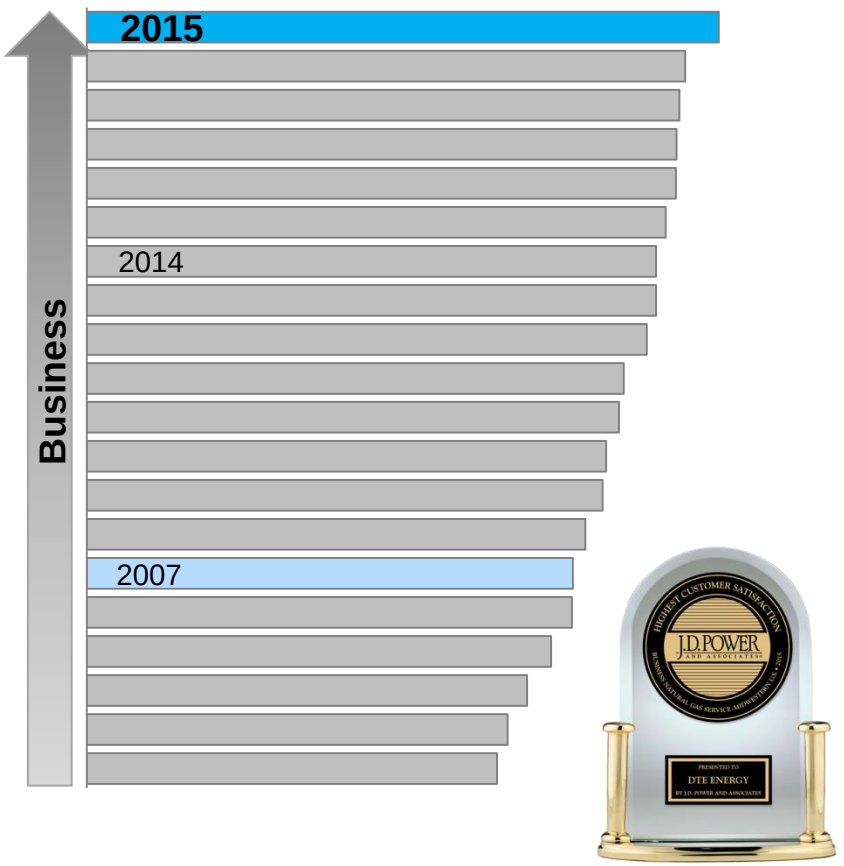
J.D. Power Gas Utility Residential Gas Customer Satisfaction Ranking

Midwest Region: Large Segment



J.D. Power Gas Utility Business Gas Customer Satisfaction Ranking

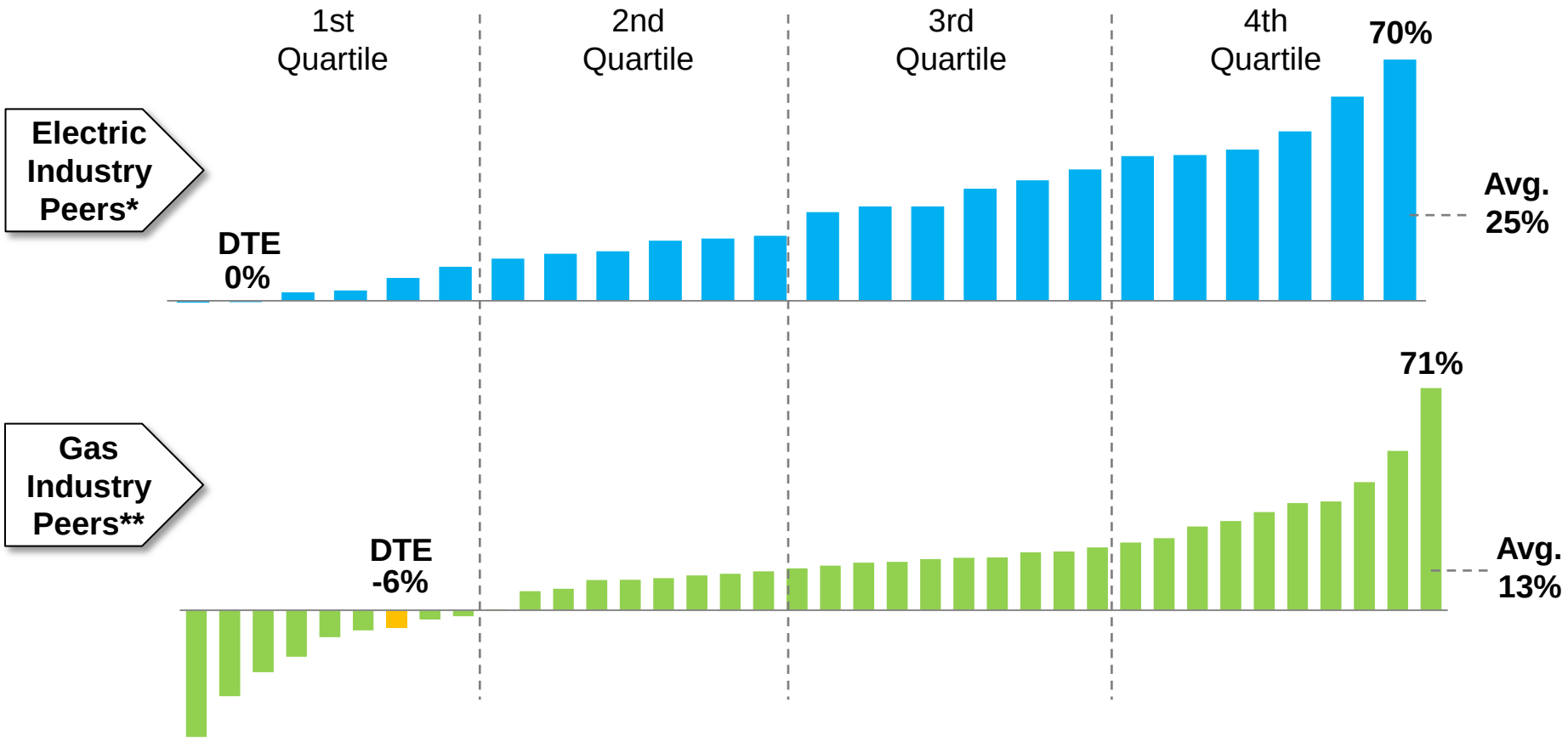
Midwest Region



* DTE Energy received the highest numerical score in the Midwest in the proprietary J.D. Power 2014 Gas Utility Residential Customer Satisfaction Study℠ (large providers) and 2015 Gas Utility Business Customer Satisfaction Study℠. Business based on 9,243 online interviews ranking 20 Midwest providers. Residential based on 69,806 online interviews ranking 17 large Midwest providers. Proprietary study results are based on experiences and perceptions of residential customers surveyed 9/13-12/14 and 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 2013 Change in O&M Costs



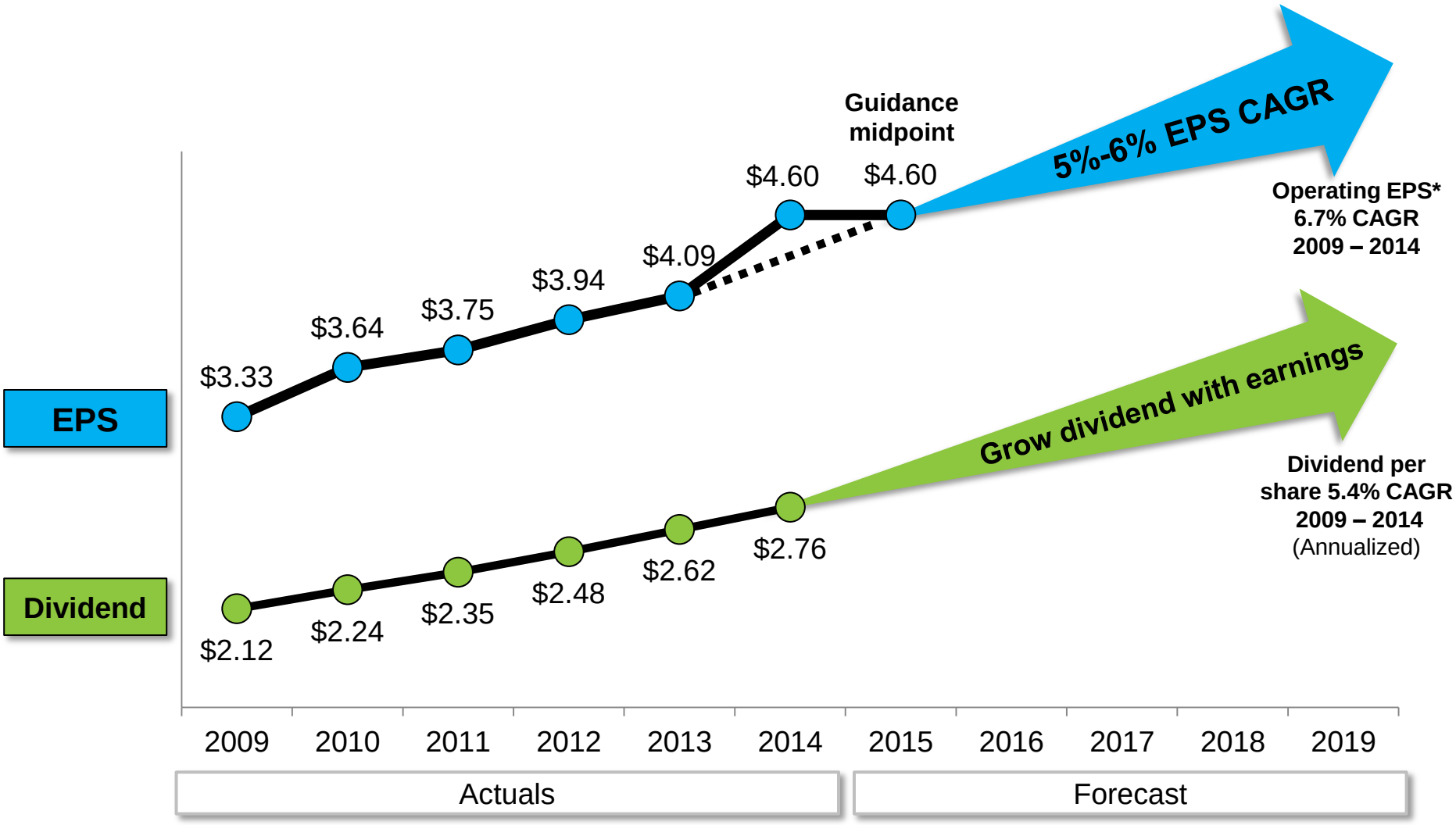
Successfully offset ~$300 million of inflation from 2008 to 2013

* 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 greater than 300,000 customers; excluding production expense

We remain committed to delivering 5% to 6% operating EPS* growth

(dollars per share)



* Reconciliation to GAAP reported earnings included in the appendix

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

Michigan's economy has been revitalized and the City of Detroit is continuing its economic rebirth

REINVENTING MICHIGAN
Getting It Right. Getting It Done.

- ✓ Unemployment rate in Michigan lowest since 2001
- ✓ Michigan improved 8 spots in state ranking of growth in Real Gross Domestic Product*
- ✓ Detroit metro area ranks 8th in the U.S. for number of new or expansion projects**
- ✓ Detroit Mayor Mike Duggan is focused on improving city services, education and information technology



CITY OF Detroit

* Source: State of Michigan website (2013 ranking vs. 2012 ranking)

** Source: Site Selection magazine, March 2015

Michigan energy policy reform taking shape in 2015



Governor Rick Snyder

"I am calling for the legislature to help us reform this system before the summer break, so that we can give ourselves as much time as possible to make a smooth transition."

Governor Rick Snyder, March 2015



Representative Aric Nesbitt

"We need to make sure that Michigan has an environment where investments in new generation and energy efficiency continue."

Representative Aric Nesbitt, March 2015
Energy Policy Committee Chair

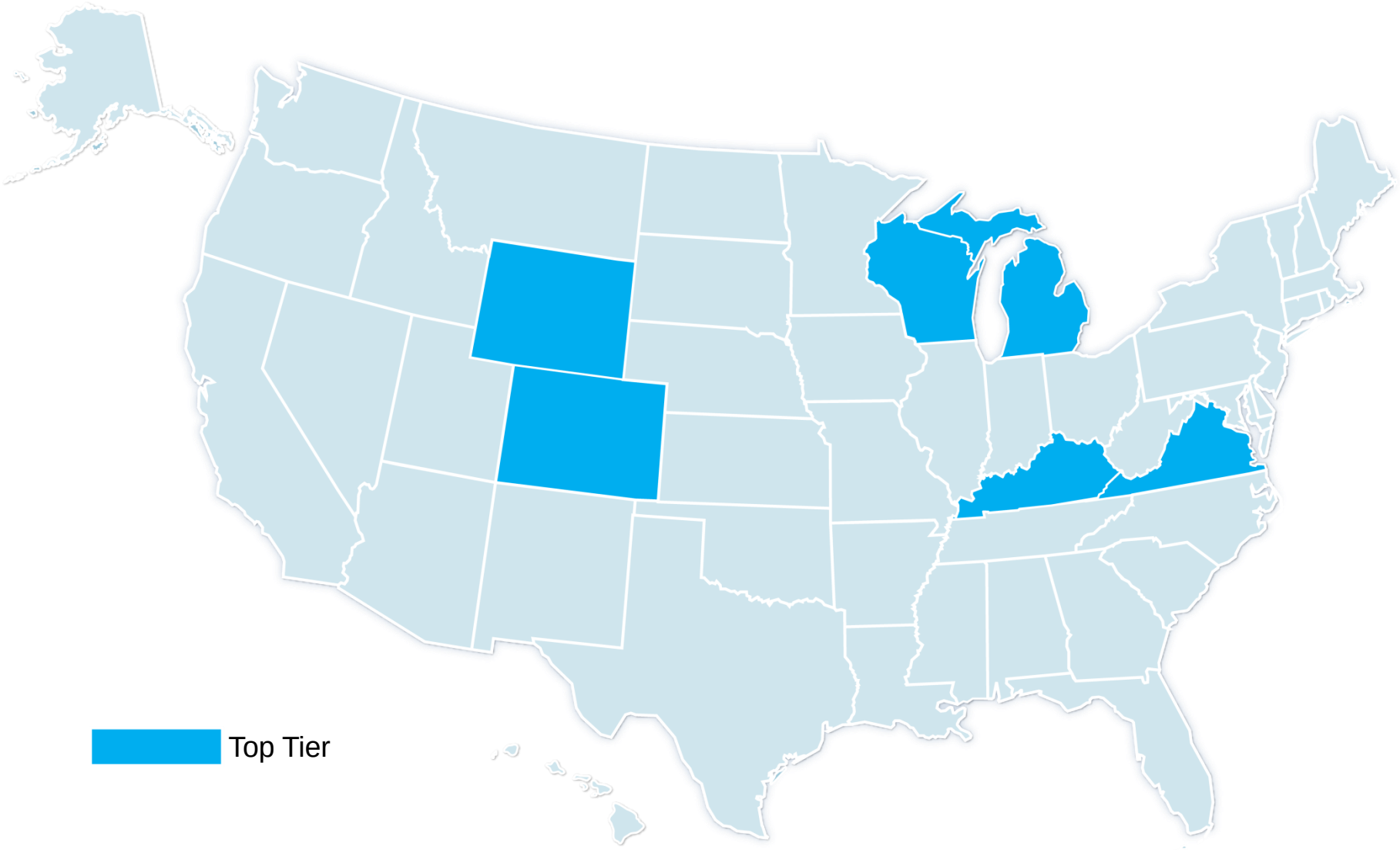


Senator Mike Nofs

"We've got to get our policy in line, give (energy companies) the flexibility so that whatever (the EPA's) final rule is, they'll be able to react and already be planning."

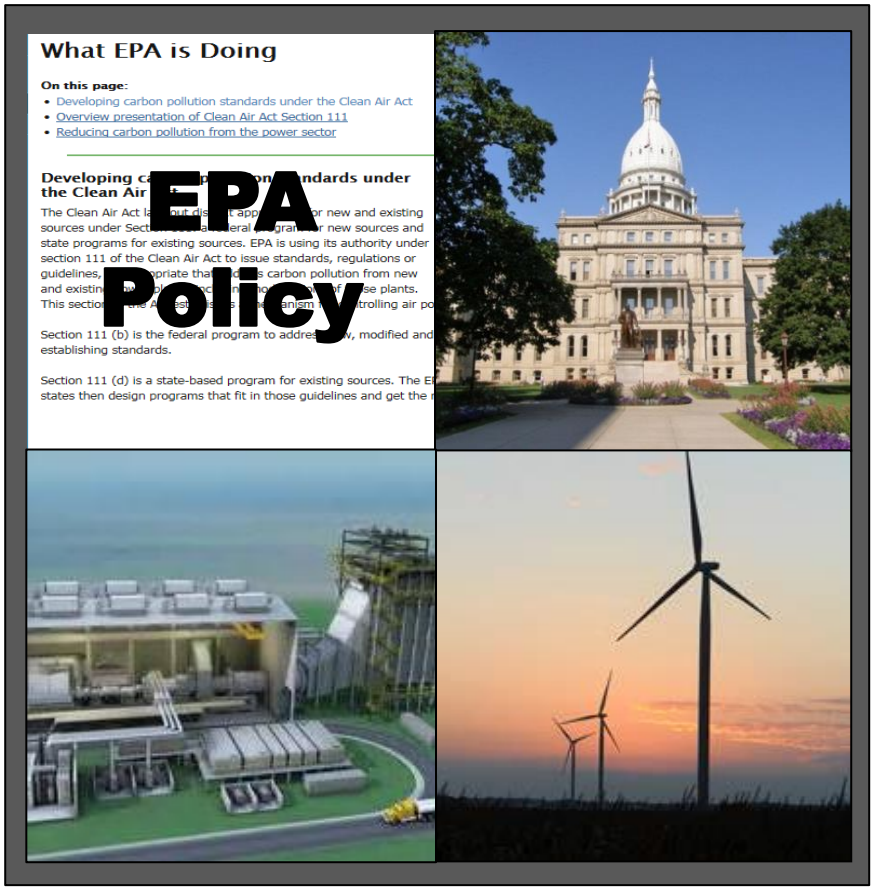
Senator Mike Nofs, January 2015
Energy & Technology Committee Chair

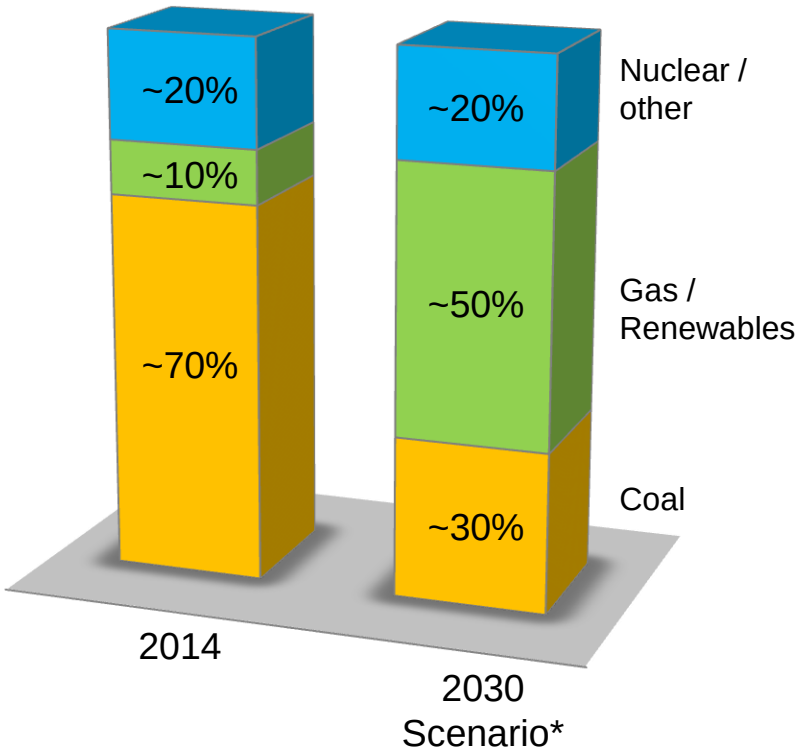
Michigan's regulatory environment is viewed as constructive; we work hard to earn this every day



Source: Barclays, April 2015

Federal and state policy will lead to transformation of our generation mix by replacing coal with natural gas and renewables





* Ultimate timing and mix of generation impacted by MISO capacity requirements and Michigan and EPA policies

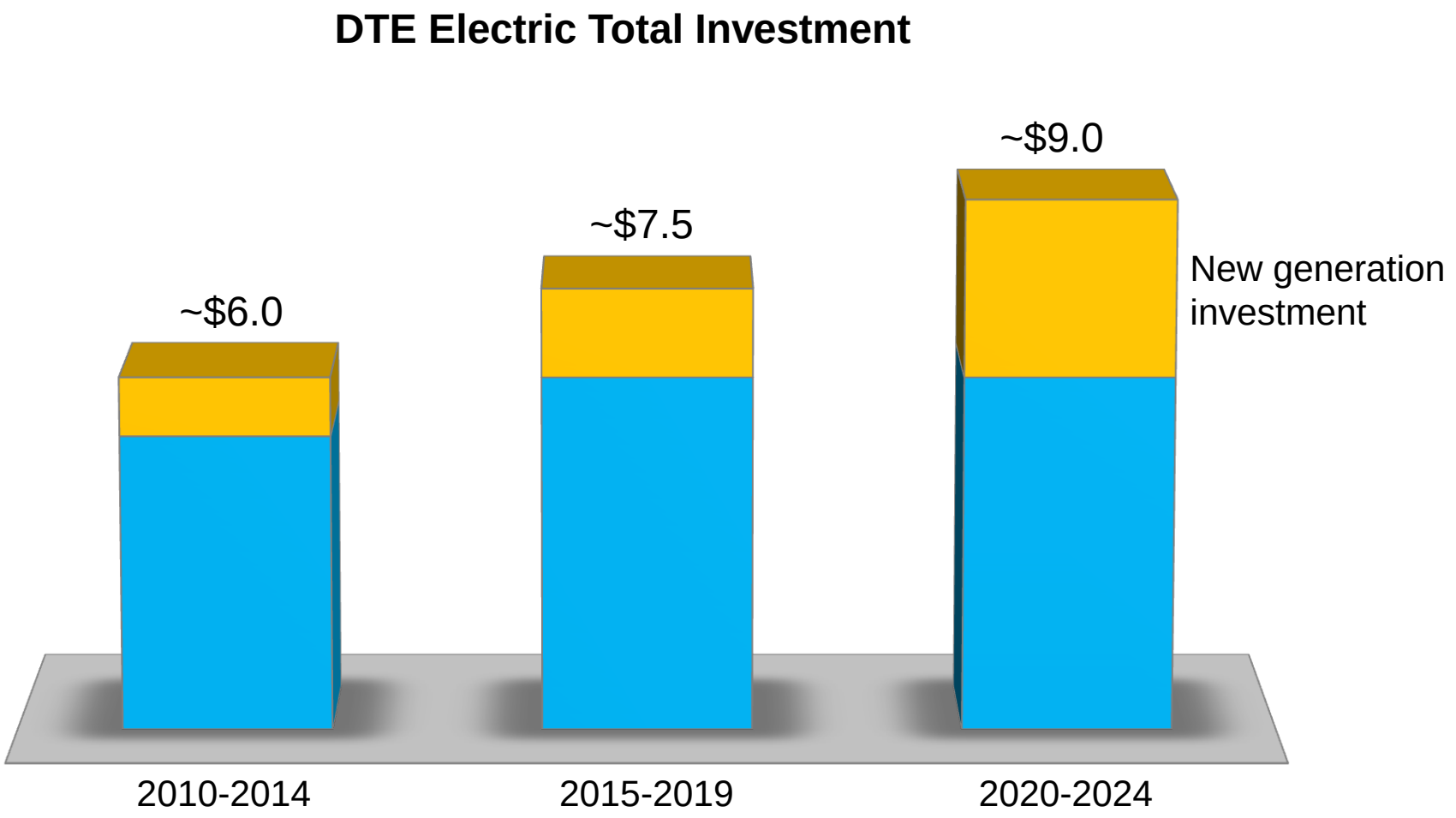
Our electric utility is investing $7.5 billion in three key areas through 2019

Targeting 5% - 6% growth



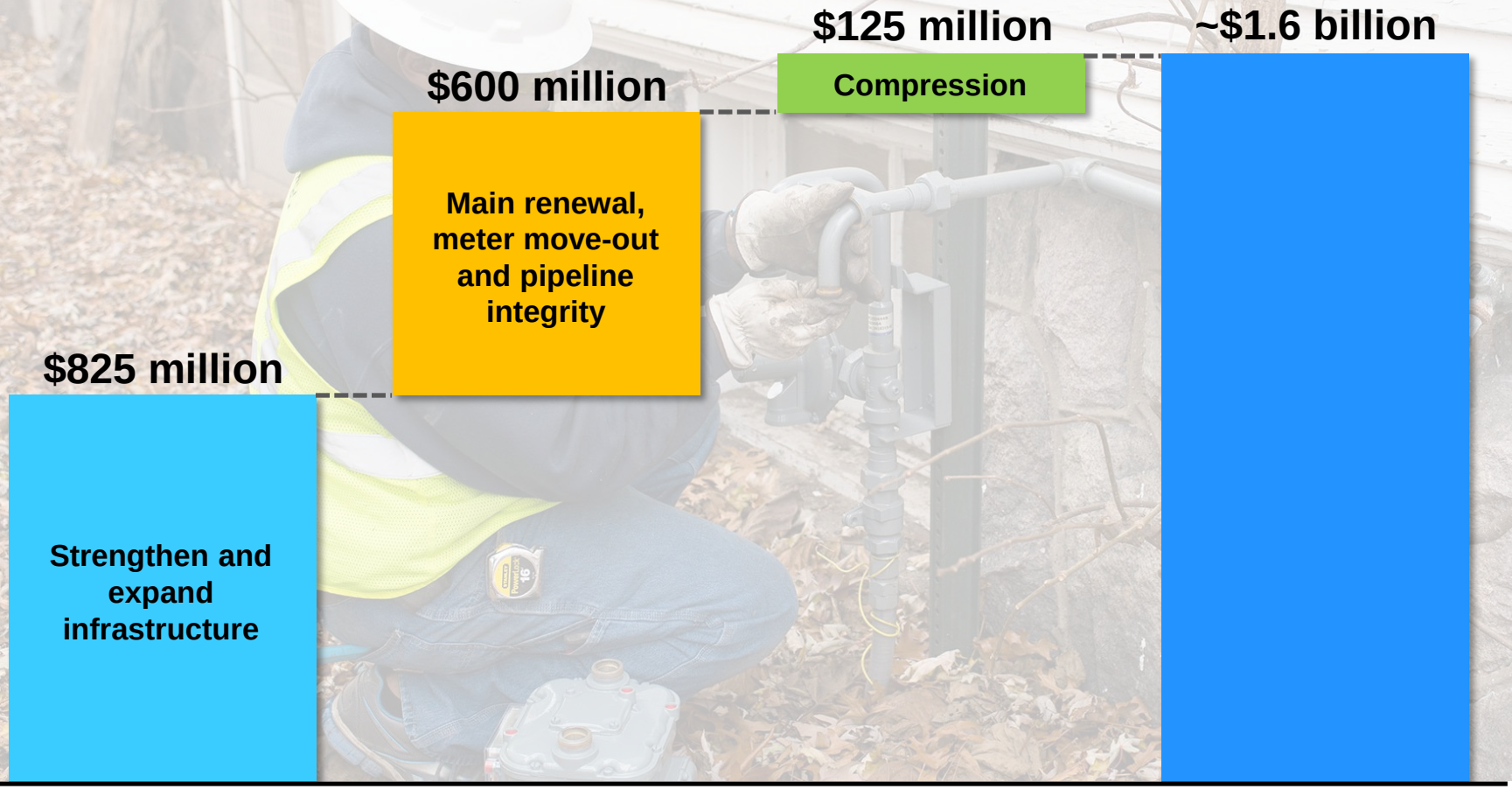
Generation replacement will significantly increase DTE Electric's investment over the next 10 years

(billions)

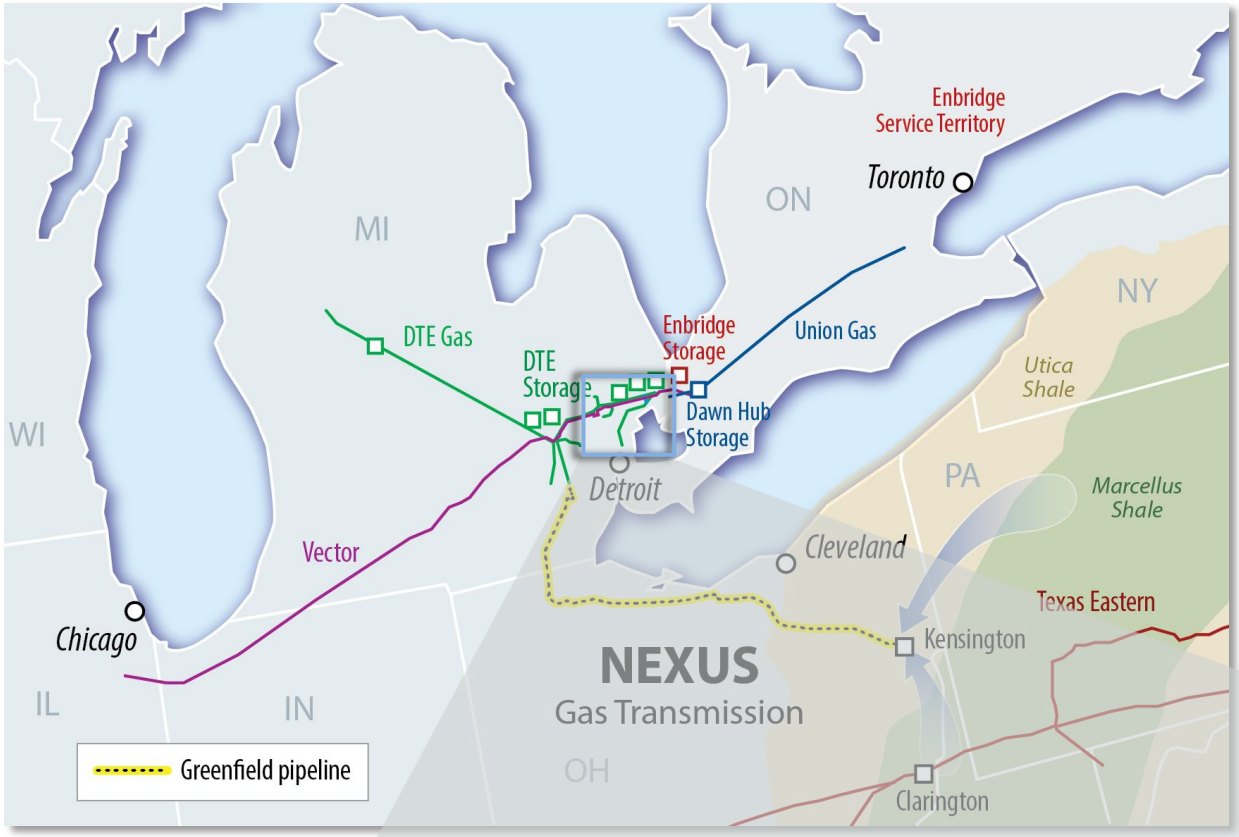


Our gas utility is making $1.6 billion of reliability and infrastructure investments through 2019

Targeting 7% - 8% growth



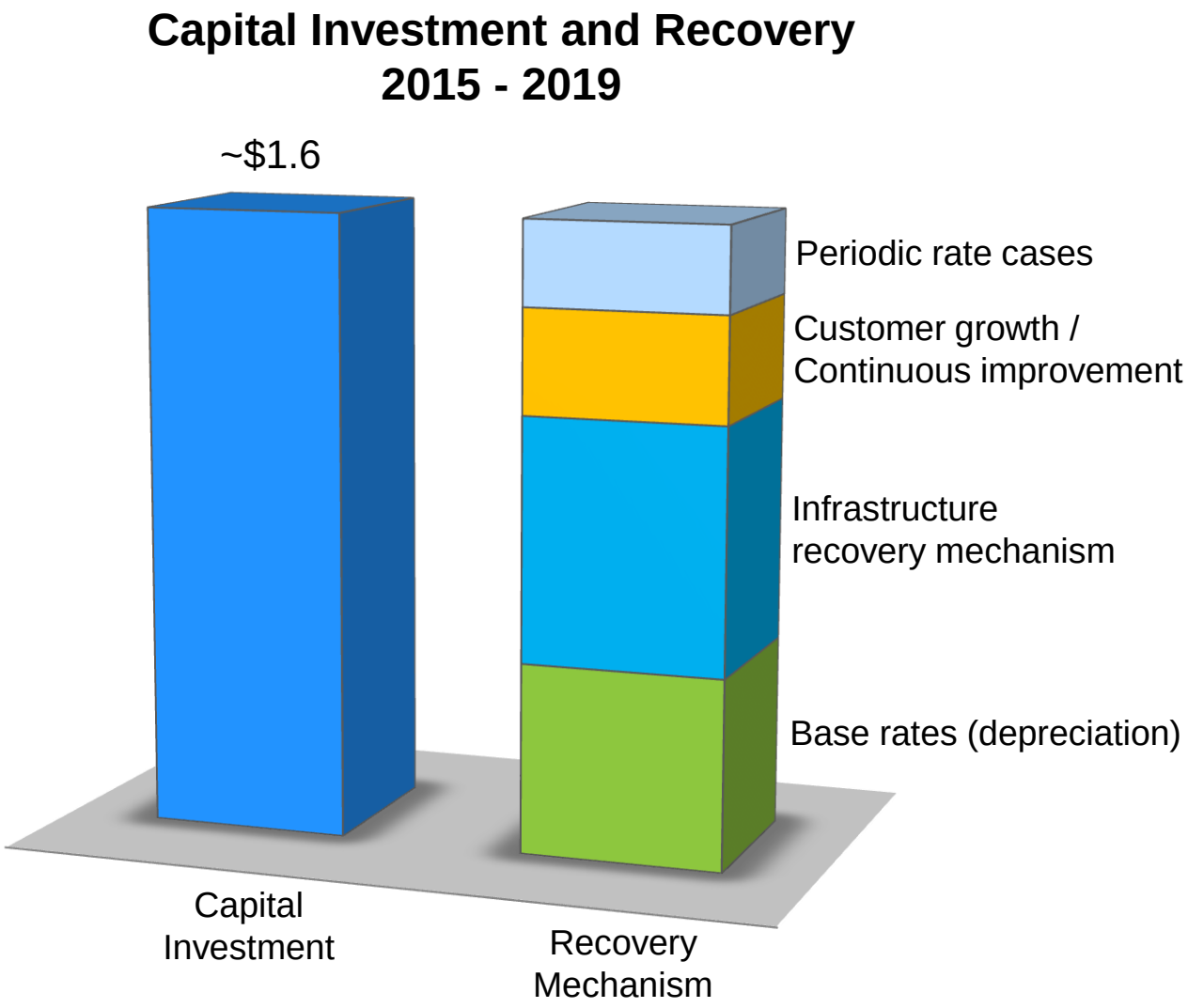
NEXUS project provides incremental growth opportunity at our gas utility



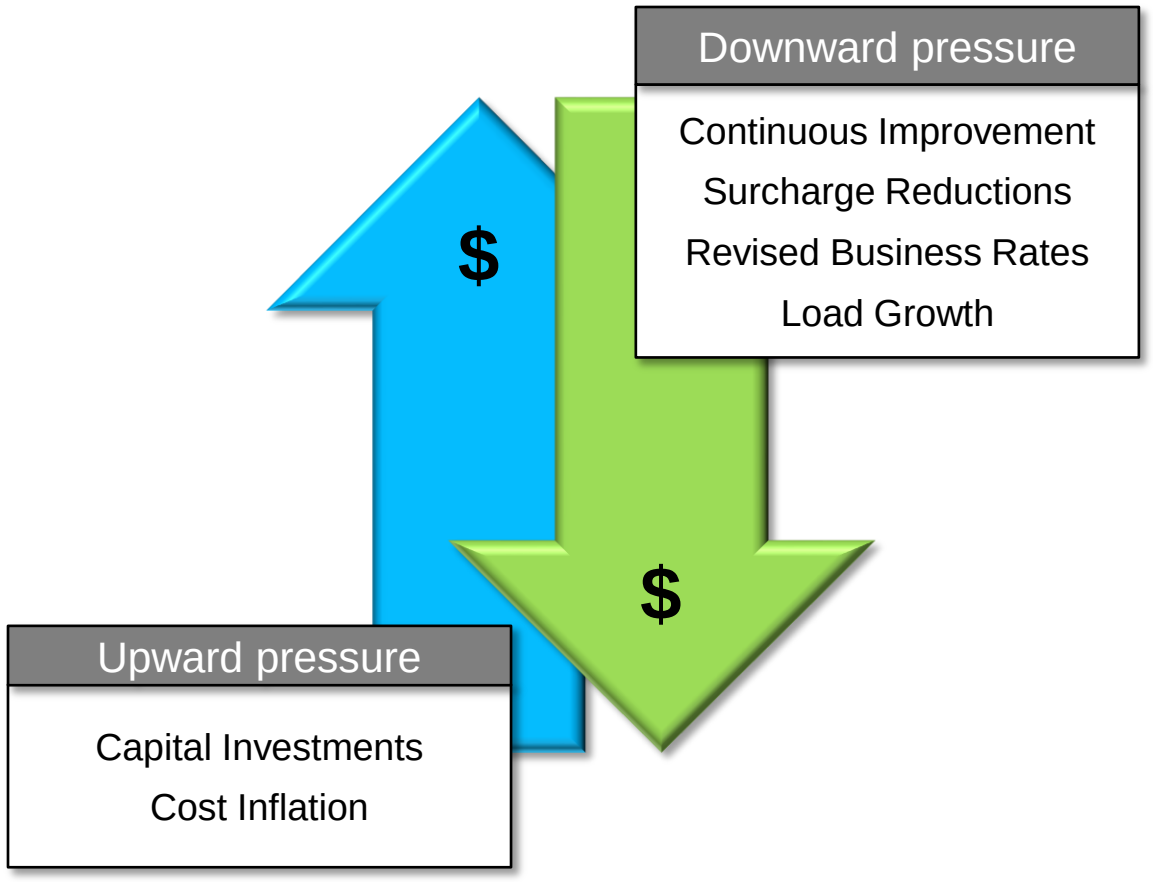
- $125 million of NEXUS related investment at DTE Gas through 2017
- Spend primarily for additional compression
- Supported by long-term transport agreement with NEXUS

Recovery of DTE Gas capital investments will require periodic rate cases

(billions)



As we continue to grow, we are focusing on minimizing the customer rate impact



DTE Electric

- ✓ $600 million* surcharge reductions
- ✓ Business cost of service rate order 2Q 2015
- ✓ Self implement general rates 3Q 2015; final rate order 4Q 2015
- ✓ Periodic rate cases 2016+

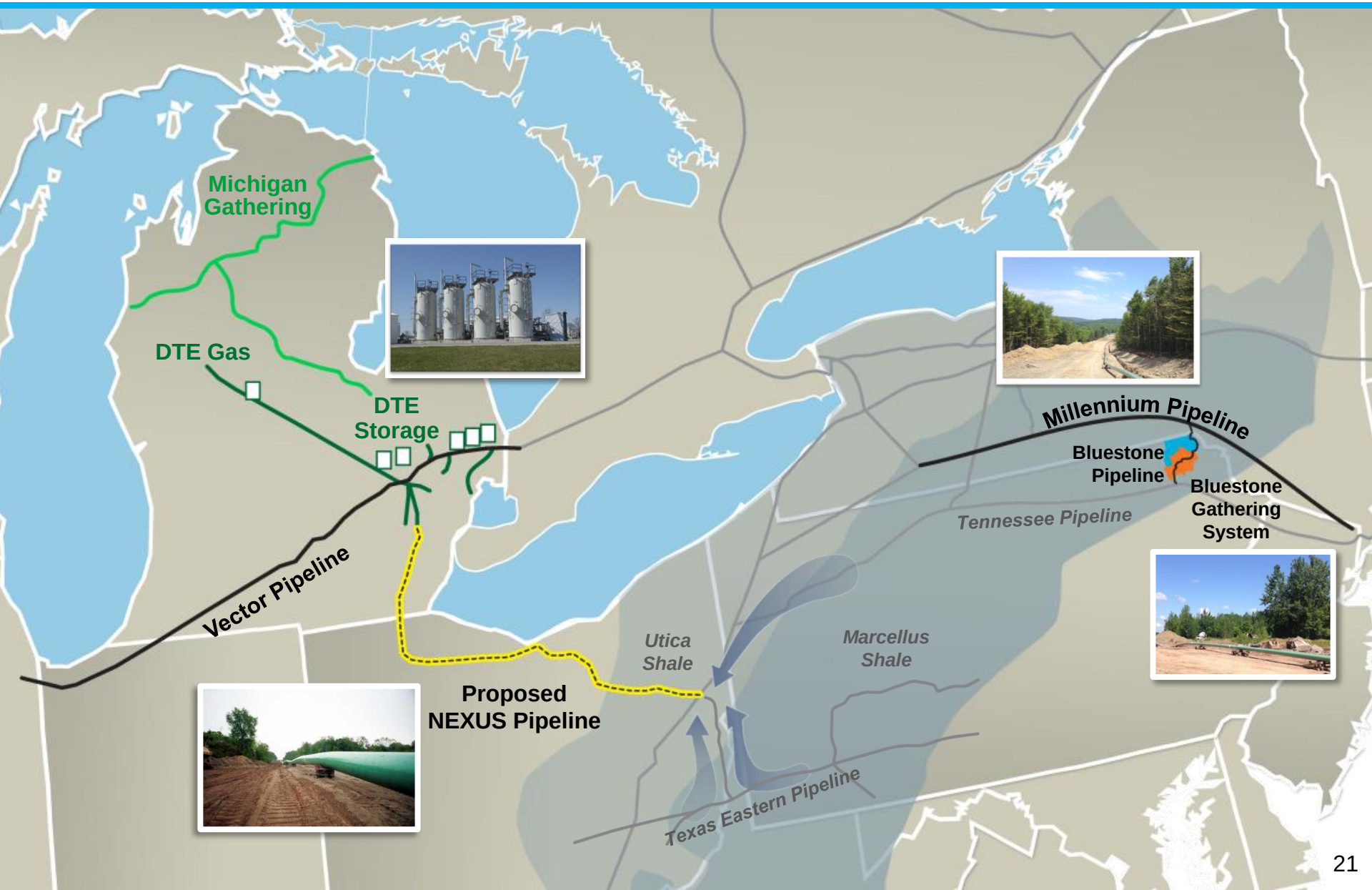
DTE Gas

- ✓ Infrastructure Recovery Mechanism (IRM) Expansion review and ruling in 2015; begin expanded IRM 1Q 2016
- ✓ Rate case filing 2016/2017

Target annualized rate increases in low single digits

* Includes ~$300 million surcharge reduction for renewable energy, power supply cost recovery (PSCR) and choice incentive mechanism implemented 1Q 2014 and net reduction of ~$300 million due to elimination of securitization surcharge and PSCR increase in 1Q 2015

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



Gas Storage & Pipelines platforms drive growth through new projects and expansions



Pipeline Platform

- Bluestone Pipeline
- Millennium Pipeline
- Vector Pipeline
- Proposed NEXUS Pipeline



Gathering Platform

- Bluestone Gathering
- Michigan Gathering



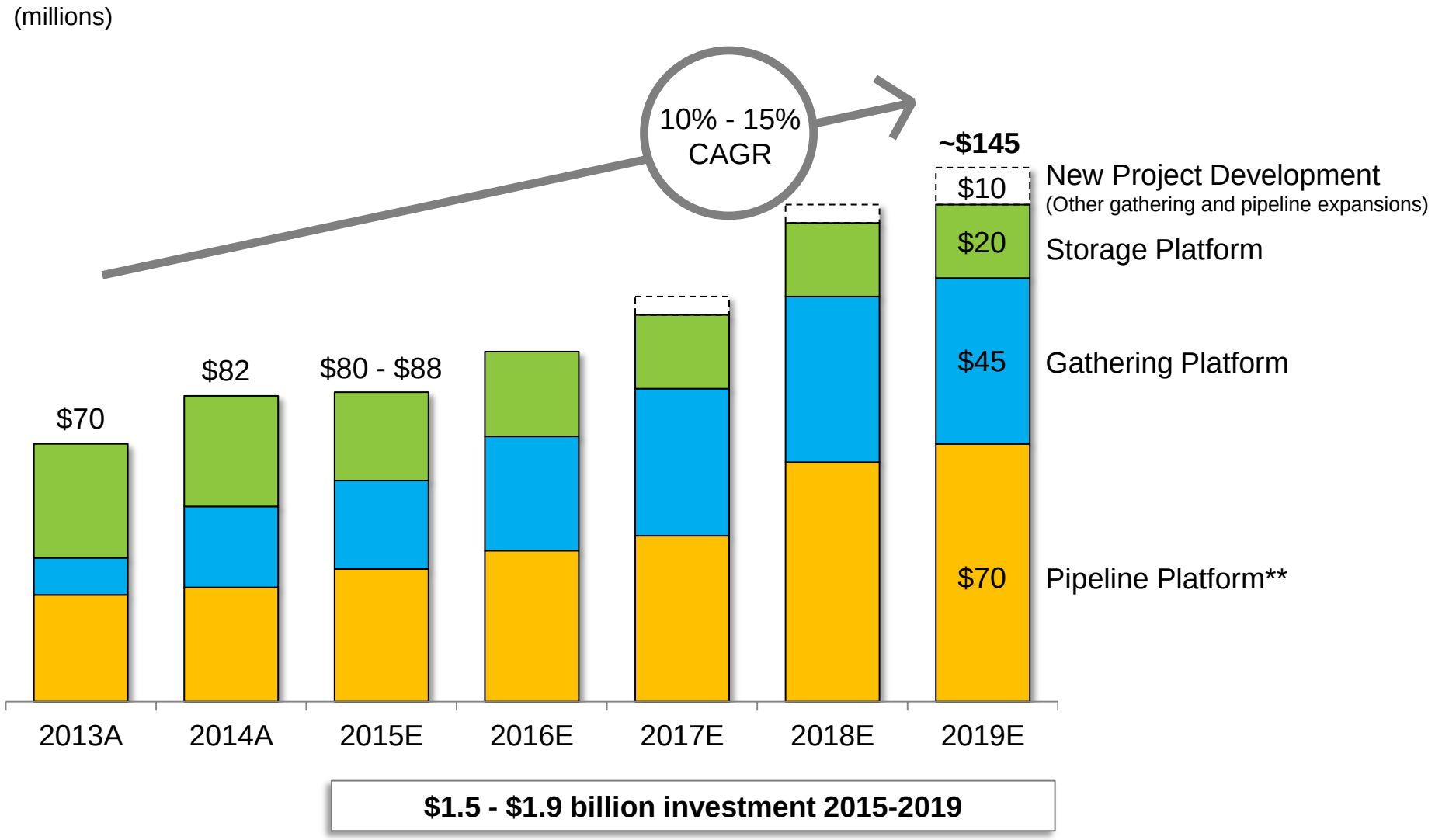
Storage Platform

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

Growth Strategy

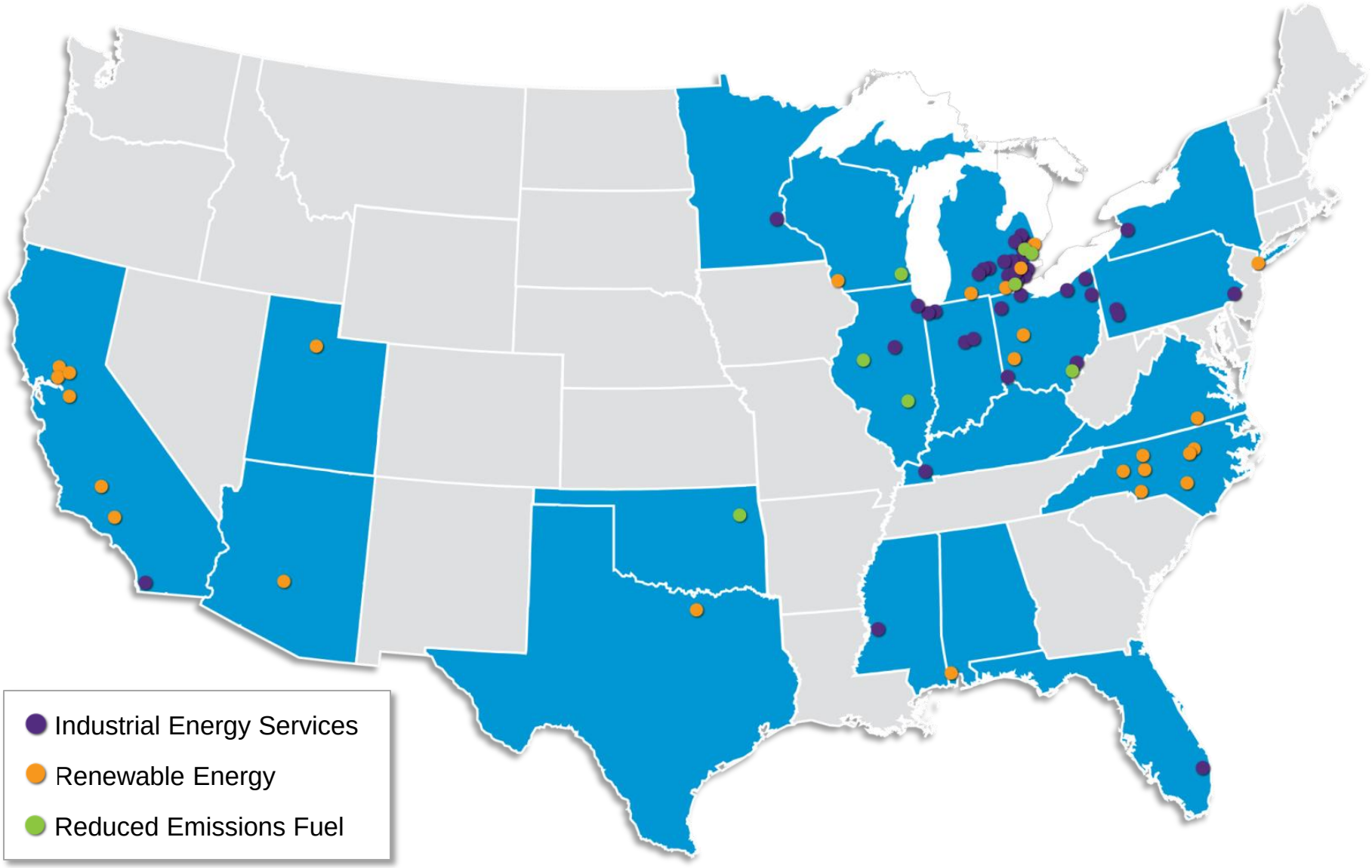
- ✓ Understand and anticipate opportunities in new resource plays
- ✓ Leverage existing foundational assets and build out incremental projects
- ✓ Develop greenfield pipes in partnership with peer energy companies
- ✓ Use relationships in utility industry to develop demand for investments

Gas Storage & Pipelines' operating earnings* potential is $145 million by 2019



* Reconciliation to GAAP reported earnings included in the appendix
** Includes Nexus at 33% ownership

Power & Industrial Projects is focused in three key business lines across the country



Power & Industrial Projects is pursuing new opportunities in each business line in order to achieve growth aspirations



Industrial Energy Services

- On-site energy and utility services for industrial, commercial and institutional customers
- Coke and pulverized coal for steel customers
- 8MW cogeneration project in-service in 1Q 2015; additional projects under development



Renewable Energy

- Wood-fired power plants and landfill gas-to-energy
- Near term growth from expanded renewable output
- Full-year operations of 45MW wood-fired project and two 10MW landfill gas projects in 2015

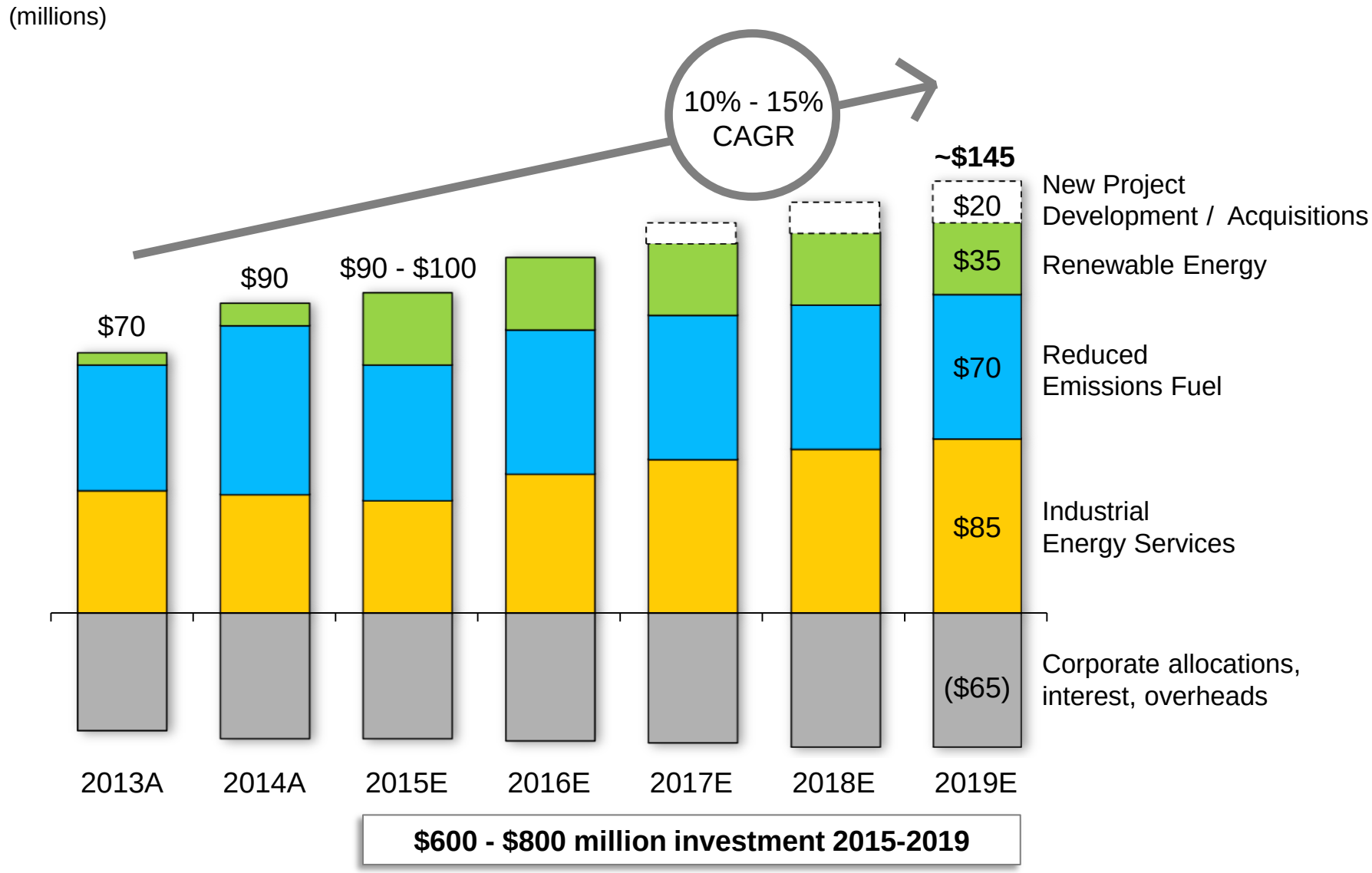


Reduced Emissions Fuel

- Projects reduce emissions from coal-fired power plants
- Operation of third-party facility expected to begin in 2Q 2015
- Negotiations completed on relocation of 9th unit; commercial operations expected in 4Q 2015
- Further optimizations in planning stages

Projects are supported by long-term contracts

Power & Industrial Projects is targeting $145 million of operating earnings* by 2019 through growth in each of its business lines



* Reconciliation to GAAP reported earnings included in the appendix

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

Summary

- Utility investments and strategic growth opportunities in our non-utility businesses expected to provide 5% - 6% annual EPS* growth going forward
- On track to achieve 2015 operating earnings guidance; strong first quarter earnings provides contingency
- Constructive outcomes expected in both Michigan's energy policy reform and DTE's regulatory filings
- Constructive state policy, coupled with a focus on operational excellence and superior customer satisfaction provide a strong foundation for utility investment

* Reconciliation to GAAP reported earnings included in the appendix

Contact Us

DTE Energy Investor Relations

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Appendix

DTE Energy
First Quarter 2015 Operating Earnings Variance

Operating Earnings*

(millions, except EPS)

	1Q 2014	1Q 2015	Change
DTE Electric	$ 136	$ 136	$ -
DTE Gas	129	111	(18)
Gas Storage & Pipelines	21	27	6
Power & Industrial Projects	15	33	18
Corporate & Other	(9)	(25)	(16)
Growth segments**	**$ 292**	**$ 282**	**$ (10)**
Growth segments operating EPS	**$ 1.64**	**$ 1.58**	**$ (0.06)**
Energy Trading	$ 8	$ 12	$ 4
DTE Energy	**$ 300**	**$ 294**	**$ (6)**
Operating EPS	**$ 1.69**	**$ 1.65**	**$ (0.04)**
Avg. Shares Outstanding	177	178	

Drivers

DTE Electric

- Rate base growth expense offset by lower O&M in 1Q 2015

DTE Gas

- More favorable weather in 1Q 2014 vs. 1Q 2015

Non-Utility

- Gas Storage & Pipelines driven by higher pipeline and gathering earnings
- Power & Industrial Projects driven by strong performance across all business lines

Corporate & Other

- Timing of taxes

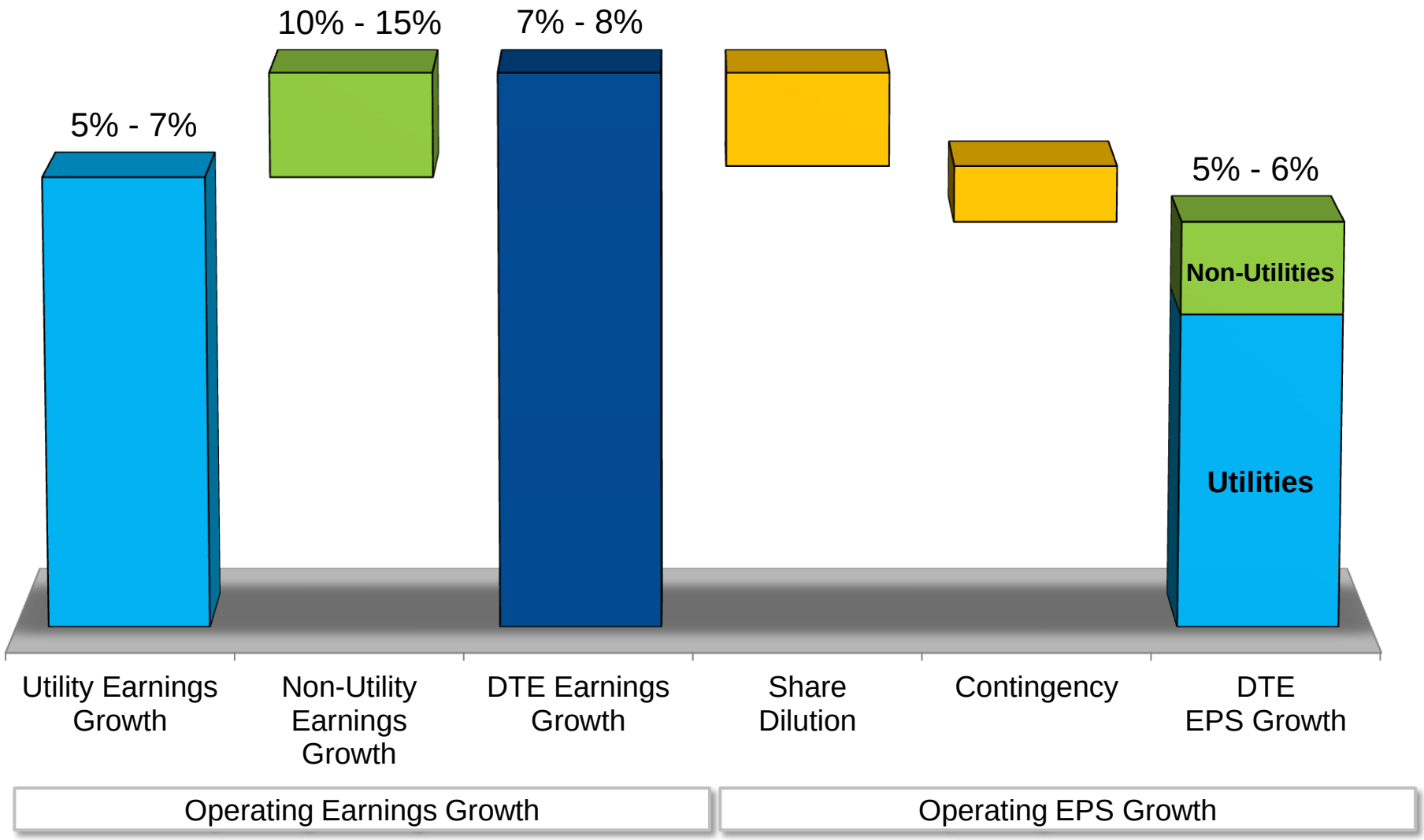
Energy Trading

- Recognition of stronger economic performance

* Reconciliation to GAAP reported earnings included in the appendix

** Total DTE Energy excluding Energy Trading

Our strong earnings growth opportunities coupled with our contingency planning gives us confidence in our ability to deliver 5% to 6% operating EPS* growth



* Reconciliation to GAAP reported earnings included in the appendix

We remain confident in our 2015 operating EPS* guidance

(millions, except EPS)

	1Q 2015 Actuals*	2015 Guidance
DTE Electric	$136	$554 - $570
DTE Gas	111	128 - 134
Gas Storage & Pipelines	27	80 - 88
Power & Industrial Projects	33	90 - 100
Corporate & Other	(25)	(50) - (46)
Growth segments**	**$282**	**$802 - $846**
Growth segments operating EPS	**$1.58**	**$4.48 - $4.72**
Energy Trading	$12	$0
DTE Energy	**$294**	**$802 - $846**
Operating EPS	**$1.65**	**$4.48 - $4.72**
Avg. Shares Outstanding	178	179

* Reconciliation to GAAP reported earnings included in the appendix

** Total DTE Energy excluding Energy Trading

2015 Cash Flow and Capital Expenditure Guidance

(billions)

Cash Flow Summary

	2014 Actual	2015 Guidance
Cash From Operations	$1.8	$1.7
Capital Sending	(2.1)	(2.6)
Free Cash Flow	**($0.3)**	**($0.9)**
Asset Sales & Other	-	0.1
Dividends	(0.5)	(0.5)
Net Cash	**($0.8)**	**($1.3)**
Debt Financing:		
Issuances	$2.0	$1.6
Redemptions	(1.2)	(0.3)
Change in Debt	**$0.8**	**$1.3**

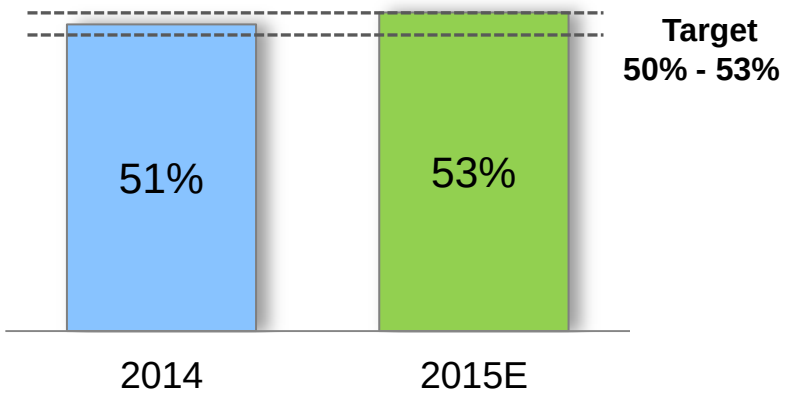
(millions)

Capital Expenditures Summary

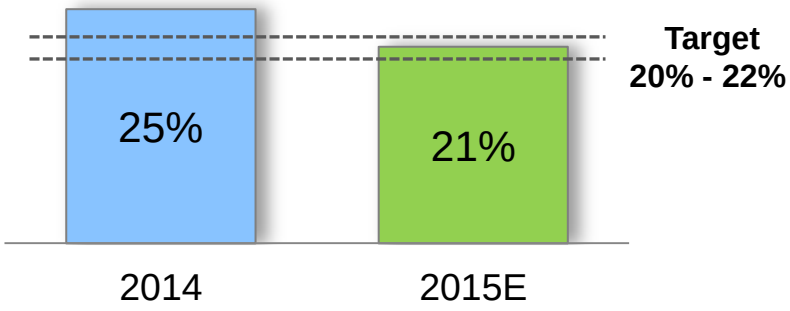
	2014 Actual	2015 Guidance
DTE Electric		
Operational	$1,187	$1,270
Environmental	169	100
Renewable Energy / New Generation	205	450
	$1,561	$1,820
DTE Gas		
Operational	$143	$200
Main renewal / Meter Move-out / Pipeline Integrity	81	80
	$224	$280
Non-Utility	$309	$400 - $500
Total	**$2,094**	**$2,500 - $2,600**

Strong balance sheet remains a key priority and supports growth

Leverage*



Funds from Operations** / Debt*



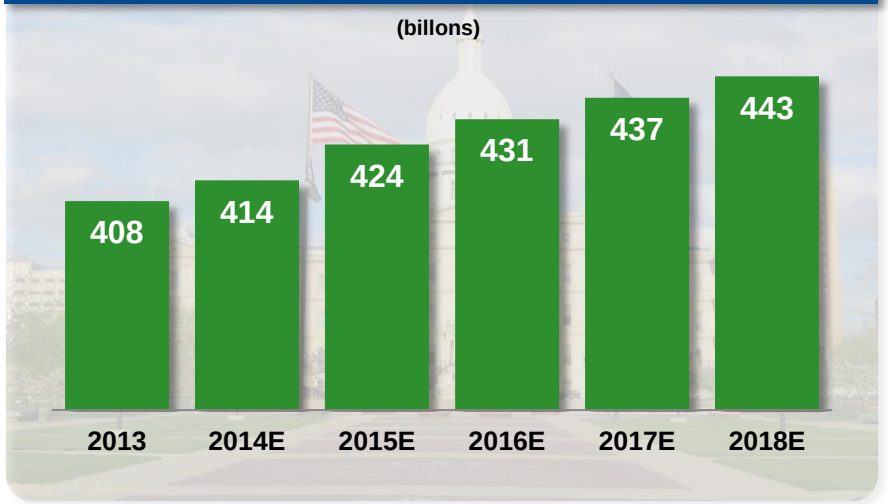
- 2015 financing plan is on track
  - Issued ~$200 million of equity YTD; targeting $800 to $900 million 2015 – 2017
  - DTE Electric issued $500 million of 30-year, 3.70% debt in March 2015
- Renewed revolving credit facilities in April 2015
  - Extended to April 2020
  - Increased $100 million to $1.9 billion
  - $1.9 billion of available liquidity as of March 31, 2015

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

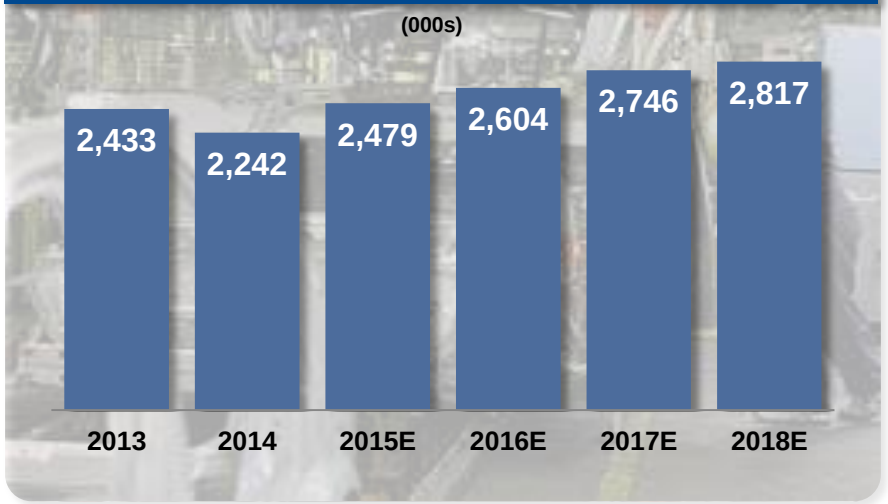
** Funds from Operations (FFO) is calculated using operating earnings

Michigan economic indicators highlight continued growth over the next few years

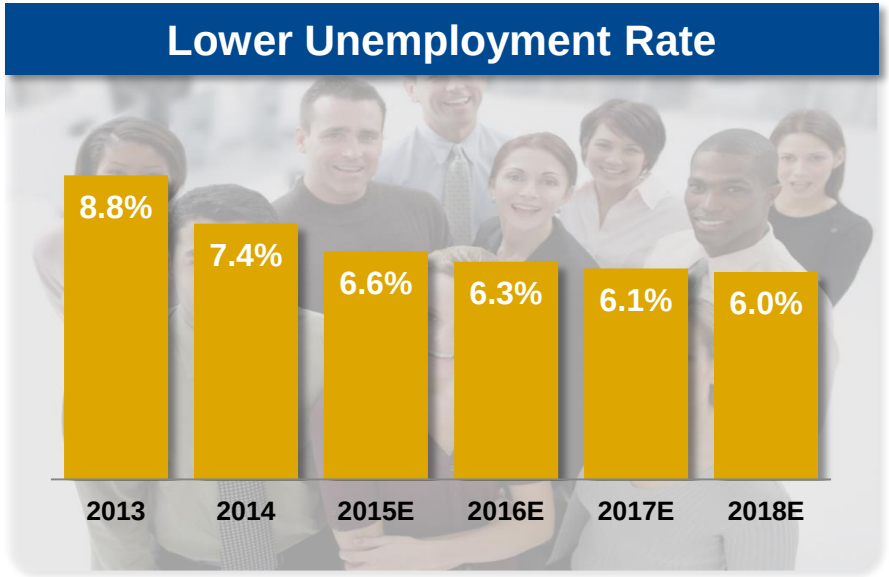
Gross State Product



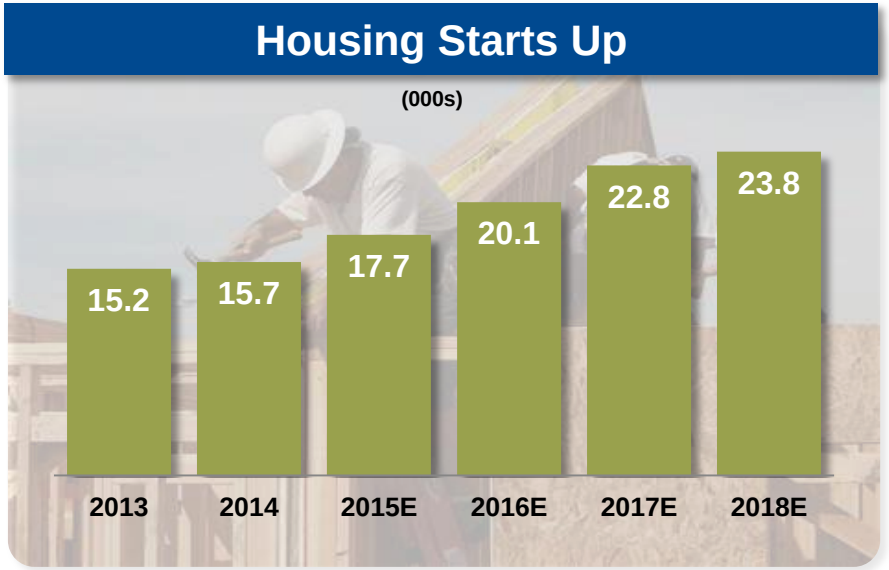
Increased Auto Production



Lower Unemployment Rate



Housing Starts Up



Source: IHS

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



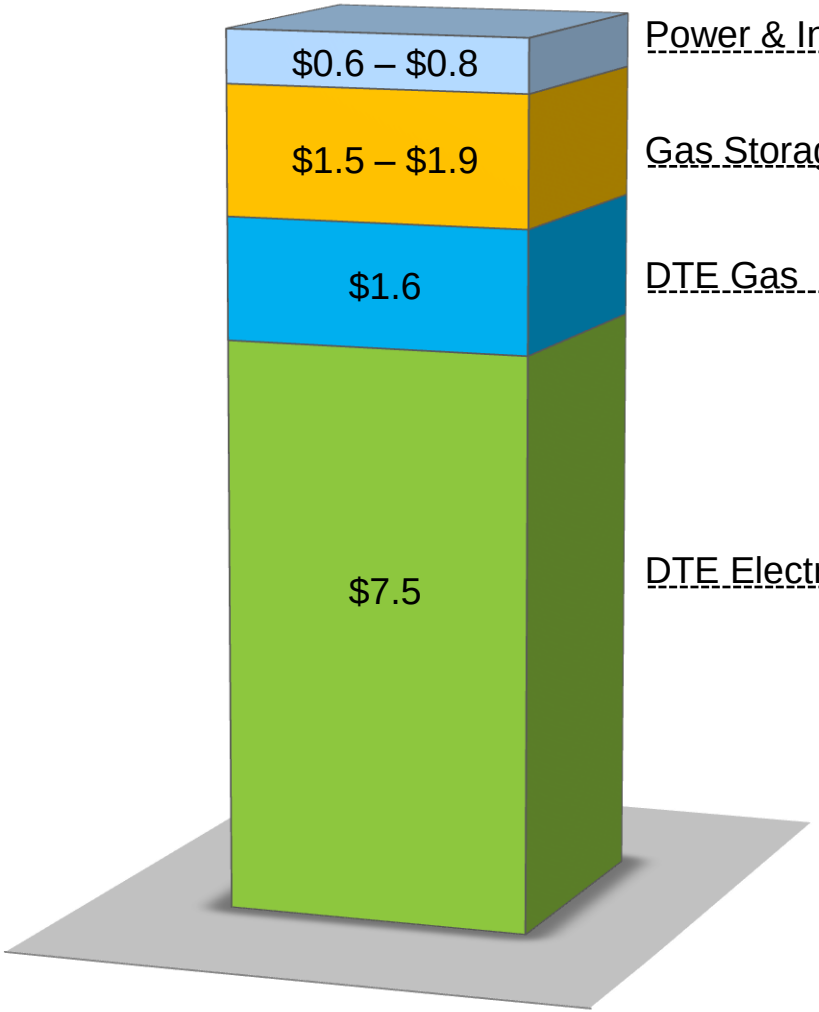
Greg White
Commissioner
Appointed: 12/4/09
Term Ends: 7/2/15

Source: MPSC website - www.michigan.gov/mpsc

We will invest over $11 billion in capital projects to drive growth through 2019

(billions)

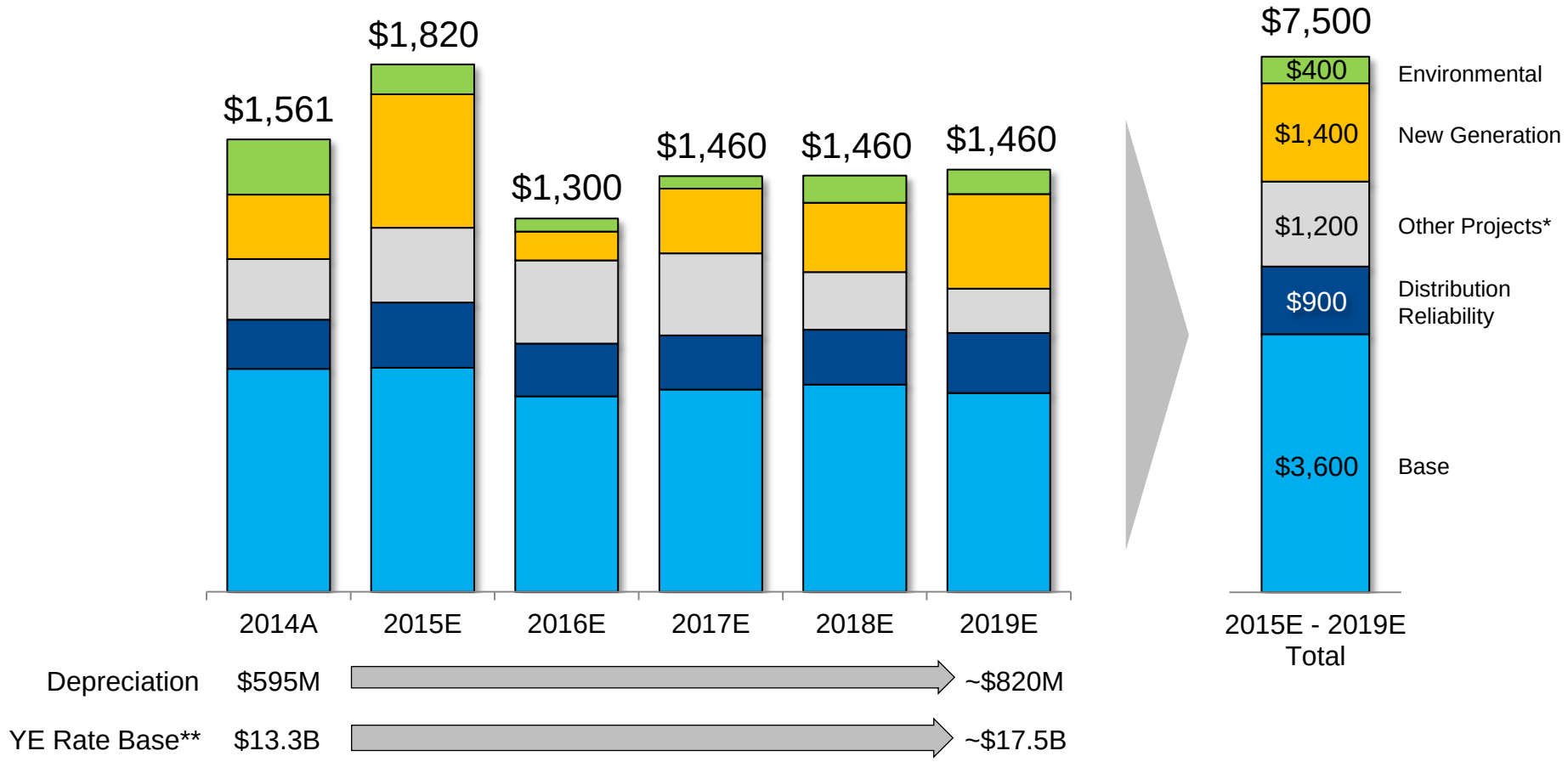
~$11.2 – $11.8



Power & Industrial Projects	On-site energy, cogeneration
Gas Storage & Pipelines	Gathering investments, NEXUS, additional pipeline expansions
DTE Gas	Base investments, infrastructure renewal, NEXUS related
DTE Electric	Base infrastructure, new generation, environmental

DTE Electric plans $7.5 billion of investments over the next 5 years

(millions)

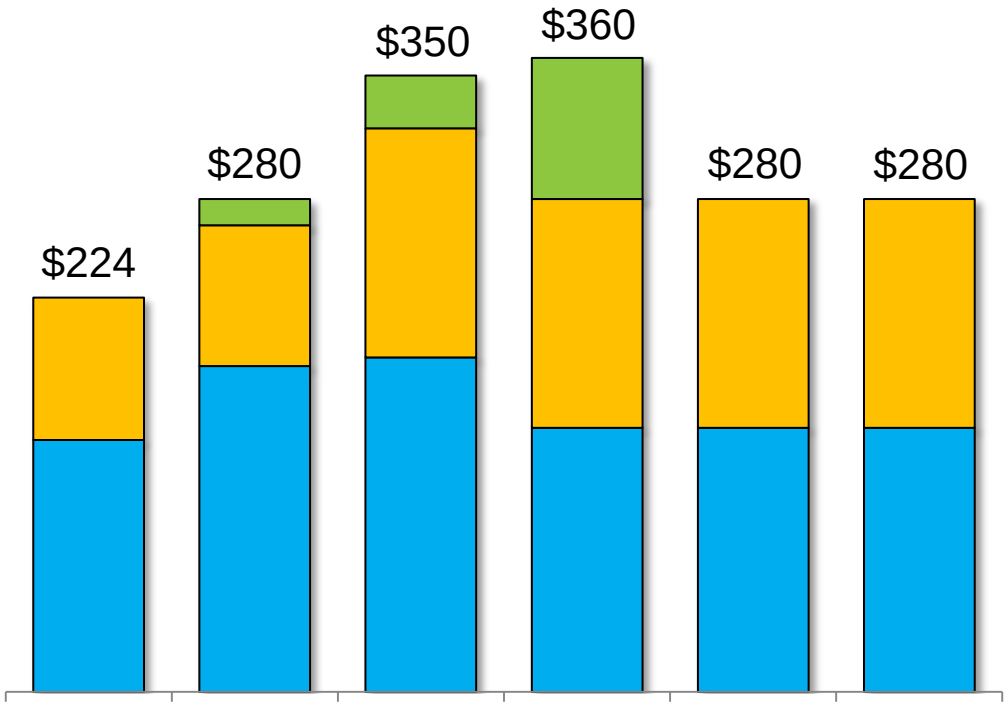


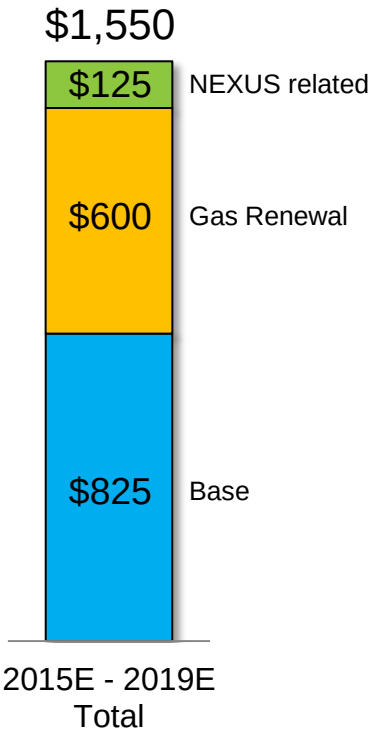
* Includes AMI, Ludington expansion and other investments

** Includes working capital

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

(millions)





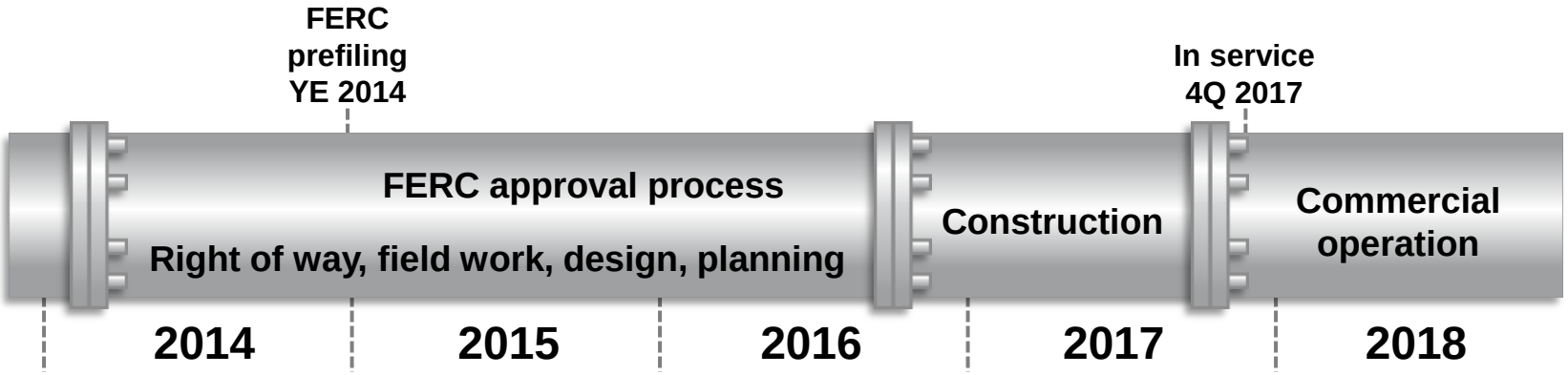
Depreciation	$99M	~$130M
YE Rate Base*	$3.1B	~$4.4B - $4.5B

* Includes working capital

The NEXUS project has reached major milestones



- ~250 mile pipeline to provide natural gas from Marcellus and Utica shales to Michigan, Ohio, Chicago and Ontario
- 1.5 Bcf/d capacity; DTE's expected investment is ~$700 million
- Agreements executed with LDCs and several key shippers; additional discussions underway
- Interconnect agreements reached with DTE Gas, Vector Pipeline and Texas Eastern
- FERC prefiling submitted; engaged engineering and construction contractor; public outreach activities underway



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

Pipeline Assets	Capacity Bcf/ d	In-Service
Millennium Pipeline	0.8	
Future Expansion (planning phase)	0.2 - 0.5	2017+
Total Planned Capacity	**1.0 - 1.3**	
Bluestone Pipeline (bi-directional)*	0.8	
Expansion #2	0.1	2Q 2015
Expansion #3	0.1	2Q 2016
Total Planned Capacity	**1.0**	
Vector Pipeline**	**1.3**	
Proposed NEXUS Pipeline	**1.5**	4Q 2017

* Includes 0.2 Bcf expansion which was completed in 2014

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

First Quarter 2015
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. Operating earnings are presented both with and without Energy Trading. The term "Growth Segments" refers to DTE Energy without Energy Trading and represents the business segments that management expects to generate earnings growth going forward.

1Q 2015

Net Income (millions)

	DTE Electric	DTE Gas	Gas Storage and Pipelines	Power and Industrial Projects	Corporate and Other	Growth Segments	Energy Trading	DTE Energy
Reported Earnings	$ 136	$ 111	$ 27	$ 33	$ (25)	$ 282	$ (9)	$ 273
Natural gas pipeline refund	-	-	-	-	-	-	(10)	(10)
Certain mark-to-market transactions	-	-	-	-	-	-	31	31
Operating Earnings	$ 136	$ 111	$ 27	$ 33	$ (25)	$ 282	$ 12	$ 294

1Q 2015

EPS

	DTE Electric	DTE Gas	Gas Storage and Pipelines	Power and Industrial Projects	Corporate and Other	Growth Segments	Energy Trading	DTE Energy
Reported Earnings	$ 0.76	$ 0.62	$ 0.15	$ 0.19	$ (0.14)	$ 1.58	$ (0.05)	$ 1.53
Natural gas pipeline refund	-	-	-	-	-	-	(0.06)	(0.06)
Certain mark-to-market transactions	-	-	-	-	-	-	0.18	0.18
Operating Earnings	$ 0.76	$ 0.62	$ 0.15	$ 0.19	$ (0.14)	$ 1.58	$ 0.07	$ 1.65

First Quarter 2014
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. Operating earnings are presented both with and without Energy Trading. The term "Growth Segments" refers to DTE Energy without Energy Trading and represents the business segments that management expects to generate earnings growth going forward.

1Q 2014

Net Income (millions)

	DTE Electric	DTE Gas	Gas Storage and Pipelines	Power and Industrial Projects	Corporate and Other	Growth Segments	Energy Trading	DTE Energy
Reported Earnings	$ 136	$ 129	$ 21	$ 15	$ (17)	$ 284	$ 42	$ 326
NY state tax law change	-	-	-	-	8	8	-	8
Certain mark-to-market transactions	-	-	-	-	-	-	(34)	(34)
Operating Earnings	$ 136	$ 129	$ 21	$ 15	$ (9)	$ 292	$ 8	$ 300

1Q 2014

EPS

	DTE Electric	DTE Gas	Gas Storage and Pipelines	Power and Industrial Projects	Corporate and Other	Growth Segments	Energy Trading	DTE Energy
Reported Earnings	$ 0.77	$ 0.73	$ 0.12	$ 0.08	$ (0.10)	$ 1.60	$ 0.24	$ 1.84
NY state tax law change	-	-	-	-	0.04	0.04	-	0.04
Certain mark-to-market transactions	-	-	-	-	-	-	(0.19)	(0.19)
Operating Earnings	$ 0.77	$ 0.73	$ 0.12	$ 0.08	$ (0.06)	$ 1.64	$ 0.05	$ 1.69

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.

	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.