

DTE ENERGY CO  
Form DEF 14A  
March 12, 2013

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549  
SCHEDULE 14A  
Proxy Statement Pursuant to Section 14(a) of the Securities  
Exchange Act of 1934 (Amendment No. )

Filed by the Registrant  x  
Filed by a Party other than the Registrant  o  
Check the appropriate box:

- o Preliminary Proxy Statement
  - o Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
  - x Definitive Proxy Statement
  - o Definitive Additional Materials
  - o Soliciting Material Pursuant to §240.14a-12
- DTE Energy Company

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)  
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1) Title of each class of securities to which transaction applies:

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3) Filing Party:

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One Energy Plaza  
Detroit, Michigan 48226

2013 Notice of Annual Meeting of Shareholders and Proxy Statement

Date: Thursday, May 2, 2013

Time: 8:00 a.m. Eastern Daylight Time

Place: Sheraton New York Times Square Hotel  
811 7<sup>th</sup> Avenue  
New York, NY 10019

We invite you to attend the annual meeting of DTE Energy Company (“DTE Energy,” “Company,” “we,” “us” or “our”) to:

1. Elect directors;
2. Ratify the appointment of PricewaterhouseCoopers LLP by the Audit Committee of the Board of Directors as our independent registered public accounting firm for the year 2013;
3. Vote on an advisory proposal relating to a nonbinding vote on executive compensation;
4. Vote on a Shareholder proposal relating to political contributions; and
5. Consider any other business that may properly come before the meeting or any adjournments of the meeting.

The record date for this annual meeting is March 7, 2013. Only shareholders of record at the close of business on that date can vote at the meeting. For more information, please read the accompanying 2013 Proxy Statement.

This 2013 Notice of Annual Meeting, as well as the accompanying Proxy Statement and proxy card, will be first sent or given to our shareholders on or about March 15, 2013.

On or about March 15, 2013, we first mailed a meeting notice to certain of our registered and beneficial shareholders containing instructions on how to access our Proxy Statement and Annual Report on Form 10-K and vote online or how to request a paper copy of Proxy Statement and Annual Report on Form 10-K. Shareholders who receive that meeting notice will not receive a proxy card unless they request one.

Regardless of the size of your holdings, it is important to us that your shares be represented at the meeting. Shareholders may vote their shares (1) by telephone, (2) via the Internet, (3) if you received a paper copy, by completing and mailing the enclosed proxy card in the return envelope or (4) in person at the annual meeting. Specific instructions for voting by telephone or via the Internet are attached to the proxy card or to the meeting notice that you received if you did not receive a paper copy. If you attend the meeting and vote at it, your vote at the meeting will replace any earlier vote by telephone, Internet or proxy. If you wish to attend the annual meeting in person, you must receive pre-authorization. Please vote your proxy, then follow the instructions on page 7 to obtain your pre-authorization.

By Order of the Board of Directors

Lisa A. Muschong  
Corporate Secretary  
March 12, 2013

Gerard M. Anderson  
Chairman, President and Chief Executive Officer

Important Notice Regarding the Availability of Proxy Materials for the  
Annual Shareholders Meeting to Be Held on May 2, 2013:

The Proxy Statement and Annual Report are available to security holders at  
[www.proxydocs.com/dte](http://www.proxydocs.com/dte)

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2013 PROXY STATEMENT OF DTE ENERGY COMPANY  
INFORMATION CONCERNING VOTING AND PROXY SOLICITATION  
QUESTIONS AND ANSWERS

Q: Why did I receive proxy materials?

A: You have received these materials because you own DTE Energy common stock. As a shareowner you have the right to vote your shares on matters presented at the annual shareholder meeting to be held on May 2, 2013, or at any adjournments or postponements of this meeting.

Q: What is a proxy?

A: The Board of Directors (the "Board") is asking you to give us your "proxy" to vote your shares at the annual shareholder meeting to be held on May 2, 2013, or at any adjournments or postponements of this meeting. Giving us your proxy means that you authorize another person or persons to vote your shares of our common stock at the annual meeting in the manner you direct. You will grant this permission by either mail, Internet, telephone or in person.

Through the mail, you may grant us permission to vote your shares on your behalf using a "proxy card" or a "voting instruction form" depending on how the ownership of your shares is reflected in our records.

If you are Registered Shareholder, a "proxy card" is the document used to designate your proxy to vote your shares. If you are a Beneficial Shareholder, a "voting instruction form" is the document used to designate your proxy to vote your shares. See "What is the difference between a "Registered Shareholder" and a "Beneficial Shareholder?" below for further information.

In addition, all shareholders have the ability to vote their proxy by the Internet or telephone or to vote in person at the annual meeting.

In this proxy statement, the term "proxy card" refers to the proxy card itself or the voting instruction form used by beneficial holders, unless otherwise indicated.

Q: What is the difference between a "Registered Shareholder" and a "Beneficial Shareholder"?

A: A "Registered Shareholder," also referred to as a "shareholder of record", is a shareholder with shares registered in their name with Wells Fargo Bank, National Association, Shareowner Services Division, our transfer agent ("Wells Fargo"). Individuals who hold physical certificates and/or are participants in the DTE Energy Dividend Reinvestment and Stock Purchase Plan ("DRIP"), make up the largest portion of Registered Shareholders.

A "Beneficial Shareholder", also referred to as a "street name holder", is a shareholder with shares held in a stock brokerage account by a bank or other nominee. Beneficial Shareholders generally cannot vote their shares directly and must instead instruct the brokerage firm, bank or other nominee how to vote their shares using a method described under "How do I vote?" below.

Please note that within this section if no "Registered" or "Beneficial" designation is given to the term "Shareholder" or "Shareowner", we are referring to all DTE Energy Shareholders as of the Record Date.

Q: What are the purposes of this annual meeting?

A: At the meeting, our shareholders will be asked to:

Elect seven directors. The nominees are Gerard M. Anderson, David A. Brandon, Charles G. McClure, Jr., Gail J. McGovern, James B. Nicholson, Charles W. Pryor, Jr., and Ruth G. Shaw for terms expiring in 2014. (See “Proposal No. 1 - Election of Directors” on page 22);

Ratify the appointment of PricewaterhouseCoopers LLP as our independent registered public accounting firm for the year 2013. (See “Proposal No. 2 - Ratification of Appointment of Independent Registered Public Accounting Firm” on page 27);

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3. Vote on an Advisory Proposal providing a nonbinding vote on the Company's executive compensation. (See "Proposal No. 3 - Advisory Proposal - Nonbinding Vote on Executive Compensation" on page 30);
4. Vote on a Shareholder Proposal relating to political contributions, if properly presented at the 2013 meeting. (See "Proposal No. 4 - Shareholder Proposal - Political Contributions" on page 31); and
5. Consider any other business that may properly come before the meeting or any adjournments or postponements of the meeting. (See "Consideration of Any Other Business That May Come Before the Meeting" on page 33).

Q: Who is entitled to vote?

Only DTE Energy common stock shareholders of record at the close of business on March 7, 2013 (the "Record A:Date") are entitled to vote at the annual meeting. Each share of common stock has one vote with respect to each matter coming before the meeting.

Q: How do I vote?

Registered Shareholders - You will receive voting instructions directly from Wells Fargo. You may vote your A.shares held as of Record Date through the Internet, by telephone, by mail or by casting a ballot in person at the annual meeting.

• To vote through the Internet or by telephone, follow the instructions attached to your proxy card or meeting notice.

- To vote by mail, sign and date each proxy card (if you receive a paper copy) and return it in the enclosed prepaid envelope. Proxies will be voted as you specify on each proxy card.

• To vote in person at the annual meeting, please see the instructions under "Who may attend the annual meeting?" on page 7 below. You may use your own proxy card to vote or use a blank one provided at the meeting.

Note that your last vote counts and supersedes all others, see "Can I change or revoke my vote?" below for further information.

If you sign and return your proxy card, but do not specify how you wish to vote, your shares will be voted as the Board recommends. Your shares will also be voted as recommended by the Board, in its discretion, on any other business that is properly presented for a vote at the meeting. (See "Consideration of Any Other Business That May Come Before the Meeting" on page 33).

Beneficial Shareholders - You must vote your shares in the manner prescribed by your brokerage firm, bank or other nominee. Your brokerage firm, bank or other nominee should have enclosed, or should have provided, a "Notice Card" or "Voting Instruction Form" for you to direct them how to vote your shares. Unlike the Registered Shareholders, you will not be able to vote your shares in person at the annual meeting unless you obtain a legal proxy from your brokerage firm, bank or other nominee. See "Who may attend the annual meeting?" on page 7 below for information regarding legal proxies.

If your DTE Energy shares are owned through the DTE Energy Company Savings and Stock Ownership Plan ("401(k) plans"), see "What shares are included on my proxy card or meeting notice?" below.

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Q: What shares are included on my proxy card or meeting notice?

Registered Shareholders - The proxy card or meeting notice you received covers all the number of shares to be A: voted in your account as of the Record Date regardless of type, including any shares held in certificated form or shares held in the DRIP.

DTE Energy Company Savings and Stock Ownership Plan (“401(k) plan”) - The proxy card serves as a voting instruction to the Trustee for DTE Energy common stock owned by employees and retirees of DTE Energy and its affiliates in their respective 401(k) plans. Please note that if you are also a Registered Shareholder, your 401(k) shares will be denoted separately but included with your registered shares on one proxy card.

Beneficial Shareholders - Separate voting instructions will be provided by each of your brokerage firms, banks or other nominees for shares held in street name.

Q: Can I change or revoke my vote?

A. Yes. If you are a Registered Shareholder and/or own DTE Energy shares within the 401(k) plan, any subsequent vote or revocation received by the voting deadline will supersede your prior vote. For example, if you voted by telephone, a subsequent Internet vote will change your vote. Deadlines for voting are indicated on the proxy or notice card.

If you wish to change your vote using a new proxy card, please call 1-866-388-8558 to receive a new proxy card.

Registered Shareholders may also change their vote on their registered shares by voting in person at the annual meeting.

If you wish to revoke any prior vote you must submit a letter addressed to our tabulator, Wells Fargo, DTE Energy, c/o Wells Fargo Shareowner Services, P.O. Box 64873, St. Paul, MN 55164-9397. It must be received prior to the meeting to be processed.

Beneficial Shareholders should contact their brokerage firm, bank or other nominee regarding the timing and method to change or revoke their vote.

Q: Is my vote confidential?

A: Yes, your vote is confidential. Your vote is received and counted by the tabulator and inspector of election, Wells Fargo Shareowner Services. Your vote will not be disclosed except as required by law or in other limited circumstances.

Q: Will I receive an Annual Report?

A. DTE Energy no longer provides a separate “Annual Report.” The Form 10-K, which is filed with the Securities and Exchange Commission (“SEC”), is provided with the proxy material and serves as our “Annual Report” to our shareholders.

Q: What does it mean if I get more than one set of proxy materials or meeting notices?

A.

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Attempts are made to reduce duplicate sets of proxy materials such as with householding, see “What is “householding” and how am I affected?” below. Despite these efforts, you will receive multiple copies of proxy materials if your shares are registered differently (i.e. trust, joint, name spelling variation, etc.) and/or if they are in more than one account (i.e. broker, bank, transfer agent, etc.). Please vote all of the proxies that you receive and consider consolidating accounts.

If you are a Registered Shareholder receiving multiple sets of material and wish to consolidate accounts please contact Wells Fargo at 1-866-388-8558.

If you are a Beneficial Shareholder receiving multiple sets of material and wish to consolidate accounts, please contact your brokerage firm, bank or other nominee.

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Q: What is “householding” and how am I affected?

For those shareholders receiving paper copies of the annual report (Form 10-K) and proxy statement, the SEC permits delivery of a single copy of these statements to shareholders who have the same address and last name. A. This procedure, called “householding,” reduces the volume of duplicate information mailed and reduces printing and postage costs.

Despite “householding” of printed material, each shareholder living at the same address will continue to receive a separate proxy card or, if not receiving a paper copy, a separate meeting notice card.

Registered and DTE Energy 401(k) Shareholders: If you prefer to receive separate copies of our annual reports and proxy statements, now or in the future, please call 1-877-602-7615 or submit a written request to: Wells Fargo Shareowner Services, Attn: Householding/DTE Energy, P.O. Box 64854, St. Paul, MN 55164-0854. These documents will then be promptly delivered to you.

Beneficial Shareholders can request information about “householding” by contacting their brokerage firm, bank or other nominee of record.

Q: What is Notice and Access and how does it affect me?

In 2007, the Securities and Exchange Commission adopted a voluntary rule permitting internet-based delivery of proxy materials. Companies can now send notices, rather than printed proxy materials to shareholders. This lowers A. mailing, printing and storage costs for the company, while minimizing environmental impact. The meeting notice card contains specific information regarding the annual shareholder meeting, proposals to be considered at the meeting and the internet site where the proxy materials may be found and voted upon.

DTE Energy has selected approximately half of its shareholders to receive this notice card in lieu of printed proxy materials. If you receive a notice card but prefer printed proxy materials, please refer to the instructions within the notice card on how to request printed proxy materials. There is no charge to you to request these materials.

Q: Can I elect to receive or view DTE Energy’s annual report (Form 10-K) and proxy statement electronically?

A: Yes. If you received a notice card, as described above, you are receiving proxy materials electronically and no further action is needed on your part.

If you are a Registered Shareholder and you received printed proxy materials, you may elect to receive future proxy materials electronically. To do so you must provide your consent and enroll in this service at [www.ematerials.com/dte](http://www.ematerials.com/dte), where step-by-step instructions will prompt you through the enrollment process.

By consenting to electronic delivery, you are stating that you currently have, and expect to have, access to the internet. If you do not currently have, or do not expect to have, access to the internet, please do not elect to have documents delivered electronically.

If you have previously enrolled, you will receive an email notification directing you to the web site where you can view, search and print the annual report and proxy materials and vote your shares.

If this is your first time registering for electronic delivery, your enrollment will be effective for the 2014 annual meeting.

Beneficial Shareholders should contact their brokerage firm, bank or other nominee and inquire about their electronic delivery options.

All DTE Energy shareholders can view, search and print the current year's proxy statement and annual report on Form 10-K at [www.proxydocs.com/dte](http://www.proxydocs.com/dte).

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Q: What constitutes a quorum?

A: There were 173,146,350 shares of our common stock outstanding on the Record Date. Each share is entitled to one vote with respect to each matter coming before the annual meeting. A majority of these outstanding shares present or represented by proxy at the meeting constitutes a quorum. A quorum is necessary to conduct an annual meeting.

Q: What are abstentions and broker non-votes and how do they affect voting?

A: Abstentions - If you specify on your proxy card that you wish to “abstain” from voting on an item, your shares will not be voted on that particular item. Abstentions are counted toward establishing a quorum, but not toward determining the outcome of the proposal to which the abstention applies.

Broker Non-Votes - Under New York Stock Exchange (“NYSE”) rules, if your broker holds your shares in its name and does not receive voting instructions from you, your broker has discretion to vote these shares on certain “routine” matters, including the ratification of the appointment of the independent registered public accounting firm. Voting to elect directors in an uncontested election, to provide an advisory vote on executive compensation, and to respond to the shareholder proposal relating to political contributions are all non-routine matters. Consequently, your broker must receive voting instructions from you in order to vote with respect to proposals 1, 3 and 4 at our 2013 annual meeting. On routine matters, shares voted by brokers without instructions are counted toward the outcome.

Q: How does the voting work?

A: For each item, voting works as follows:

Proposal No. 1 - Election of Directors - The election of each director requires approval by a majority of the votes cast, i.e., each of the seven nominees for terms ending in 2014 must receive more than fifty percent of the votes cast at the meeting to be elected. You may withhold votes from one or more directors by writing their names in the space provided for that purpose on your proxy card. Withhold votes are counted as votes cast and treated as votes against the relevant director. Failure to vote and broker non-votes will not be considered as votes cast for the election of directors and will not be counted either for or against each director. If you vote by telephone or the Internet, follow the instructions attached to the proxy card or meeting notice. Your broker is not entitled to vote your shares on this matter unless instructions are received from you. You cannot vote for more than seven directors for terms ending in 2014.

Proposal No. 2 - Ratification of Appointment of Independent Registered Public Accounting Firm - Ratification of the appointment of an independent registered public accounting firm requires approval by a majority of the votes cast. Abstentions are not considered votes cast and will not be counted either for or against this matter. Your broker is entitled to vote your shares on this matter if no instructions are received from you.

Proposal No. 3 - Advisory Proposal - Nonbinding Vote on Executive Compensation - Approval of the Advisory Proposal requires approval from a majority of the votes cast. Your broker is not entitled to vote your shares unless instructions are received from you. Abstentions and broker non-votes are not considered votes cast and will not be counted either for or against this matter.

Proposal No. 4 - Shareholder Proposal - Political Contributions - Approval of the Shareholder Proposal requires approval from a majority of the votes cast. Your broker is not entitled to vote your shares unless instructions are received from you. Abstentions and broker non-votes are not considered votes cast and will not be counted either for

or against this matter.

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Q: Who may attend the annual meeting?

A: All shareholders as of the Record Date, or their duly appointed proxies, may attend the annual meeting. You must receive pre-authorization in order to attend. Please contact DTE Energy Shareholder Services by e-mail at sholdersvcs@dteenergy.com or by telephone at 313-235-4200 and provide your name and address to request your pre-authorization.

Beneficial Shareholders- In addition to requesting pre-authorization, Beneficial Shareholders must contact their brokerage firm, bank or other nominee and obtain a legal proxy in order to attend the meeting and vote their shares in person. Generally there is a box to check on the voting instruction card or web site indicating that you wish to attend and vote your shares at the annual meeting. You must provide a copy of the legal proxy to DTE Energy Shareholder Services as definitive proof of ownership in order to obtain your pre-authorization to attend the meeting and to vote your shares in person.

If a Beneficial Shareholder does not obtain a legal proxy but still wants to attend the annual meeting (but not vote their shares in person), you may provide other evidentiary material, such as broker statements, trade advices or a letter from your broker proving ownership as of the Record Date. DTE Energy reserves the right to restrict admission if evidentiary material is not definitive proof of proper and timely ownership.

Representatives attending on behalf of a shareholder - In addition to the shareholder requesting pre-authorization and indicating that a representative will attend on their behalf, a representative must provide a signed letter from the shareholder authorizing the representative's attendance on their behalf along with a copy of the shareholder's government - issued photo identification showing their name, address and signature.

DTE Energy will respond to all requests for pre-authorization to attend the annual meeting and we will maintain a list of verified shareholders at the admission desk for the meeting. Government-issued photo identification is also required for admission to the annual meeting.

Annual meeting attendance requests must be received by the end of business on Thursday April 25, 2013.

Q: How will the annual meeting be conducted?

A: The Chairman of the Board ("Chairman"), or such other director as designated by the Board, will call the annual meeting to order, preside at the meeting and determine the order of business. The only business that will be conducted or considered at this meeting is business discussed in this Proxy Statement, as no other shareholder complied with the procedures disclosed in last year's proxy statement for proposing other matters to be brought at the meeting.

Q: How does a shareholder recommend a person for election to the Board for the 2014 annual meeting?

A: Recommendations for nominations by shareholders should be in writing and addressed to our Corporate Secretary at our principal business address. See the "Shareholder Proposals and Nominations of Directors" section of this Proxy Statement on page 62 for further information on submitting nominations. Once the Corporate Secretary properly receives a recommendation for nomination, the recommendation is sent to the Corporate Governance Committee for consideration. Candidates for directors nominated by shareholders will be given the same consideration as candidates nominated by other sources.





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CORPORATE GOVERNANCE

Governance Guidelines

At DTE Energy, we are committed to operating in an ethical, legal, environmentally sensitive and socially responsible manner, while creating long-term value for our shareholders. The foundation of our governance practices begins at the top, with the DTE Energy Board of Directors Mission and Guidelines (“Governance Guidelines”). The Governance Guidelines set forth the practices the Board follows with respect to Board composition and selection, Board meetings, the performance evaluation and succession planning for DTE Energy's Chief Executive Officer (“CEO” or “Chief Executive Officer”), Board committees, Board compensation, and communicating with the Board, among other things. The Governance Guidelines are also intended to align the interests of directors and management with those of our shareholders. The following is a summary of the Governance Guidelines, along with other governance practices at DTE Energy.

Election of Directors and Vacancies

At the 2011 Annual Meeting, shareholders approved the declassification of the Board. Commencing with the 2012 Annual Meeting, directors with expiring terms are elected annually for terms of one year.

If a vacancy on the Board occurs between annual shareholder meetings, the vacancy may be filled by a majority vote of the directors then in office, and such person will be subject to election by the shareholders at the next annual shareholder meeting.

Under the Governance Guidelines, the Corporate Governance Committee periodically assesses the skills, characteristics and composition of the Board, along with the need for expertise and other relevant factors as it deems appropriate. In light of these assessments, and in light of the standards set forth in the Governance Guidelines, the Corporate Governance Committee may seek candidates with specific qualifications and candidates who satisfy other requirements set by the Board. We believe our Board should be comprised of directors who have had high-level executive experience, have been directors on other boards and have been tested through economic downturns and crises. Industry experience, regional relationships and broad diversity of experience and backgrounds are also factors in Board nominee selection. While we do not have a formal policy relative to diversity in identifying director nominees, we believe that it is desirable for Board members to possess diverse characteristics of gender, race, ethnicity, and age, and we consider such factors in Board evaluation and in the identification of candidates for Board membership. We believe this type of composition enables the Board to oversee the management of the business and affairs of the Company effectively. Information about the skills, experiences and qualifications of our directors is included in their biographies beginning on page 22.

The Corporate Governance Committee considers candidates who have been properly nominated by shareholders, as well as candidates who have been identified by Board members and Company personnel. In addition, the Corporate Governance Committee may use a search firm to assist in the search for candidates and nominees and to evaluate the nominees' skills against the Board's criteria. Based on its review of all candidates, the Corporate Governance Committee recommends a slate of director nominees for election at the annual meeting of shareholders. The slate of nominees may include both incumbent and new nominees.

Potential candidates are reviewed and evaluated by the Corporate Governance Committee, and certain candidates are interviewed by one or more Corporate Governance Committee members. An invitation to join the Board is extended by the Board itself, through the Chairman and the Chair of the Corporate Governance Committee.

During 2012, the Corporate Governance Committee screened director candidates and recommended to the Board that James B. Nicholson be elected as a director. Mr. Nicholson was recommended as a potential candidate by a member of the Corporate Governance Committee. At the Board's June 14, 2012, meeting Mr. Nicholson was elected to serve for a term effective June 15, 2012 and expiring in 2013, to fill a vacancy created by the retirement of John E. Lobbia following his term ending on May 3, 2012.

#### Composition of the Board and Director Independence

Our Governance Guidelines and our Bylaws state that the exact size of the Board will be determined by resolution of the Board from time to time. Our Board currently has 14 members.

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Director Independence and Categorical Standards

As a matter of policy, in accordance with NYSE listing standards, we believe that the Board should consist of a majority of independent directors. The Board must affirmatively determine that a director has no material relationship with the Company, either directly or indirectly, or as a partner, shareholder or officer of an organization that has a relationship with the Company. The Board has established the following categorical standards for director independence, which are more stringent than the NYSE independence standards for former Company executives:

A director, for whom any of the following is true, will not be considered independent:

A director who is currently, or has been at any time in the past, an employee of the Company or a subsidiary.

A director whose immediate family member is, or has been within the last three years, an executive officer of the Company.

A director who receives, or whose immediate family member receives, more than \$120,000 in direct compensation from the Company during any twelve-month period within the last three years, other than director and committee fees and pension or other forms of deferred compensation for prior service (provided such compensation is not contingent in any way on continued service).

A director or a director with an immediate family member who is a current partner of a firm that is the Company's internal or external auditor; the director is a current employee of such a firm; the immediate family member is a current employee of such a firm and personally works on the Company's audit; or the director or immediate family member was, within the last three years, a partner or employee of such a firm and personally worked on the Company's audit within that time.

A director who is employed, or whose immediate family member is employed, or has been employed within the last three years, as an executive officer of another company where any of the Company's present executives at the same time serves or served on that company's compensation committee.

A director who is a current employee, or whose immediate family member is a current executive officer, of a company that has made payments to, or received payments from, the Company for property or services in an amount which, in any of the last three fiscal years, exceeds the greater of \$1 million or 2% of such other company's consolidated gross revenues is not independent until three years after the company falls below such threshold.

Contributions to a tax-exempt organization will not be considered to be a material relationship that would impair a director's independence if a director serves as an executive officer of a tax-exempt organization and, within the preceding three years, contributions in any single fiscal year were less than \$1 million or 2% (whichever is greater) of such tax-exempt organization's consolidated gross revenues.

Applying these standards, the Board has affirmatively determined that all of our directors other than Gerard M. Anderson qualify as independent and have no material relationship with the Company. The independent directors are Lillian Bauder, David A. Brandon, W. Frank Fountain, Jr., Frank M. Hennessey, Charles G. McClure, Jr., Gail J. McGovern, Eugene A. Miller, Mark A. Murray, James B. Nicholson, Charles W. Pryor, Jr., General Josue Robles, Jr., Ruth G. Shaw and James H. Vandenberghe. Mr. Anderson is not an independent director and may be deemed to be an affiliate of the Company under the categorical standards. Mr. Anderson is not considered independent due to his current employment as Chairman, President and Chief Executive Officer.

## Board Committees

The Board has standing committees for Audit, Corporate Governance, Finance, Nuclear Review, Organization and Compensation and Public Policy and Responsibility (formerly known as the Public Responsibility Committee). The Board committees act in an advisory capacity to the full Board, except that the Organization and Compensation Committee has direct responsibility for the CEO's goals, performance and compensation along with compensation of other executives, and the Audit Committee has direct responsibility for appointing, replacing, compensating and overseeing the independent registered public accounting firm. Each committee has adopted a charter that clearly establishes the committee's respective roles and

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responsibilities. In addition, each committee has authority to retain independent outside professional advisors or experts as it deems advisable or necessary, including the sole authority to retain and terminate any such advisors, to carry out its duties. The Board has determined that each member of the Audit, Corporate Governance, and Organization and Compensation Committees is independent under our categorical standards and that each member is free of any relationship that would interfere with his or her individual exercise of independent judgment. The Board has also determined that each member of the Audit Committee meets the independence requirements under the SEC rules and NYSE listing standards applicable to Audit Committee members.

Election of the Chairman and the CEO; Presiding Director

Our Bylaws currently provide that the Chairman may simultaneously serve as the CEO of the Company and shall preside at all meetings of the Board. In addition, the Board may elect an independent director as Presiding Director who would serve until the next annual meeting.

The Board believes it is in the best interests of the Company and shareholders for the Board to have flexibility in determining whether to separate or combine the roles of Chairman and Chief Executive Officer based on the Company's circumstances. The Board has strong governance structures and processes in place to ensure the independence of the Board, eliminate conflicts of interest and prevent dominance of the Board by senior management. The Governance Guidelines and various committee charters provide for independent discussion among directors and for independent evaluation of, and communication with, many members of senior management.

The Board members have considerable experience and knowledge regarding the challenges and opportunities facing the Company and shareholders. The Board believes, therefore, that separating the roles of Chairman and Chief Executive Officer is unnecessary at this time. The Board believes that Mr. Anderson is well qualified through his experience and expertise to be the person who generally sets the agenda for, and leads discussions of, strategic issues for the Company. Nevertheless, the Board will separate these functions when it considers the separation to be in the best interests of the Company and shareholders.

With the Chairman and CEO positions held by Mr. Anderson, the Board continues to believe a good governance practice is to elect a Presiding Director from the independent directors. The Presiding Director will have such responsibilities as required under the NYSE listing standards, as well as such other responsibilities as determined by the Board. Dr. Lillian Bauder currently serves as the Presiding Director and on February 7, 2013, the Board unanimously re-elected Dr. Bauder to continue to serve as Presiding Director. The Presiding Director's duties include:

Calling regularly scheduled executive sessions; presiding at Board executive sessions of non-management directors or independent directors; and providing feedback regarding such sessions, as appropriate, to the Chairman and the CEO;

Reviewing shareholder communications addressed to the Board or to the Presiding Director;

Organizing Board meetings in the absence of the Chairman; presiding at any session of the Board where the Chairman is not present;

Designating one or more directors as alternate members of any committee to replace an absent or disqualified member at any committee meeting, provided that, in the event an alternate member is designated for the Audit, Corporate Governance or Organization and Compensation Committee, the designate meets the Company's categorical standards for director independence and SEC requirements;

Consulting with the Chairman and the CEO in the selection of topics to be discussed when developing the annual Board calendar;

In consultation with the Board, retaining independent advisors on behalf of the Board as the Board determines to be necessary or appropriate;

Participating in the Organization and Compensation Committee's annual review and approval of the CEO's corporate goals and objectives and evaluation of the CEO's performance against those goals;

Reviewing and consulting with the Chairman and the Corporate Secretary on Board meeting agendas; and

Collaborating with the Chairman and the Corporate Secretary on scheduling Board and committee meetings.

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### Board Meetings and Attendance

The Board met seven times in 2012. A portion of most Board meetings was spent with the Chairman and no other management members. All of the incumbent directors attended at least 83% of the Board meetings and the meetings of the committees on which they served, nine of whom had a 100% attendance record. The Board does not have a policy with regard to directors' attendance at the annual meeting of shareholders. All directors then in office attended last year's annual meeting.

### Terms of Office

The Board has not established term limits for directors. However, the Corporate Governance Committee of the Board has established policies that independent directors should not stand for election after attaining the age of 75, unless the Board waives this provision when circumstances exist which make it prudent to continue the service of the particular independent director. Directors who are retired CEOs of the Company or its subsidiaries shall not stand for election after attaining the age of 70. Except for the CEO, who may continue to serve as a director after retirement for so long as he is serving as Chairman, other employees who are also directors will not stand for re-election after retiring from employment with the Company.

Directors Eugene A. Miller and Frank M. Hennessey have reached or will reach age 75 during their current terms which expire at the 2013 annual meeting, and in accordance with these policies they will not stand for election and will retire from the Board at that time.

### Executive Sessions

It is the Board's practice that the independent directors meet in executive session at most regular Board meetings and meet in executive session at other times whenever they believe it would be appropriate. The independent directors met in executive sessions (sessions without the Chairman, CEO or any representatives of management present) at six Board meetings in 2012. At least once per year, the independent directors meet in executive session to review the Organization and Compensation Committee's performance review of the CEO. The Presiding Director chairs the executive sessions of the independent directors.

### Assessment of Board and Committee Performance

The Board evaluates its performance annually. In addition, each Board committee performs an annual self-assessment to determine its effectiveness. Periodically, the Board performs a peer review of all directors who have served one year or more. The results of the Board and committee self-assessments are discussed with the Board and each committee, respectively. The results of the individual peer review are reviewed by the Chair of the Corporate Governance Committee and discussed with the Corporate Governance Committee. The Chair of the Corporate Governance Committee discusses the results of the peer review with individual directors, as directed by the Corporate Governance Committee.

### Board Compensation and Stock Ownership

The Company has established a Board compensation structure intended to provide compensation of approximately one-half cash and one-half equity. The Board has stock ownership guidelines that set specific Company stock ownership requirements based on the director's years of service on the Board. (See "Director Stock Ownership" on page 18.)



Codes of Business Conduct and Ethics

The DTE Energy Board of Directors Code of Business Conduct and Ethics, the Officer Code of Business Conduct and Ethics and the DTE Energy Way are the standards of behavior for Company directors, officers, and employees. Any waiver of, or amendments to, the Board of Directors Code of Business Conduct and Ethics and the Officer Code of Business Conduct and Ethics as it pertains to the CEO, the Chief Financial Officer, senior financial officers and other Executive Officers, as defined in the “Security Ownership of Directors and Officers” section on page 19, will be disclosed promptly by posting such waivers or amendments on the Company website, [www.dteenergy.com](http://www.dteenergy.com). There were no waivers or amendments during 2012.

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Communications with the Board

The Company has established several methods for shareholders or other non-affiliated persons to communicate their concerns to the directors.

Concerns regarding auditing, accounting practices, internal controls, or other business ethics issues may be submitted to the Audit Committee through its reporting channel:

By telephone: 877-406-9448

Or

By Internet: [ethicsinaction.dteenergy.com](http://ethicsinaction.dteenergy.com)

Or

By mail: For auditing, accounting practices or internal control matters:  
DTE Energy Company  
Audit Committee  
One Energy Plaza  
Room 2441 WCB  
Detroit, Michigan 48226-1279

For business ethics issues:

DTE Energy Company  
Office of the Assistant to the Chairman  
One Energy Plaza  
Room 2403 WCB  
Detroit, Michigan 48226-1279

Any other concern may be submitted to the Corporate Secretary by mail for prompt delivery to the Presiding Director at:

Presiding Director  
c/o Corporate Secretary  
DTE Energy Company  
One Energy Plaza  
Room 2386 WCB  
Detroit, Michigan 48226-1279

Periodically, we revise our governance information in response to changing regulatory requirements and evolving corporate governance developments. Current copies of the Governance Guidelines, committee charters, categorical standards of director independence and the codes of ethics referred to above are available on our website at [www.dteenergy.com](http://www.dteenergy.com), in the "Investors - Corporate Governance" section. You can also request a copy of any or all of these documents and a copy of the Company's Annual Report on Form 10-K, free of charge, by mailing your request to the Corporate Secretary, DTE Energy Company, One Energy Plaza, Room 2386 WCB, Detroit, Michigan 48226-1279.

The information on the Company's website is not, and shall not be deemed to be, a part of this Proxy Statement or incorporated into any other filings the Company makes with the SEC.

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## MEETINGS AND COMMITTEES OF THE BOARD OF DIRECTORS

The table below reflects the membership and the number of meetings held by each Board committee during 2012.

Board Members	Audit	Corporate Governance	Finance	Nuclear Review	Organization and Compensation	Public Policy and Responsibility
Gerard M. Anderson						
Lillian Bauder		X*		X	X	
David A. Brandon (1)			X		X	
W. Frank Fountain, Jr.	X					X*
Frank M. Hennessey	X**				X	
Charles G. McClure, Jr.						
Gail J. McGovern			X			X
Eugene A. Miller		X	X		X**	
Mark A. Murray				X		X
James. B. Nicholson						
Charles W. Pryor, Jr.			X	X*		
Josue Robles, Jr.	X*	X				
Ruth G. Shaw				X	X*	
James H. Vandenberghe	X	X	X*			
2012 Meetings	5	4	6	5	6	4

\*Chair

\*\*Vice Chair

(1) Mr. Brandon began serving on the Organization and Compensation Committee in May 2012. He served on the Public Policy and Responsibility Committee until May 2012.

The following is a summary of the terms of each committee's charter and the responsibilities of its members:

#### Audit Committee

Assists the Board in its oversight of the quality and integrity of our accounting, auditing and financial reporting practices and the independence of the independent registered public accounting firm.

Reviews scope of the annual audit and the annual audit report of the independent registered public accounting firm.

Reviews financial reports, internal controls and financial and accounting risk exposures.

Reviews the policies, programs, performance and activities relating to the Company's compliance and ethics programs.

Reviews accounting policies and system of internal controls.

Responsible for the appointment, replacement, compensation and oversight of the independent registered public accounting firm.

Reviews and pre-approves permitted non-audit functions performed by the independent registered public accounting firm.

Reviews the scope of work performed by the internal audit staff.

Reviews legal or regulatory requirements or proposals that may affect the committee's duties or obligations.

Retains independent outside professional advisors, as needed.

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The Board has determined that each member of the Audit Committee is financially literate. The Board has reviewed the qualifications and experience of each of the Audit Committee members and determined that each member of the Audit Committee qualifies as an “audit committee financial expert” as that term has been defined by the SEC.

Corporate Governance Committee

Reviews and assists the Board with corporate governance matters.

Considers the organizational structure of the Board.

Identifies and reports to the Board risks associated with the Company's governance practices and the interaction of the Company's governance with enterprise risk management.

Recommends the nominees for directors to the Board.

Reviews recommended compensation arrangements for the Board, director and officer indemnification and insurance for the Board.

Reviews recommendations for director nominations received from shareholders.

Reviews shareholder proposals and makes recommendations to the Board regarding the Company's response.

Reviews best practices in corporate governance and recommends corporate and Board policies/practices, as appropriate.

Retains independent outside professional advisors, as needed.

Finance Committee

Reviews matters related to capital structure.

Reviews major financing plans.

Recommends dividend policy to the Board.

Reviews financial planning policies and investment strategy.

Reviews and approves the annual financial plan and forecasts.

Reviews certain capital expenditures.

Reviews insurance and business risk management.

Receives reports on the strategy, investment policies, adequacy of funding and performance of post-retirement obligations.

Reviews certain potential mergers, acquisitions and divestitures.

Reviews investor relations activities.

Retains independent outside professional advisors, as needed.

Nuclear Review Committee

Provides non-management oversight and review of the Company's nuclear facilities.

Reviews the financial, operational and business plans at the Company's nuclear facilities.

Reviews the overall performance at the Company's nuclear facilities.

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Reviews the policies, procedures and practices related to health and safety, potential risks, resources and compliance at the Company's nuclear facilities.

Reviews the impact of changes in regulation on the Company's nuclear facilities.

Retains independent outside professional advisors, as needed.

Organization and Compensation Committee

Reviews the CEO's performance and approves the CEO's compensation.

Approves the compensation of certain other executives.

Administers the executive incentive plans and oversees the Company's overall executive compensation and benefit plan philosophy, structure and practices, and the risks involved in executive compensation plans.

Reviews and approves executive employment agreements, severance agreements and change-in-control agreements, along with any amendments to those agreements.

Reviews executive compensation programs to determine competitiveness.

Recommends to the full Board the officers to be elected by the Board.

Reviews succession and talent planning.

Retains independent outside professional advisors, as needed.

Evaluate the independence of the independent compensation consultant.

Review and discuss with management transactions with the independent compensation consultant or its affiliates.

Public Policy and Responsibility Committee

Reviews and advises the Board on emerging social, economic, political and environmental issues.

Reviews reports from management with respect to risk exposures related to social, economic, political, reputational and environment issues and advises the Board on management's procedures for monitoring, controlling and reporting on such exposures.

Reviews the Company's policies on social responsibilities.

Reviews employee policies and safety issues related to employees, customers and the general public.

Reviews strategic initiatives and activities relating to the environment.

Retains independent outside professional advisors, as needed.

BOARD OF DIRECTORS RISK OVERSIGHT FUNCTIONS

The Board receives, reviews and assesses reports from the Board committees and from management relating to enterprise-level risks. Each Board committee is responsible for overseeing and considering risk issues relating to their respective committee and reporting their assessments to the full Board at each regularly scheduled Board meeting. When granting authority to management, approving strategies and receiving management reports, the Board and committees consider, among other things, the risks we face.

Each committee reviews management's assessment of risk for that committee's respective area of responsibility. The Audit Committee considers risk issues, policies and controls associated with our overall financial reporting and disclosure process and legal compliance, and reviews policies on risk control assessment and accounting risk exposure. In addition to its regularly scheduled meetings, the Audit Committee meets with the Chief Financial Officer, the General Auditor, the Chief Risk Officer



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and the independent registered public accounting firm in executive sessions at least quarterly, and meets in executive session with the General Counsel, the Chief Information Officer and the Chief Compliance Officer at least annually in separate executive sessions. The Finance Committee oversees financial, capital, credit and insurance risk. The Organization and Compensation Committee assesses and discusses with the Board the relationship between the inherent risks in executive compensation plans, executive compensation arrangements and executive performance goals and payouts, and how the level or risk corresponds to the Company's business strategies. The Corporate Governance Committee reports to the Board regarding those risks associated with the Company's governance practices and the interaction of the Company's governance with enterprise risk-level management. The Nuclear Review Committee reviews risk relating to the operation of our nuclear power facilities. The Public Policy and Responsibility Committee deals with matters of risk associated with social responsibility, political activity, economic conditions, reputation, safety and the environment. As part of its oversight function, the Board discusses any risk conflicts that may arise between the committees or assigns risk issues to a committee that may arise which do not fall within a specific committee's responsibilities. All Board committees meet periodically with members of senior management to discuss the relevant risks and challenges facing the Company.

The Company also utilizes an internal Risk Management Committee, chaired by the Chairman, President and CEO and comprised of the Chief Financial Officer, Chief Risk Officer, General Counsel, General Auditor and other senior officers, that, among other things, directs the development and maintenance of comprehensive risk management policies and procedures, and sets, reviews and monitors risk limits on a regular basis for enterprise-level risks, counter-party credit and commodity-based exposures. The Company's Chief Risk Officer attends all Audit Committee meetings and meets annually with either the joint Audit Committee and Finance Committee or the full Board to update the members on the Company's enterprise-level risk management. The Chief Risk Officer also periodically meets with the other Board committees and the full Board as may be required.

The Board believes that the committee structure of risk oversight is in the best interests of the Company and its shareholders. Each committee member has expertise on risks relative to the nature of the committee on which he or she sits. With each committee reporting on risk issues at full Board meetings, the entire Board is in a position to assess the overall risk implications, to evaluate how they may affect the Company and to provide oversight on appropriate actions for management to take.

With regard to risk and compensation programs and policies, the Company's Energy Trading segment has compensation programs and policies that are structured differently than other units within the Company. These compensation programs and policies are designed to discourage excessive risk taking by the Energy Trading employees and are subject to specific written policies and procedures administered by members of the Company's senior management. The Company has determined that the Energy Trading compensation programs and policies do not create risks that are reasonably likely to have a material adverse effect on the Company.

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## BOARD OF DIRECTORS COMPENSATION

## Elements of Director Compensation

Employee directors receive no payment for service as directors. The goal of our compensation policies for non-employee directors is to tie their compensation to your interests as shareholders. Accordingly, approximately 50% of a director's annual compensation is in the form of equity-based compensation, including phantom shares of our common stock. Generally, the compensation program for non-employee directors is reviewed on an annual basis by the Corporate Governance Committee and the Board. This review includes a review of a comparative peer group of companies that is identical to the peer group used to review executive compensation (See "Executive Compensation — Compensation Discussion and Analysis" beginning on page 34). Based on the review completed in December 2012, the Board voted to increase director compensation effective January 1, 2013, as further described below. For total compensation paid to each director during 2012, see the "2012 Director Compensation Table" on page 60.

## Cash Compensation

Cash retainer	\$65,000 annually
Presiding Director retainer	\$25,000 annually
Committee chair retainer	\$15,000 annually for Audit Committee Chair and Organization and Compensation Committee Chair, \$10,000 annually for all other committee chairs
Committee meeting fees and fees for special services	\$1,500 per meeting/occurrence
Board meeting fee	\$2,000 per meeting
New Member Orientation/Mentor Program	\$1,250 and \$750 quarterly for the New Member and Mentor, respectively, for the duration of the orientation

## Equity Compensation

Upon first election to the Board	1,000 shares of restricted DTE Energy common stock A variable number of phantom shares of DTE Energy common stock valued at \$100,000 annually, with the actual number of phantom shares to be granted each year determined based on the closing price of the Company's common stock on the first business day of each calendar year(1)
Annual equity compensation	

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Phantom shares of DTE Energy common stock are credited to each non-employee director's account in January of each year. Phantom share accounts are also credited with dividend equivalents which are reinvested into additional (1)phantom shares. For phantom shares granted after 2004, payment of the cash value is made three years after the date of grant unless otherwise deferred by voluntary election of the director. For phantom shares granted before 2005, payment of the cash value occurs only after the date a director terminates his or her service on the Board.

## Payment of Non-Employee Director Fees and Expenses

Retainers and all meeting fees for non-employee directors are either (i) payable in cash or (ii) at the election of the director, deferred into an account pursuant to the DTE Energy Company Plan for Deferring the Payment of Directors' Fees. Non-employee directors may defer up to 100% of their annual retainer and meeting fees into an unfunded deferred compensation plan. Deferred fees may accrue for future payment, with interest accrued monthly at the 5-year U.S. Treasury Bond rate as of the last business day of each month or, at the election of the director, they may be invested in phantom shares of our common stock with all imputed dividends reinvested.

In addition to the retainers and fees, non-employee directors are reimbursed for their travel expenses incurred in attending Board and committee meetings, along with reimbursement for fees and expenses incurred when attending director education seminars or special meetings requested by management. Non-employee directors of the Company, along with salaried employees, are also eligible to participate in the DTE Energy matching gift program, whereby the Company matches certain charitable contributions.

## Directors' Retirement Plan

Benefits under the DTE Energy Company Retirement Plan for Non-Employee Directors were frozen as of December 31, 1998, and all non-employee directors were deemed vested on that date. No further benefits will accrue. Mr. Miller and Dr. Bauder are

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the only current directors covered by this plan and, upon their retirement from the Board, they will each receive \$3,415 per month for 111 and 152 months, respectively.

**Director Life Insurance**

The Company provides each non-employee director with group term life insurance in the amount of \$20,000 and travel accident insurance in the amount of \$100,000.

**Director Stock Ownership**

We have established stock ownership guidelines for directors to more closely tie their interests to those of shareholders. Under these guidelines, the Board requires that each director own shares of the Company's common stock beginning no later than 30 days after election to the Board. In addition, directors are required to own, within five years after initial election to the Board, shares of Company stock having a value equal to two times the sum of total annual cash compensation plus annual phantom stock compensation. Based on the 2012 director compensation program, a director with five years of service who attended eight committee meetings plus all eight meetings of the Board in 2012 would be required to hold a minimum of \$358,000 in stock under these guidelines. This ownership requirement is almost six times the amount of a director's cash retainer under the 2012 compensation program. Common stock, time-based restricted stock, and phantom shares held by a director are counted toward fulfillment of this ownership requirement. As of January 4, 2013, all directors met the initial common stock ownership requirement and those directors who have served as a director for at least five years after their initial election have fulfilled the five-year requirement.

**INFORMATION ON COMPANY EXECUTIVE OFFICERS**

Under our Bylaws, the officers of DTE Energy are elected annually by the Board of Directors, each to serve until his/her successor is elected and qualified, or until his or her resignation or removal. The current executive officers of the Company elected by the Board are as follows:

Name	Age(1)	Present Position	Present Position Held Since	
Gerard M. Anderson	54	Chairman, President and Chief Executive Officer	9/12/2011	(2)
Donna M. England	54	Chief Accounting Officer	9/1/2012	(2)
David E. Meador	56	Executive Vice President and Chief Financial Officer	6/23/2004	
Paul C. Hillegonds	64	Senior Vice President	5/16/2005	
Steven E. Kurmas	57	President and Chief Operating Officer, DTE Electric and Group President, DTE Energy Company	12/8/2008	(2)
Bruce D. Peterson	56	Senior Vice President and General Counsel	6/25/2002	
Gerardo Norcia	50	President and Chief Operating Officer, DTE Gas and Group President, DTE Energy Company	6/28/2007	
Larry E. Steward	60	Vice President	1/15/2001	
Peter B. Oleksiak	47	Senior Vice President	9/1/2012	(2)
Lisa A. Muschong	43	Corporate Secretary	5/10/2010	(2)

(1) As of March 12, 2013.

(2) These executive officers have held various other positions at DTE Energy for five or more years.

**COMPENSATION COMMITTEE INTERLOCKS AND INSIDER PARTICIPATION**

During 2012, the Organization and Compensation Committee consisted of Messrs. Brandon, Hennessey and Miller, Dr. Shaw and Ms. Bauder. No member of the Organization and Compensation Committee serves as an officer or employee of the Company or any of its subsidiaries nor has any member of the Organization and Compensation

Committee formerly served as an officer of the Company or any of its subsidiaries. During 2012, none of the executive officers of the Company served on the board of directors or on the compensation committee of any other entity, any of whose executive officers served either on the Board or on the Organization and Compensation Committee of the Company.

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## INDEMNIFICATION AND LIABILITY

Pursuant to Article VI of our Articles of Incorporation, to the fullest extent permitted by law, no director of the Company shall be personally liable to the Company or its shareholders in the performance of his/her duties.

Article VII of our Articles of Incorporation provides that each person who is or was or had agreed to become a director or officer, or each person who is or was serving or who had agreed to serve at the request of the Board of Directors as an employee or agent of the Company, or as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise (including heirs, executors, administrators or estate of such person), shall be indemnified by the Company to the fullest extent permitted by law. We have entered into indemnification agreements with each of our directors and executive officers. These agreements require the Company to indemnify such individuals for certain liabilities to which they may become subject as a result of their affiliation with the Company.

The Company, the directors and officers in their capacities as such are insured against liability for alleged wrongful acts (to the extent defined) under eight insurance policies providing aggregate coverage in the amount of \$200 million.

## SECURITY OWNERSHIP OF DIRECTORS AND OFFICERS

The following table sets forth information as of January 4, 2013, with respect to beneficial ownership of common stock, phantom stock, performance shares, and options exercisable within 60 days for (i) each of our directors and nominees for director, (ii) our Chairman and Chief Executive Officer, Chief Financial Officer and the three other highest paid executive officers (together, the “Named Executive Officers”), and (iii) all executive officers and directors as a group. Executive officers for this purpose are those individuals defined as executive officers under Rule 16a-1(f) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”). Unless otherwise indicated, each of the named individuals has sole voting and/or investment power over the shares identified. To our knowledge, no member of our management team or director was a beneficial owner of one percent or more of the outstanding shares of common stock as of January 4, 2013.

Amount and Nature of Beneficial Ownership as of January 4, 2013

Name of Beneficial Owners	Common Stock <sup>(1)</sup>	Phantom Stock <sup>(2)</sup>	Other Shares That May Be Acquired <sup>(3)</sup>	Options Exercisable Within 60 Days
Gerard M. Anderson	223,416	10,921	122,863	343,889
Lillian Bauder	6,983	29,490	—	—
David A. Brandon	1,000	7,797	—	—
W. Frank Fountain, Jr.	1,000	21,189	—	—
Frank M. Hennessey	6,607	34,422	—	—
Steven E. Kurmas	75,254	1,452	35,304	35,000
Charles G. McClure, Jr.	1,000	1,625	—	—
Gail J. McGovern	1,000	19,051	—	—
David E. Meador	79,899	—	38,303	17,000
Eugene A. Miller	4,400	39,017	—	—
Mark A. Murray	1,000	5,575	—	—
James B. Nicholson	2,700	2,096	—	—
Gerardo Norcia	45,325	1,084	26,884	70,814
Bruce D. Peterson	43,658	—	23,999	14,334
Charles W. Pryor, Jr.	300	27,663	—	—
Josue Robles, Jr.	1,000	7,105	—	1,000
Ruth G. Shaw	1,000	5,575	—	—
James H. Vandenberghe	2,000	7,850	—	—
	552,773	225,402	282,797	519,538

Directors and Executive Officers as a  
group —23 persons

- 
- (1) Includes directly held common stock, restricted stock and shares held pursuant to the 401(k) plan.  
Shares of phantom stock are acquired as follows: (a) by non-employee directors (i) as compensation under the DTE Energy Company Deferred Stock Compensation Plan for Non-Employee Directors and (ii) through participation in the DTE Energy Company Plan for Deferring the Payment of Directors' Fees, and (b) by executive officers pursuant to the (i) DTE
- (2)

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Energy Company Supplemental Savings Plan, (ii) DTE Energy Company Executive Deferred Compensation Plan (this plan was closed effective as of January 1, 2007 for future deferrals; none of the Named Executive Officers participate in the plan) and (iii) DTE Energy Company Executive Supplemental Retirement Plan. Shares of phantom stock may be paid out in either cash or stock.

(3) Represents performance shares under the Long-Term Incentive Plan (as described beginning on page 43) that entitle the executive officers to receive shares or cash equivalents (or a combination thereof) in the future if certain performance measures are met. The performance share numbers assume that target levels of performance are achieved. The number of performance shares reflected in the table includes an increase from the original grant amount, assuming full dividend reinvestment at the fair market value on the dividend payment date. Performance shares are not currently outstanding shares of our common stock and are subject to forfeiture if the performance measures are not achieved over a designated period of time. Executive officers do not have voting or investment power over the performance shares until performance measures are achieved. See the discussion in “Executive Compensation — Compensation Discussion and Analysis” beginning on page 34. The remaining performance shares will be paid out in accordance with their terms when they were granted.

**SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE**

Section 16(a) of the Exchange Act requires our directors, executive officers and 10% shareholders (if any) to file reports of ownership and changes in ownership with respect to our securities with the SEC and to furnish copies of these reports to us. We reviewed the filed reports and written representations from our directors and executive officers (to our knowledge, we do not have any 10% shareholders) regarding the necessity of filing reports. Based on our review, none of our current executive officers or directors had Section 16(a) filings during 2012 that were not filed on a timely basis.

**SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS**

The following table sets forth information regarding the only persons or groups known to the Company to be beneficial owners of more than 5% of our outstanding common stock.

Title of Class	Name and Address of Beneficial Owner	Amount and Nature of Beneficial Ownership	Percent of Class
Common Stock	BlackRock, Inc. 40 East 52nd Street New York, New York 10022	11,672,303 (1)	6.78 %
Common Stock	The Vanguard Group, Inc. 100 Vanguard Blvd. Malvern, Pennsylvania 19355	11,379,052 (2)	6.61 %
Common Stock	State Street Corporation State Street Financial Center One Lincoln Street Boston, MA 02111	8,852,597 (3)	5.1 %

(1) Based on information contained in Schedule 13G/A filed on February 6, 2013. Shares listed as beneficially owned by BlackRock are owned by the following entities: BlackRock Advisors, LLC, BlackRock Financial Management, Inc., BlackRock Investment Management, LLC, BlackRock Investment Management (Australia) Limited, BlackRock (Luxembourg) S.A., BlackRock (Netherlands) B.V., BlackRock Fund Managers Limited, BlackRock Life Limited, BlackRock Asset Management Australia Limited, BlackRock Asset Management Canada Limited, BlackRock Asset Management Deutschland AG, BlackRock Asset Management Ireland Limited, BlackRock Advisors (UK) Limited, BlackRock Fund Advisors, BlackRock International Limited, BlackRock Institutional



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Trust Company, N.A., BlackRock Japan Co. Ltd., BlackRock Investment Management (UK) Limited, iShares (DE) I InvAG mit Teilgesellschaftsvermögen. BlackRock Inc. has sole dispositive power and sole voting power and is deemed to beneficially own 11,672,303 shares.

Based on information contained in Schedule 13G/A filed on February 11, 2013. Shares listed as beneficially owned by Vanguard are owned by the following entities: The Vanguard Fiduciary Trust Company, Vanguard Investments (2) Australia, Ltd/ and The Vanguard Group, Inc. The Vanguard Group, Inc. has sole voting power with respect to 292,642 shares, sole dispositive power with respect to 11,096,797 shares, shared dispositive power with respect to 282,255 shares and is deemed to beneficially own 11,379,052 shares.

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Based on information contained in Schedule 13G filed on February 11, 2013. Shares listed as beneficially owned by State Street Corporation are owned by the following entities: State Street Global Advisors France S.A., State Street Bank and Trust Company, SSGA Funds Management, Inc., State Street Global Advisors Limited, State Street Global Advisors Ltd, State Street Global Advisors, Australia Limited, State Street Global Advisors Japan Co., Ltd., State Street Global Advisors, Asia Limited and Ssariv Advisors LLC. State Street Corporation has shared voting power and shared dispositive power with respect to 8,852,597 shares and is deemed to beneficially own 8,852,597 shares.

CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

Related-person transactions have the potential to create actual or perceived conflicts of interest. The Company has policies in place to address related-party transactions. In addition, our Corporate Governance Committee and Audit Committee review potential dealings or transactions with related parties. In conducting such reviews, the committees consider various factors they deem appropriate, which may include (i) the identity of the related party and his or her relationship to the Company, (ii) the nature and size of the transaction, including whether it involved the provision of goods or services to the Company that are unavailable from unrelated third parties and whether the transaction is on terms that are comparable to the terms available from unrelated third parties, (iii) the nature and size of the related party's interest in the transaction, (iv) the benefits to the Company of the transaction and (v) whether the transaction could involve an apparent or actual conflict of interest with the Company.

In general, employees and directors may not be involved in a business transaction where there is a conflict of interest with the Company. The DTE Energy Way requires non-officer employees to report conflicts of interest or potential conflicts of interest to their respective superiors; the Officer Code of Conduct and Ethics requires officers to report conflicts of interest or potential conflicts of interest to the Company's General Counsel or to the Company's Board of Directors; and the Board of Directors Code of Business Conduct and Ethics requires directors to disclose conflicts of interest or potential conflicts of interest to the Company's Corporate Governance Committee or the Chairman of the Board. For directors and officers, any waivers of the Company's conflict of interest policy must be approved by the Board or a Board committee, as required under the Officer Code of Conduct and Ethics or Board of Directors Code of Business Conduct and Ethics, disclosed to shareholders and posted to our website at <http://www.dteenergy.com/dteEnergyCompany/investors/corporateGovernance/ethics/code.html>.

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PROPOSAL NO. 1  
ELECTION OF DIRECTORS

Our Bylaws require that commencing with the 2012 annual meeting of shareholders and for each annual meeting of shareholders thereafter, directors whose terms are expiring at an annual meeting of shareholders shall be elected for terms of one year. Each director whose term of office for which he or she was elected has not expired as of the 2013 annual meeting of shareholders shall continue to hold office until such time as his or her term has expired. Commencing with the 2014 annual meeting, all directors will be elected annually.

Proxies cannot be voted for more than seven persons at this meeting. If any nominee becomes unable or unwilling to serve at the time of the meeting, the persons named in the enclosed proxy card have discretionary authority to vote for a substitute nominee or nominees. It is anticipated that all nominees will be available for election.

The biographies of each of the nominees and continuing directors below contain information regarding the person's service as a director, business experience, and director positions held currently or at any time during at least the last five years. The dates shown for service as a director of DTE Energy include service as a director of DTE Electric, our former corporate parent and, as a result of a share exchange in 1996, now our wholly-owned subsidiary. The age provided for each director is as of March 12, 2013. In addition to the information presented below regarding each person's experience, qualifications, attributes, and skills that caused our Corporate Governance Committee and Board to determine that the person should serve as a director, the Board believes that all of the Company's directors have a reputation for integrity and honesty and adherence to high ethical standards. They each have demonstrated business acumen, strategic insight, an ability to exercise sound judgment, and a commitment to service and community involvement. Finally, we value their significant experience on other public company boards of directors and board committees and the diversity that they bring to our Board.

**THE BOARD OF DIRECTORS RECOMMENDS A VOTE "FOR" THE NOMINEES FOR ELECTION AT THIS MEETING.**

Nominees for Election at this Meeting for Terms Expiring in 2014

Gerard M. Anderson, age 54 Director since 2009

Mr. Anderson has served as Chairman of the Board since September 12, 2011. Mr. Anderson has served as President and Chief Executive Officer of the Company since October 2010. From 2005 through 2010, Mr. Anderson served as President and Chief Operating Officer of the Company. Prior to such time, Mr. Anderson has served in various positions at the Company since 1993, including service as President from 2004 to 2005 and Executive Vice President from 1997 to 2004. Prior to joining DTE Energy, Mr. Anderson worked for McKinsey & Co. He received his B.S. in civil engineering from the University of Notre Dame and his M.B.A. and M.P.P. from the University of Michigan. In addition to his service on the Company's Board of Directors, he is a director of The Andersons, Inc. and a director of many community and non-profit organizations.

Mr. Anderson's qualifications to sit on our Board include his significant number of years of experience in the energy industry, including five years as our President and Chief Operating Officer. Mr. Anderson also has extensive experience in strategic planning and corporate and business development, along with broad experience managing capital-intensive industries. He also has experience serving as a director of another publicly traded corporation.



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David A. Brandon, age 60 Director since 2010

Mr. Brandon has served as the Athletic Director of the University of Michigan since March 2010. From 1999 until 2010, he was the chairman and CEO of Domino's Pizza, Inc., a pizza delivery company. He continues to serve as Non-executive Chairman of Domino's. From 1989 to 1998, he served as president and CEO of Valassis Communications, Inc., a marketing and sales promotion firm, and was Chairman of the Board there from 1997 to 1998. Mr. Brandon received a B.A. in communications from the University of Michigan. In addition to his service on the Company's Board of Directors, he is a director of Domino's Pizza, Inc., Kaydon Corporation and Herman Miller, Inc. He has previously served as a director of several corporations, including The TJX Companies, Northwest Airlines Corporation and Burger King Holdings, Inc. He has also served an 8-year term on the University of Michigan board of regents and as Chairman of the Board of Business Leaders for Michigan.

Mr. Brandon's qualifications to sit on our Board include his experience as a chief executive officer and extensive executive experience in marketing and sales, and strong skill sets in corporate finance, corporate governance and strategic planning, executive compensation, and community relations. He also has experience serving as a director of several other publicly traded corporations.

Charles G. McClure, Jr., age 59 Director since 2012

Mr. McClure has served as the Chairman of the Board, Chief Executive Officer and President of Meritor, Inc., a leading global supplier of drivetrain, mobility, braking and aftermarket solutions for commercial vehicle and industrial markets, since 2004. Prior to this position, he served as CEO, president and a member of the board of Federal-Mogul Corp. He joined Federal-Mogul in 2001 as president, COO and a member of the board. He also served as president, CEO and a member of the board of Detroit Diesel. He joined Detroit Diesel in 1997 after 14 years in a variety of management positions with Johnson Controls, including vice president and managing director of the company's European and South African operations and later became President of the company's Americas region. He has also previously held management positions at Hoover Universal and Ford as a heavy-duty truck sales engineer and field service engineer. From 1975 to 1979 he served as an officer on a U.S. Navy destroyer. Mr. McClure holds a B.S. in mechanical engineering from Cornell University and a M.B.A. from the University of Michigan. In addition to his service on the Company's Board of Directors, he is a director of R.L. Polk and Company, National Association of Manufacturers (NAM), the Detroit Regional Chamber of Commerce, Business Leaders for Michigan, The Business Roundtable and a director, member or trustee of many community and professional organizations.

Mr. McClure's qualifications to sit on our Board include his experience as CEO, president and director of several major domestic and international corporations and his strong, broad knowledge of business and industry, together with his proven leadership skills and financial expertise. He also has experience as a director of other publicly traded corporations.

Gail J. McGovern, age 61 Director since 2003

Ms. McGovern is currently the President and Chief Executive Officer of the American Red Cross and has served in that position since 2008. From 2002 to 2008, she was a Professor at Harvard Business School. Ms. McGovern also served as President of Fidelity Personal Investments, a unit of Fidelity Investments, from 1998 to 2002 and Executive Vice President of Consumer Markets, a division of AT&T, from 1997 to 1998. She received her B.A. in quantitative sciences from Johns Hopkins University and her M.B.A. from

Columbia University. In addition to her service on the Company's Board of Directors, Ms. McGovern is a trustee of Johns Hopkins University. She also served as a director of Digitas, Inc. until 2007 and of Hartford Financial Services Group, Inc. until 2010.

Ms. McGovern's qualifications to sit on our Board include her experience as a chief executive officer and extensive executive experience in marketing and sales, customer relations, corporate finance, strategic planning and government relations and knowledge of regulatory matters. She also has served as a director of other publicly traded corporations and a trustee of a major research university.

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James B. Nicholson, age 69 Director since 2012 Mr. Nicholson is currently President and Chief Executive Officer of PVS Chemicals, Inc., a global manufacturer, distributor and marketer of chemicals and related transportation services. He has served in that position since 1979. Prior to this position, he joined the company as vice president in 1972 and assumed the additional duties of treasurer in 1977. Prior to his roles at PVS, he held positions with First National Bank of Chicago in London and Dublin.

Mr. Nicholson holds a Bachelor's Degree in economics from Stanford University and a M.B.A. from the University of Chicago. He has also received a M.S. in economics from the London School of Economics.

In addition to his service on the Company's Board of Directors, he is chairman of the board of the Amerisure Companies and a member of the boards of PrivateBancorp Inc., Cooper Natural Resources and the American Chemistry Council. He was appointed to the National Infrastructure Advisory Council by President George W. Bush in 2006 and in 2011, he was appointed by Michigan Governor Rick Snyder to the state's Investment Advisory Committee. He is also Board Chairman of the McGregor Funds and the Futures Foundation, and a director, member or trustee of many other community and professional organizations.

Mr. Nicholson's qualifications to sit on our Board include his experience as CEO/president/director of several major domestic and international companies, his proven experience as an effective, successful business leader, his experience with various corporate boards and his leadership in the community.

Charles W. Pryor, Jr., age 68 Director since 1999

Dr. Pryor serves as Chairman of Urenco USA, Inc., a mineral enrichment provider, and has served in this position since 2007. He also served as President and Chief Executive Officer of Urenco Investments from 2006 to 2007 and served as President and Chief Executive Officer of Urenco, Inc. from 2003 to 2006. From 2002 to 2003, he served as Chief Executive Officer of Utility Services Business Group of British Nuclear Fuels, plc, and, from 1997 to 2002, he served as Chief Executive Officer of Westinghouse Electric Co. Dr. Pryor received his B.S. in civil engineering and his M.S. and Ph.D. in structural engineering from Virginia Tech. He also received an executive M.B.A. from Northeastern University. In addition to his service on the Company's Board of Directors and Urenco USA's Board of Directors, Dr. Pryor is a director or trustee of many community and professional organizations.

Dr. Pryor's qualifications to sit on our Board include his experience as a chief executive officer and his extensive operational and engineering experience in the nuclear and energy industries. Dr. Pryor also has experience managing capital-intensive industries and strong skills in corporate finance, regulatory matters and strategic planning and corporate development. He also has experience serving as a director of another publicly traded corporation in the utility industry.

Ruth G. Shaw, age 65 Director since 2008

Dr. Shaw is retired from Duke Energy, an energy company. During her career at Duke Energy, she held various positions, including Executive Advisor from 2007 to 2009. From 2006 to 2007, she served as Group Executive for Public Policy and President of Duke Nuclear. She also served as President and Chief Executive Officer of Duke Power Company from 2003 to 2006, and previously served as Chief Administrative Officer. Dr. Shaw received her B.A. and M.A. from East Carolina University and her Ph.D. from the

University of Texas at Austin. In addition to her service on the Company's Board of Directors, she is a director of The Dow Chemical Company, and a director or trustee of many community and professional organizations. Dr. Shaw is a previous board member of the Nuclear Energy Institute and the Institute of Nuclear Power Operations. She served as a director of Wachovia Corporation until 2008 and a director of Medcath until 2005.

Dr. Shaw's qualifications to sit on our Board include her experience as a chief executive officer and her 15 years of experience in the energy and nuclear businesses and managing capital-intensive industries. She has broad knowledge of regulatory matters and strong skills in public policy, corporate communications, corporate governance, executive compensation and corporate finance. She also has experience serving as a director of other publicly traded corporations.



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Directors Whose Present Terms Continue Until 2014

Lillian Bauder, age 73  
1986

Director since

Dr. Bauder is a retired Vice President of Masco Corporation, a consumer products and services provider. Prior to her retirement from Masco Corporation in 2007, she served in various positions at Masco Corporation, including Vice President of Corporate Affairs from 1996 to 2006 and Chairman and President of the Masco Corporation Foundation during this same time period. From 2001 to 2006, she led Masco's global strategy. Earlier, she was President and Chief Executive Officer of Cranbrook Educational Community for 13 years. Dr. Bauder received her B.A. from Douglass College, Rutgers University, and an M.A. and Ph.D. from the University of Michigan. In addition to her service on the Company's Board of Directors, she is a director or trustee of many community and professional organizations and served as a director of Comerica Incorporated until 2010.

Dr. Bauder's qualifications to sit on our Board include her experience as a chief executive officer of a major non-profit educational institution. She also has extensive for-profit executive experience in corporate governance, strategic planning and corporate strategy development, combined with strong skill sets in organizational planning and community and governmental relations. She also has experience serving as a director of two other publicly traded corporations.

W. Frank Fountain, Jr., age 68 Director since 2007

Mr. Fountain has served as President of Escombia Enterprises, LLC since May 2012. Prior to that he served as Chairman of the Walter P. Chrysler Museum Foundation Board of Directors from 2009 until 2012. He is a retired executive of Chrysler, LLC, an automobile and automotive components manufacturer which was reorganized under Federal bankruptcy laws in 2009 after his retirement from that company. His positions at Chrysler, LLC included serving as Senior Advisor, Senior Vice President of External Affairs and Public Policy from 1998 to 2008 and Vice President, Government Affairs, from 1995 to 1998. Mr. Fountain received a B.A. in history and political science from Hampton University and an M.B.A. from the University of Pennsylvania Wharton School. In addition to his service on the Company's Board of Directors, he is a director of The Wharton School, Hampton University Board of Trustees, National Council of Negro Women and Wittenburg Center on Global Ethics and he is a director or trustee of many community and professional organizations.

Mr. Fountain's qualifications to sit on our Board include his experience as a leader of large business organizations and extensive experience with public and financial accounting for complex organizations, combined with strong skills in corporate finance, public policy, and government relations and his knowledge of regulatory matters.

Mark A. Murray, age 58 Director since 2009

Mr. Murray has served as Co-Chief Executive Officer of Meijer, Inc., a regional retail chain, since February 2013. Prior to that he served as the President of Meijer from 2006 to February 2013. From 2001 to 2006, he was the President of Grand Valley State University. He also served as Treasurer for the State of Michigan from 1999 to 2001 and Vice President of Finance and Administration for Michigan State University from 1998 to 1999. Mr. Murray received his B.S. in economics and his M.S. in labor and industrial relations from Michigan State University. In addition to his service on the Company's Board of

Directors, he is a director of Universal Forest Products, Incorporated and a director or trustee of many community and professional organizations.

Mr. Murray's qualifications to sit on our Board include his experience as President of a major Michigan-based corporation and his experience as a university president and a State of Michigan government official. He also has extensive experience in financial accounting matters for complex organizations, strategic planning and corporate development, combined with strong skills in corporate finance, sales and marketing and government relations and public policy. He also has experience serving as a director of another publicly traded corporation.

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Josue Robles, Jr., age 67 Director since 2003

Major General Josue (Joe) Robles, Jr. USA (Ret.) serves as President and Chief Executive Officer of USAA, an insurance and financial services company. He has held this position since 2007. He also served as Executive Vice President, Chief Financial Officer and Corporate Treasurer of USAA from 1994 to 2007. He received his B.B.A. in accounting from Kent State University and his M.B.A. from Indiana State University. General Robles served for more than 28 years in the military, including an assignment as Director of the Army Budget and the Commanding General, 1st Infantry Division (The Big Red One). In addition to his service on the Company's Board of Directors, he is a director of community and charitable organizations.

General Robles' qualifications to sit on our Board include his experience, both as a chief executive officer and a chief financial officer. He has extensive experience with public and financial accounting matters for complex organizations. He brings strong leadership skills as a result of his experience at the most senior levels of the United States Army. General Robles also has broad experience in corporate finance, information systems and controls, and government and community relations.

James H. Vandenberghe, age 63 Director since 2006

Mr. Vandenberghe is the retired Vice Chairman and a former director of Lear Corporation, an automotive supplier, and held this position from 1998 to 2008. Lear Corporation reorganized under Federal bankruptcy laws in 2009 after his retirement from that company. Mr. Vandenberghe also held various positions at Lear Corporation from 1988 to 1998, including President and Chief Operating Officer and Chief Financial Officer. He received his B.A. in business administration from Western Michigan University and his M.A. from Wayne State University. In addition to his service on the Company's Board of Directors and his prior service on Lear Corporation's Board of Directors, he is a director of Federal-Mogul Corporation and a director or trustee of many community and professional organizations.

Mr. Vandenberghe's qualifications to sit on our Board include his experience as a leader of major organizations and managing capital-intensive industries. As a former chief financial officer, he has broad experience with public and financial accounting for complex organizations and corporate finance. He also has strong skills in corporate governance and strategic planning and corporate development and has experience serving as a director of other publicly traded corporations.

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PROPOSAL NO. 2  
 RATIFICATION OF APPOINTMENT OF INDEPENDENT  
 REGISTERED PUBLIC ACCOUNTING FIRM

Subject to ratification by the shareholders, the Audit Committee has appointed PricewaterhouseCoopers LLP (“PwC”) as our independent registered public accounting firm to audit our consolidated financial statements for the fiscal year ending December 31, 2013 and to perform other audit-related services. Following the Audit Committee's appointment, the Board voted unanimously to recommend that our shareholders vote to ratify the Audit Committee's selection of PwC as our independent auditors for 2013.

The reports of PwC on the consolidated financial statements of DTE Energy for the year ended December 31, 2012 and for the year ended December 31, 2011 did not contain adverse opinions or a disclaimer of opinions and were not qualified or modified as to uncertainty, audit scope or accounting principles.

During the Company's two most recent fiscal years, ended December 31, 2012 and 2011, and from January 1, 2013 through February 20, 2013, there were no disagreements with PwC on any matter of accounting principles or practices, financial statement disclosure or auditing scope or procedure, which disagreements, if not resolved to PwC's satisfaction, would have caused PwC to make reference to the subject matter of such disagreements in connection with its reports on the Company's consolidated financial statements for such years.

During the Company's two most recent fiscal years, ended December 31, 2012 and 2011, and from January 1, 2013 through February 20, 2013, there were no “reportable events” as defined under Item 304(a)(1)(v) of Regulation S-K.

Representatives of PwC will be present at the annual meeting and will be afforded an opportunity to make a statement, if they desire, and to respond to appropriate questions from shareholders.

#### Fees to the Independent Registered Public Accounting Firm

The following table presents fees for professional services rendered by PwC for the audit of the Company's annual financial statements for the years ended December 31, 2012 and December 31, 2011, and fees billed for other services rendered by PwC during those periods.

	2012	2011
Audit fees(1)	\$5,379,567	\$5,352,391
Audit related fees(2)	51,000	47,030
Tax fees(3)	194,069	377,066
All other fees(4)	538,456	467,443
Total	\$6,163,092	\$6,243,930

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- Represents fees for professional services performed by PwC for the audits of the Company's annual financial statements included in the Company's Form 10-K, review and audit of the Company's internal control over financial (1)reporting, the review of financial statements included in the Company's Form 10-Q filings, and services that are normally provided in connection with regulatory filings or engagements. Audit fees are presented on an Audit Year basis in accordance with SEC guidelines and include an estimate of fees incurred for the most recent Audit Year.
- (2)Represents the aggregate fees billed for audit-related services and various attest services.
- (3)Represents fees billed for tax services, including tax reviews and planning.
- (4) Represents consulting services for the purpose of providing advice and recommendations.



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Policy on Audit Committee Pre-Approval of Audit and Permissible Non-Audit Services of Independent Registered Public Accounting Firm

Consistent with SEC policies regarding the independence of the registered public accounting firm, the Audit Committee is responsible for appointing, approving professional service fees of, and overseeing the work of the independent registered public accounting firm. The Audit Committee has established a policy regarding pre-approval of all audit and permissible non-audit services provided by the independent registered public accounting firm.

Prior to engaging the independent registered public accounting firm to perform specific services, the Audit Committee pre-approves these services by category of service. The Audit Committee may delegate to the Chair of the Audit Committee, or to one or more other designated members of the Audit Committee, the authority to grant pre-approvals of all permitted services or classes of these permitted services to be provided by the independent registered public accounting firm up to, but not exceeding, a pre-defined limit. The decisions of the designated member to pre-approve a permitted service are reported to the Audit Committee at each scheduled meeting. At least quarterly, the Audit Committee reviews:

A report summarizing the services, or groupings of related services, including fees, provided by the independent registered public accounting firm.

A listing of new services requiring pre-approval, if any.

As appropriate, an updated projection for the current fiscal year, presented in a manner consistent with the proxy disclosure requirements, of the estimated annual fees to be paid to the independent registered public accounting firm.

All audit, audit-related, tax and other services performed by PwC were pre-approved by the Audit Committee in accordance with the regulations of the SEC. The Audit Committee considered and determined that the provision of the non-audit services by PwC during 2012 was compatible with maintaining independence of the registered public accounting firm.

Report of the Audit Committee

The purpose of the Audit Committee is to assist the Board's oversight of the integrity of the Company's financial statements, the Company's compliance with legal and regulatory requirements, the Company's independent registered public accounting firm's qualifications and independence and the performance of the Company's internal audit function. All members of the Audit Committee meet the criteria for independence as defined in our categorical standards and the audit committee independence requirements under the SEC rules. The Audit Committee Charter also complies with requirements of the NYSE.

Management is responsible for the financial reporting process, including the system of internal controls, and for the preparation of consolidated financial statements in accordance with accounting principles generally accepted in the United States of America ("GAAP"). Management is also responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting. The independent registered public accounting firm is responsible for auditing these financial statements and expressing an opinion as to their conformity with GAAP. The independent registered public accounting firm is also responsible for expressing an opinion on the effectiveness of the Company's internal control over financial reporting. The Audit Committee's responsibility is to monitor and review these processes, acting in an oversight capacity, and the Audit Committee does not certify the financial statements or internal control over financial reporting or guarantee the independent registered public accounting firm's reports. The Audit Committee relies, without independent verification, on the information provided to it including representations made by management and the reports of the independent

registered public accounting firm.

The Audit Committee discussed with PwC the matters required to be discussed by audit standards, SEC regulations and NYSE requirements. Disclosures were received from PwC regarding its independence as required by applicable requirements of the Public Company Accounting Oversight Board and discussed with them. The Audit Committee has considered whether the services provided by PwC other than those services relating to audit services are compatible with maintaining PwC's independence. The Audit Committee has concluded that such services have not impaired PwC's independence. The Audit Committee reviewed and discussed the audited financial statements for the year ended December 31, 2012 with management and PwC. Based on the review and discussions noted above, the Audit Committee recommended to the Board that the audited financial statements be included in the Company's Annual Report on Form 10-K filed with the SEC for the fiscal year ended December 31, 2012. The Audit Committee reviewed and discussed Management's Report on Internal Control over Financial Reporting as of December 31, 2012 with management and PwC. Based on the review and discussions noted above, the Audit Committee recommended to the Board that Management's Report on Internal Control over Financial Reporting as of

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December 31, 2012 be included in the Company's Annual Report on Form 10-K filed with the SEC for the fiscal year ended December 31, 2012.

Audit Committee

Josue Robles, Jr., Chair

Frank M. Hennessey, Vice Chair

W. Frank Fountain, Jr.

James H. Vandenberghe

THE BOARD OF DIRECTORS RECOMMENDS A VOTE "FOR" THE PROPOSAL TO RATIFY THE APPOINTMENT OF THE INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM.



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PROPOSAL NO. 3  
ADVISORY PROPOSAL  
NONBINDING VOTE ON EXECUTIVE COMPENSATION

The Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 requires the Company to provide shareholders with an opportunity to vote to approve, on an advisory basis, the compensation of our Named Executive Officers as described in the “Compensation Discussion and Analysis” (“CD&A”) section of this proxy statement and in the tabular and narrative disclosure regarding Named Executive Officer compensation, all contained under the heading “Executive Compensation” in this proxy statement.

The Company's executive compensation program is designed to include elements of cash and equity-based compensation to motivate and reward executives who achieve short-term and long-term corporate and financial objectives leading to the success of the Company. We emphasize performance-based compensation for results that are consistent with shareholder interests. The program is also designed to attract and retain talented executives and align the interests of our executives with those of our shareholders. At each of the 2012 and 2011 annual meetings, 93% of voting shareholders overwhelmingly approved the compensation of the Named Executive Officers.

Shareholders have in the past approved the incentive plans that we use to motivate and reward our executives, including the Annual Incentive Plan and the Long-Term Incentive Plan. At the Company's 2012 annual meeting, shareholders overwhelmingly approved an amendment to our Amended and Restated 2006 Long-Term Incentive Plan. In addition, the Company has enhanced our disclosures related to executive compensation to provide more detail to our shareholders about our compensation programs, including expanded disclosures relating to these plans in this proxy statement.

Our executive compensation programs have been important in driving the Company's success in achieving its corporate and financial objectives by tying executive compensation to achieving those very specific goals. We explain each of our performance targets and measures in detail in our CD&A, but a few examples of Company success in areas related to our targets and measures include the following. First, our Company has exceeded its long-term goal of achieving between 5%-6% operating earnings per share growth, averaging 8.6% annual growth from 2008 through 2012. (Operating earnings exclude certain non-recurring items and discontinued operations.) Further, the Company also weathered the economic downturn of 2008-2009 with a strong cash flow position and balance sheet. The MPSC Complaints measurements at our utilities continue to trend downward. Additionally, in each of 2008, 2009, 2010, 2011 and 2012 the Company set a new DTE Energy record high result on the Gallup survey which tracks effectiveness of our efforts to improve employee engagement throughout the Company. Each of these accomplishments is related to a specific performance goal in our short- or long-term compensation programs.

The Organization and Compensation Committee employs the highest standards of corporate governance when implementing and reviewing our executive compensation programs. The committee ensures independence of committee members and compensation consultants, avoids conflicts of interest and has enhanced shareholder disclosure in accordance with SEC and NYSE requirements. These programs have helped guide the Company through the economic downturn and position the Company for future growth and success in meeting corporate and financial objectives.

For the reasons discussed above, the Board recommends that shareholders vote in favor of the following resolution:

“RESOLVED, that the shareholders approve, on an advisory basis, the overall executive compensation paid to the Named Executive Officers of the Company, as described in the Compensation Discussion and Analysis and the tabular and narrative disclosure regarding Named Executive Officer compensation contained in this proxy statement.”

Because this vote is advisory, it will not be binding upon the Company or the Board. The Organization and Compensation Committee will take into account the outcome of the vote when considering future executive compensation arrangements.

THE BOARD OF DIRECTORS RECOMMENDS A VOTE “FOR” THIS PROPOSAL.

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PROPOSAL NO. 4  
SHAREHOLDER PROPOSAL  
POLITICAL CONTRIBUTIONS

The Company expects the following shareholder proposal to be presented for consideration at the annual meeting by the Office of the Comptroller of New York City, as the custodian and trustee of the New York City Employees' Retirement System, the New York City Teachers' Retirement System, the New York City Fire Department Pension Fund and the New York City Police Pension Fund, and custodian of the New York City Board of Education Retirement System (collectively, the "New York City Funds"), which beneficially owned an aggregate of 3,352,689 shares of the Company's common stock as of November 14, 2012. The proposal, along with the supporting statement, is included below. The New York City Funds' request was submitted by John C. Liu, Comptroller, City of New York, 1 Centre Street, New York, New York 10007-2341 on behalf of the Boards of Trustees of the New York City Funds. The following proposal and supporting statement were submitted by the New York City Funds:

Shareholder Proposal and Supporting Statement

Proposal

Resolved, that the shareholders of DTE Energy ("DTE Energy" or "Company") hereby request that the Company provide a report, updated semi-annually, disclosing the Company's:

1. Policies and procedures for making, with corporate funds or assets, political contributions and expenditures (both direct and indirect) to (a) participate or intervene in any political campaign on behalf of (or in opposition to) any candidate for public office or (b) influence the general public, or any segment thereof, with respect to an election or referendum.
2. Monetary and non-monetary contributions and expenditures (direct and indirect) used in the manner described in section 1 above, including:
  - a. The identity of the recipient as well as the amount paid to each; and
  - b. The title(s) of the person(s) in the Company responsible for decision-making.

The report shall be presented to the board of directors or relevant board committee and posted on the Company's website.

Stockholder Supporting Statement

As long-term shareholders of DTE Energy, we support transparency and accountability in corporate spending on political activities. These include any activities considered intervention in any political campaign under the Internal Revenue Code, such as direct and indirect political contributions to candidates, political parties, or political organizations; independent expenditures; or electioneering communications on behalf of federal, state or local candidates.

Disclosure is consistent with public policy, in the best interest of the company and its shareholders, and critical for compliance with federal ethics laws. Moreover, the Supreme Court's Citizens United decision recognized the importance of political spending disclosure for shareholders when it said "[D]isclosure permits citizens and shareholders to react to the speech of corporate entities in a proper way. This transparency enables the electorate to make informed decisions and give proper weight to different speakers and messages." Gaps in transparency and accountability may expose the company to reputational and business risks that could threaten long-term shareholder value.

DTE Energy contributed at least \$1.99 million in corporate funds since the 2002 election cycle.

(CQ:<http://moneyline.cq.com> and National Institute on Money in State Politics: <http://www.followthemoney.org>)

While our Company makes some policy on political spending publicly available, it does not disclose how much it gave to whom, directly or indirectly. Relying on publicly available data does not provide a complete picture of the Company's political spending. For example, the Company's payments to trade associations used for political activities are undisclosed and unknown. In many cases, even management does not know how trade associations use their company's money politically. The proposal asks the Company to disclose all of its political spending, including payments to trade associations and other tax-exempt organizations for political purposes. This would bring our

Company in line with a growing number of leading companies, including Exelon and PG&E, that support political disclosure and accountability and present this information on their websites. The Company's Board and its shareholders need comprehensive disclosure to be able to fully evaluate the political use of corporate assets. We urge your support of this critical governance reform.

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Board of Directors Response

THE BOARD OF DIRECTORS OPPOSES THIS SHAREHOLDER PROPOSAL AND RECOMMENDS A VOTE AGAINST IT FOR THE REASONS SET FORTH BELOW:

DTE Energy has a long tradition as a responsible corporate citizen and is committed to complying with the law regarding political contributions and expenditures. The Board believes the Company has a responsibility to shareholders to be engaged and to participate in the political process with respect to issues that affect the Company or are significant to our business. The Board also believes that it is in the best interests of our shareholders to support the legislative process by making corporate political contributions to organizations when such contributions are consistent with the Company's business objectives and are permitted by federal, state and local laws.

This shareholder previously submitted substantially the same proposal in connection with each of our 2008, 2009, 2010, 2011 and 2012 Annual Meetings of Shareholders and the Board opposed the proposal on all occasions. The Company expanded its political contribution information and disclosures on our website prior to the 2008 Annual Meeting of Shareholders. Since the time that the proponent began submitting the proposal, beginning in 2008, it has been considered five times and has never received more than 32% of the vote in favor of the proposal.

The Board continues to believe that adoption of this resolution is unnecessary. Information about, and links to, publicly available information concerning political contributions are available on our website at <http://www.dteenergy.com/dteEnergyCompany/investors/corporateGovernance/political.html> and available through various political contribution disclosure laws.

In addition, the Company has adopted a formal policy on corporate political participation that applies to all employees of the Company and its subsidiaries and is incorporated in our daily business practices. A copy of this policy is available on our website at <http://www.dteenergy.com/pdfs/politicalParticipation.pdf>. Among other things, the policy provides as follows:

A. Corporate Contributions - Our policy mandates that corporate contributions to political organizations be made only as permitted by applicable laws and authorized by our Vice President - Corporate & Government Affairs. Disclosure of the aggregate amount of these contributions will be annually posted on our website.

B. Political Action Committee Contributions - Political contributions to federal, state and local candidates, political party committees, and political action committees are made by the DTE Energy Political Action Committee ("PAC"), which is funded by voluntary contributions from eligible DTE Energy employees. The PAC's activities are guided by a steering committee comprised of PAC members elected by all PAC members and are subject to comprehensive regulation, including detailed disclosure requirements. PAC contributions are reported to the Federal Election Commission and the Michigan Secretary of State's Bureau of Elections. Links to these organizations are available on our website.

C. Trade Associations - DTE Energy belongs to a number of trade associations that participate in the political process. DTE Energy's sole purpose in becoming a member of these trade associations is not for political purposes, as DTE Energy may not agree with all positions taken by trade associations on issues. The benefits that DTE Energy does receive from trade associations are primarily expertise and the ability to gain insight on industry setting standards. Our policy on political participation provides that DTE Energy will request that trade associations to which our dues or other payments are significant provide a breakdown of the portion of our dues or payments that were used for political contributions. This information is included in the annual Board report of PAC and political activities.

D. Board Oversight - The Company's political activities are reviewed annually by the Public Responsibility Committee of the DTE Energy Board of Directors. We believe this oversight process ensures accountability and transparency for the Company's corporate political activities.

Given the Company's policy on corporate political participation discussed above and the mandatory public disclosure requirements already required under the law, the Board has again concluded that the Company's policy and disclosures exceed what is required by the law. This, coupled with ample public information regarding DTE Energy's political participation, appropriately addresses the concerns cited in the New York City Funds' proposal.

the Company supports many of the objectives expressed in the shareholder proposal, the Company believes that the level of specific disclosure requested by the proposal could have unintended consequences and could hinder DTE Energy's ability to pursue its business and strategic objectives. For example, disclosing specific contributions made to political parties, committees

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and other organizations could lead to increased requests for contributions from the Company from other such organizations with similar or opposing views. Additionally, such disclosure would make it easier for competitors and opponents to discern the Company's public policy and political strategies which could have negative consequences for the Company.

THE BOARD OF DIRECTORS RECOMMENDS A VOTE "AGAINST" THE SHAREHOLDER PROPOSAL RELATING TO POLITICAL CONTRIBUTIONS.

CONSIDERATION OF ANY OTHER BUSINESS THAT MAY COME BEFORE THE MEETING

Our management does not intend to bring any other business before the meeting for action and has not been notified of any other business proposed to be brought before the meeting. However, if any other business should be properly presented for action, it is the intention of the persons named on the enclosed proxy card to vote in accordance with their judgment on such business.

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EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

Executive Summary

The following provides an executive summary of our compensation philosophy and programs as described in greater detail below in this Compensation Discussion and Analysis.

The Company believes in compensation that is competitive with our peers, that has a meaningful performance component and that has equity-based elements to encourage executives to have an ownership interest in the Company.

Our performance-based compensation programs result in a majority of the compensation of our Named Executive Officers (as identified below) being linked to the achievement of a combination of short- and long-term Company and personal goals and shareholder value creation.

The following elements comprise the total compensation awarded to our Named Executive Officers: base salary, cash-based annual incentive awards, and equity-based long-term incentive awards consisting of performance shares and restricted stock.

The objective of base salary is to provide a stable, fixed source of income that reflects an executive's job responsibilities, experience, value to the Company and demonstrated performance. We target median base salaries for our peer group, taking into account differences in company size within the peer group.

Our annual incentive awards are intended to compensate individuals yearly based on the achievement of specific near-term, annual goals, which are established at the beginning of each year and approved by the Organization and Compensation Committee (the "O&C Committee"). The performance measures are established in several categories that are critical to the Company's overall business success and vary among the Named Executive Officers to reflect the different areas of the Company's business for which each Named Executive Officer has responsibility.

Our long-term incentive awards are used to align executive actions with long-term management and shareholder objectives, providing rewards consistent with the creation of shareholder value. Our plan is designed to help retain executives over time and ensure they have a strong sense of ownership in the Company.

We provide certain supplemental retirement programs for our executives which are not available to other salaried employees and our executives participate in the same group health benefit programs, on substantially the same terms, as other salaried employees. Our executives are allowed limited perquisites generally not available to our other employees as a matter of competitive practice and as a retention tool.

We target all elements of our compensation programs to provide compensation and benefit opportunity at the median of our peer group, taking into account differences in company size within the peer group. Actual payouts under these programs can be above or below the median based on Company and personal performance. The O&C Committee periodically reviews the level of compensation and benefits provided to executives against a peer group to assure they are reasonable and consistent with our overall compensation objectives.



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### Overview

Your understanding of our executive compensation program is important to us. The goal of this Compensation Discussion and Analysis is to explain:

Our compensation philosophy and objectives for executives of the Company, including our Named Executive Officers;

The roles of our O&C Committee and management in the executive compensation process;

The key components of the executive compensation program; and

The decisions we make in the compensation process that align with our philosophy and objectives.

Throughout this Proxy Statement, the term “Named Executive Officers” means: (1) the Chairman, President and Chief Executive Officer, Gerard M. Anderson; (2) the Executive Vice President and Chief Financial Officer, David E. Meador; (3) the Group President of our Company and the President and Chief Operating Officer of our electric utility subsidiary, DTE Electric Company (“DTE Electric”), Steven E. Kurmas; (4) the Group President of our Company and the President and Chief Operating Officer of our gas utility subsidiary, DTE Gas Company (“DTE Gas”), Gerardo Norcia; and (5) the Senior Vice President and General Counsel, Bruce D. Peterson. In addition, the term “executive” includes the Named Executive Officers, other key employees of the Company as designated by management from time to time and Executive Officers as defined by the Exchange Act.

### Philosophy and Objectives

Our executive compensation philosophy is to motivate and reward executives who achieve short-term and long-term corporate and financial objectives leading to the success of the Company. We will continue to emphasize performance-based compensation for results that are consistent with shareholder and customer interests. The main objectives underlying this philosophy are:

Compensation must be competitive in order to attract and retain talented executives - data from peer group companies are taken into consideration when analyzing our compensation practices and levels;

Compensation should have a meaningful performance component - a portion of an executive's total compensation opportunity is linked to predefined short-term and long-term corporate and financial objectives along with an executive's individual performance; and

Compensation must include equity-based elements to encourage executives to have an ownership interest in the Company.

### Role of the Organization and Compensation Committee

The Board has a long-standing process for determining executive compensation that is performance-based, objective, and transparent. The process is designed to serve the purpose of recruiting, retaining and motivating executives for the benefit of shareholders and customers. The Board-designed governance process expressly delegates to the O&C Committee the responsibility to determine and approve the CEO's compensation, as well as the compensation of certain other executives. The O&C Committee makes all decisions regarding compensation for the Named Executive Officers. Although the responsibilities have been delegated, the entire Board maintains oversight and receives direct

reports after each O&C Committee meeting.

The O&C Committee is composed entirely of independent directors, none of whom derives a personal benefit from the compensation decisions the O&C Committee makes. Generally, the O&C Committee is responsible for our executive compensation programs throughout the enterprise (including subsidiaries). The O&C Committee responsibilities for executive compensation are more fully detailed in its charter, which is available at <http://www.dteenergy.com/dteEnergyCompany/investors/corporateGovernance/charters/organization.html>. The O&C Committee continually monitors the executive compensation program and adopts changes to reflect the dynamic marketplace in which we compete for talent. To the extent necessary, the O&C Committee also works with other Board committees to review or approve reports, awards and other matters relating to compensation. For example, the Finance Committee reviews the financial components of performance measures and metrics, the Corporate Governance Committee assists in the review of this Compensation Discussion and Analysis and the Audit Committee reviews the internal controls over the data reported herein.

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The O&C Committee uses information from several external sources to monitor and achieve an executive compensation program that supports our business goals and attracts executives whose performance will be measured against those goals. Independent outside consultants and external information enable the O&C Committee to maintain impartial decision-making regarding performance and pay. The O&C Committee annually reviews each component of the Named Executive Officers' compensation and is advised directly by the outside compensation consulting firm, discussed in further detail below, in connection with such review. The O&C Committee, based on input from its consultant and management and a review of competitive data from peer group companies (as discussed below), believes that the current structure is appropriately balanced and competitive to accomplish the important tasks of recruiting, retaining, and motivating talented executives in the energy industry in which we compete.

The O&C Committee also reviews and considers the results from the most recent shareholder advisory vote on executive compensation. At each of the 2011 and 2012 annual meetings, 93% of voting shareholders approved the compensation of the Named Executive Officers. These results reinforce the O&C Committee's confidence in the Company's current compensation structure and no major changes to that structure are recommended for 2013.

**Independent Review of Compensation Program** - The O&C Committee directly employs an outside consulting firm, Mercer Human Resources Consulting LLC ("Mercer HR"), a subsidiary of Marsh & McLennan Companies, Inc. ("Marsh"), to advise the O&C Committee on various executive compensation matters, including current compensation trends. Mercer HR also provides objective recommendations as to the design of our executive compensation program. Mercer HR reports directly to the O&C Committee. Use of this outside consultant is an important component of the compensation setting process, as it enables the O&C Committee to make informed decisions based on market data and practices. The representative from Mercer HR, who is considered a leading professional in the compensation field, attends O&C Committee meetings, meets with Committee members in executive session and consults with the members as required and provides input with regard to the CEO's compensation and performance.

Mercer HR has served as the O&C Committee's outside consultant since 2002. The O&C Committee has determined Mercer HR to be an independent consultant. Mercer HR has no affiliations with any of the Named Executive Officers or members of the Board other than in its role as an outside consultant. The lead consultant and partner in charge for Mercer HR, who provides executive compensation consulting services to the O&C Committee, does not provide any other services to the Company. To help ensure that the consultant maintains the highest level of independence from the Company, all work performed by Mercer HR and its affiliates (a) which falls outside the scope of work performed for the O&C Committee on executive compensation matters, and (b) which has a total cost of \$25,000 or greater, requires pre-approval by the O&C Committee based upon the recommendation of management.

In 2012, we paid Mercer HR approximately \$88,635. In addition, in 2012 the Company paid approximately \$1,450,000 for services unrelated to human resources consulting to affiliates of Mercer HR. Company management recommended the engagement of the affiliate of Mercer HR for these additional services and the O&C Committee approved their retention.

### Management's Role

Our management works closely with the O&C Committee in the executive compensation process. Excluding the CEO's compensation, management's responsibilities include:

Recommending performance measures and metrics that are formulated based on our corporate strategy and priorities;

Reporting executive performance evaluations;

Recommending base salary levels and other compensation, including equity awards; and

Recommending appointment of executives.

The CEO's compensation is determined solely by the O&C Committee, which bases its decisions on performance and market studies along with participation and recommendations from its independent outside consultant.

Compensation and Peer Group Assessment - Each component of executive compensation (see “Key Components of Executive Compensation” below) is compared, measured and evaluated against a peer group of companies. The O&C Committee approves the peer group and periodically reviews and updates the companies included in that group. Management also retains an external consulting firm to conduct a market study covering compensation practices for similar positions in the

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peer group. The most recent study was completed in September 2012 by Aon Hewitt, whose comprehensive data base included all of our desired utility/energy peer companies and also included data for most of our utility/energy-related executive positions.

The peer group for the 2012 study, as approved by the O&C Committee, consisted of the following companies. Most of these companies, along with DTE Energy, participate in the same independent compensation surveys. The surveys provide us with availability of data needed for accurate compensation comparisons. The peer group consists primarily of utilities (including utility holding companies), broad-based energy companies, and significant non-energy companies selected on the basis of revenues, financial strength, geographic location and availability of compensation information. The O&C Committee reviews the peer group data for the Named Executive Officers and the Company's mix of compensation components in making compensation decisions.

Utility/Energy Companies	Non-Energy Companies
Ameren Corporation	Cummins Inc.
American Electric Power Company, Inc.	Eaton Corporation
CenterPoint Energy, Inc.	Kellogg Company
CMS Energy Corporation	Masco Corporation
Dominion Resources, Inc.	Owens Corning
Duke Energy Corporation	PPG Industries, Inc.
Edison International	The Sherwin-Williams Company
Energy Future Holdings Corp.	TRW Automotive Inc.
Entergy Corporation	Whirlpool Corporation
FirstEnergy Corp.	
NextEra Energy, Inc.	
NiSource Inc.	
PG&E Corporation	
PPL Corporation	
SCANA Corporation	
Sempra Energy	
The Southern Company	
Xcel Energy, Inc.	

Key Components of Executive Compensation

The key components of the compensation program include the following:

Base Salary

Annual and Long-Term Incentive Plans

Retirement and Other Benefits

Post-Termination Agreements (Severance and Change-in-Control)

While the programs and pay levels reflect differences in job responsibilities, the structure of the compensation and benefits program is applied consistently to our Named Executive Officers, including the CEO. Differences in compensation between the CEO and the other Named Executive Officers are due, in part, to an analysis of peer group benchmark data, as well as differences in the responsibilities of each Named Executive Officer. We review each element of total compensation, both individually and on a combined basis, for each Named Executive Officer and make adjustments as appropriate based on these comparisons. The following is a more detailed discussion of the

components of the Company's executive compensation program:

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### Base Salary

The objective of base salary is to provide a stable, fixed source of income that reflects an executive's job responsibilities, experience, value to the Company, and demonstrated performance. When setting individual base salary levels, we consider several factors, including (i) the market reference point for the executive's position, (ii) the responsibilities of the executive's position, (iii) the experience and performance of the executive, and (iv) retention issues. Market reference points target the median for most positions, adjusted to take into account differences in company size within the peer group. In addition, we establish midpoints for each executive group level for determining base salary for those executives whose jobs cannot be easily matched in the marketplace. These midpoints are consistent with the market reference points for other executives in the same executive group. Annually, we review these midpoints to ensure they are consistent with the market and make salary adjustments, when appropriate.

### Annual and Long-Term Incentive Plans

We have two primary incentive plans that reward executives for performance. The plans are consistent with our objectives of tying compensation to performance and encouraging executives to align their interests with those of the shareholders and customers of the Company. The DTE Energy Company Annual Incentive Plan (the "Annual Incentive Plan") allows us to reward executives with annual cash bonuses for performance against pre-established objectives based on work performed in the prior year. The DTE Energy Company 2006 Long-Term Incentive Plan allows us to grant executives long-term equity incentives to encourage continued employment with DTE Energy, to accomplish pre-defined long-term performance objectives and create shareholder alignment. On April 27, 2006, the Company's shareholders approved the 2006 Long-Term Incentive Plan, which replaced the 2001 Stock Incentive Plan (the two plans are referred to collectively as the "Long-Term Incentive Plan"). At the Company's 2010 annual meeting, shareholders approved our Amended and Restated Long-Term Incentive Plan, and at the 2012 annual meeting, shareholders approved an amendment to this plan.

We believe the current mix among base salary, the Annual Incentive Plan and the Long-Term Incentive Plan is appropriately set to provide market-competitive compensation when Company performance warrants. The mix is more heavily weighted toward incentive compensation at higher executive levels within DTE Energy. The interplay between the Annual Incentive Plan and the Long-Term Incentive Plan provides a balance of short- and long-term incentives to motivate executives to achieve our business goals and objectives and to properly reward executives for the achievement of such goals and objectives.

a. Annual Incentive Plan - The objective of the Annual Incentive Plan is to compensate individuals yearly based on the achievement of specific annual goals. Participating executives and other select employees may receive annual cash awards based on performance compared against pre-established Company and business unit objectives. The purpose of providing cash awards under the Annual Incentive Plan is to tie compensation to near-term performance. Objectives that management proposes are reviewed and approved or revised by the O&C Committee, with financial goal recommendations reviewed by the Board's Finance Committee, no later than 90 days after the beginning of the performance period. The objectives include performance measures in several categories that are critical to our success. When setting these objectives, management and the O&C Committee determine the elements of our business that require the focused attention of the executives. The weights, which can change from year-to-year, are determined based on the Company's key priorities and areas of focus for the upcoming year. The final awards, if any, are paid after the O&C Committee approves the final results of each objective.

The Annual Incentive Plan cash awards to executives are determined as follows:

1. The executive's most recent year-end base salary is multiplied by an Annual Incentive Plan target percentage to arrive at the target award.

2. The overall performance payout percentage, which can range from 0% to 175%, is determined based on final results compared to threshold, target, and maximum levels for each objective.
3. The target award is then multiplied by the performance payout percentage to arrive at the pre-adjusted calculated award.
4. The pre-adjusted calculated award is then adjusted by an individual performance modifier (assessment of an individual executive's achievements for the year), which can range from 0% to 150%, to arrive at the final award.



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For 2012, the performance objectives and the related weightings, thresholds, targets, maximums and results for calculating the Named Executive Officers' pre-adjusted awards were as follows:

For Messrs. Anderson, Meador and Peterson:

Measures	Weight	Threshold	Target	Maximum	Result	Payout %	Weighted Average Payout %
DTE Energy Adjusted EPS	25.0	% \$3.60	\$3.80	\$4.00	\$3.94	152.5	% 38.1 %
DTE Energy Adjusted Cash Flow (\$ millions)	25.0	% \$220	\$400	\$580	\$937.3	175.0	% 43.8 %
Customer Satisfaction Index	5.0	% 70.0	% 71.0	% 73.0	% 72.0	% 137.5	% 6.9 %
Customer Satisfaction Improvement Program	7.0	% 5.0% ê	15.0% ê	25.0% ê	1.0% é	0.0%	0.0%
MPSC Customer Complaints	5.0	% 2,743	2,500	2,250	2,400	130.0	% 6.5 %
Safety Index	7.0	% 1.30	1.10	1.00	1.24	47.5	% 3.3 %
Employee Engagement - Gallup	5.0	% 3.98	4.03	4.08	4.08	175.0	% 8.8 %
Diversity Hiring - Minority	2.5	% 15.3	% 17.0	% 18.7	% 26.3	% 175.0	% 4.4 %
Diversity Hiring - Female	2.5	% 29.3	% 32.5	% 35.8	% 43.6	% 175.0	% 4.4 %
Utility Operating Excellence Index:							
DTE Electric Distribution System Reliability (# millions)	4.0	% 648	584	520	410	175.0	% 7.0 %
DTE Electric Power Plant Reliability	4.0	% 10.4	% 9.4	% 8.9	% 6.6	% 175.0	% 7.0 %
Nuclear Generation On-line Unit Capability	4.0	% 93.3	% 96.2	% 97.2	% 60.7	% 0.0%	0%
DTE Gas Distribution System Improvement	4.0	% 8,000	5,000	3,500	4,396	130.2	% 5.2 %
Total	100	%					135.4 %

The measures in the above table are defined below:

DTE Energy Adjusted EPS - DTE Energy net income after adjustments for certain non-operating items approved by the O&C Committee, divided by average shares outstanding, fully diluted.

DTE Energy Adjusted Cash Flow - DTE Energy net cash from operating activities adjusted by utility capital expenditures, asset sale proceeds and other items approved by the O&C Committee.

Customer Satisfaction Index - Satisfaction of six key drivers of residential customer satisfaction: (1) electric delivery, (2) gas delivery, (3) electric pricing, (4) gas pricing, (5) service reputation, and (6) corporate image using industry standard methodology developed by Market Strategies International.

Customer Satisfaction Improvement Program - The calculation for defects per million opportunities which will include defects from DTE Cares callbacks and total complaints (MPSC, corporate and web assists) measured as a reduction from 2011 rate.

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MPSC Customer Complaints - Number of complaints received by the MPSC in the calendar year for all business units across DTE Energy.

Safety Index - Number of Occupational Safety and Health Administration (“OSHA”) defined recordable injuries in the calendar year per 100 employees (working an average of 2,000 hours per year, per employee) divided by the actual number of hours worked.

Employee Engagement - DTE Energy Company Gallup Grand Mean score.

Diversity Hiring - The percentage of minority and female non-represented placements (new hires and promotions) in Career Levels 3 and above, excluding officers.

Utility Operating Excellence Index - Corporate index that encompasses four operating excellence measures:

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- (1) DTE Electric Distribution System Reliability (customer minutes of interruption for customers experiencing multiple interruptions greater than 3),
- (2) DTE Electric Power Plant Reliability (percent of time that a unit is not capable of reaching 100% capacity, excluding periodic outages),
- (3) Nuclear Generation On-line Unit Capability (ratio of available energy over a given time period to the reference energy generation over the same time period), and
- (4) DTE Gas Distribution System Improvement (the number of open leaks in the system as of December 31, 2012).

The aggregate weighted payment percentage for Messrs. Meador and Peterson, for the pre-adjusted calculated award was 135.4%. The aggregate weighted payment percentage for Mr. Anderson, who was impacted by a safety adjustment, was 132.1%.

For Mr. Kurmas:

Measures	Weight	Threshold	Target	Maximum	Result	Payout %	Weighted Average Payout %		
DTE Energy Adjusted EPS	10.0	% \$3.60	\$3.80	\$4.00	\$3.94	152.5	% 15.3	%	
DTE Electric Adjusted Net Income (\$ millions)	20.0	% \$422	\$446	\$465	\$482.5	175.0	% 35.0	%	
DTE Electric Adjusted Cash Flow (\$ millions)	20.0	% \$(60 )	\$70	\$200	\$283.1	175.0	% 35.0	%	
Customer Satisfaction Index	5.0	% 70.0	% 71.0	% 73.0	% 72.0	% 137.5	% 6.9	%	
Customer Satisfaction Improvement Program	7.0	% 5.0% ê	15.0% ê	25.0% ê	1.0% é	0.0%	0.0%		
MPSC Customer Complaints	5.0	% 2,743	2,500	2,250	2,400	130.0	% 6.5	%	
Employee Engagement - Gallup	5.0	% 3.88	3.93	3.98	4.03	175.0	% 8.8	%	
Safety Index	7.0	% 1.4	1.2	1.1	1.25	81.3	% 5.7	%	
Diversity Hiring - Minority	2.5	% 19.4	% 21.5	% 23.7	% 22.2	% 123.9	% 3.1	%	
Diversity Hiring - Female	2.5	% 19.0	% 21.1	% 23.3	% 28.6	% 175.0	% 4.4	%	
DTE Electric Distribution System Reliability (\$ millions)	8.0	% 648	584	520	410	175.0	% 14.0	%	
DTE Electric Power Plant Reliability	8.0	% 10.4	% 9.4	% 8.9	% 6.6	% 175.0	% 14.0	%	
Total	100	%					148.7	%	

The measures in the above table are defined below:

DTE Energy Adjusted EPS - DTE Energy net income after adjustments for certain non-operating items approved by the O&C Committee, divided by average shares outstanding, fully diluted.

DTE Electric Adjusted Net Income - DTE Electric net income after adjustments for certain non-operating items approved by the O&C Committee.

DTE Electric Adjusted Cash Flow - DTE Electric net cash from operating activities adjusted by DTE Electric capital expenditures and other items approved by the O&C Committee.

Customer Satisfaction Index - Satisfaction of six key drivers of residential customer satisfaction: (1) electric delivery, (2) gas delivery, (3) electric pricing, (4) gas pricing, (5) service reputation, and (6) corporate image using industry standard methodology developed by Market Strategies International.

Customer Satisfaction Improvement Program - The calculation for defects per million opportunities which will include defects from DTE Cares callbacks and total complaints (MPSC, corporate and web assists) measured as a reduction from 2011 rate.

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MPSC Customer Complaints - Number of complaints received by the MPSC in the calendar year for all business units across DTE Energy.

Employee Engagement - DTE Electric Company Gallup Grand Mean score.

Safety Index - Number of OSHA defined recordable injuries in the calendar year per 100 employees (working an average of 2,000 hours per year, per employee) divided by the actual number of hours worked for DTE Electric.

Diversity Hiring - The percentage of minority and female non-represented placements at DTE Electric (new hires and promotions) in Career Levels 3 and above, excluding officers.

DTE Electric Distribution System Reliability - Customer minutes of interruption for customers experiencing multiple interruptions greater than 3.

DTE Electric Power Plant Reliability - Percent of time that a unit is not capable of reaching 100% capacity, excluding periodic outages.

The aggregate weighted payment percentage for the pre-adjusted calculated award for Mr. Kurmas was 143.0%. Mr. Kurmas's percentage was impacted by a safety adjustment.

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For Mr. Norcia:

Measures	Weight	Threshold	Target	Maximum	Result	Payout %	Weighted Average Payout %
DTE Energy Adjusted EPS	10.00	% \$3.60	\$3.80	\$4.00	\$3.94	152.5	% 15.3
DTE Gas Adjusted Net Income (\$ millions)	14.00	% \$109	\$117	\$122	\$128	175.0	% 24.5
DTE Gas Adjusted Cash Flow (\$ millions)	14.00	% \$10	\$50	\$90	\$71	139.4	% 19.5
Customer Satisfaction Index	3.50	% 70.0	% 71.0	% 73.0	% 72.0	% 137.5	% 4.8
Customer Satisfaction Improvement Program	4.90	% 5.0% ê	15.0% ê	25.0% ê	1.0% é	0.0%	0.0%
MPSC Customer Complaints	3.50	% 2,743	2,500	2,250	2,400	130.0	% 4.6
Employee Engagement - Gallup	3.50	% 3.99	4.04	4.09	4.04	100.0	% 3.5
Safety Index	4.90	% 2.1	1.5	1.3	1.86	55.0	% 2.7
Diversity Hiring - Minority	1.75	% 12.6	% 14.0	% 15.4	% 22.9	% 175.0	% 3.1
Diversity Hiring - Female	1.75	% 24.5	% 27.2	% 29.9	% 38.6	% 175.0	% 3.1
DTE Gas Distribution System Improvement	4.20	% 8,000	5,000	3,500	4,396	130.2	% 5.5
Inside Meters Removal Program	3.50	% 22,000	25,000	28,000	24,328	83.2	% 2.9
Main Line Renewal Program (# miles)	3.50	% 49	54	59	59.3	175.0	% 6.1
GSP Adjusted Net Income (\$ millions)	10.50	% \$52	\$57	\$60	\$61.4	175.0	% 18.4
GSP Adjusted Cash Flow (\$ millions)	6.00	% \$64	\$71	\$78	\$135.3	175.0	% 10.5
GSP — New Project Development	10.50	%	Note 1		79.3	% 79.3	% 8.4
Total	100	%					132.9

Note 1 - The measure for the threshold, target and maximum for this measure is subjective in nature, focused on specific opportunities or new geographies with specific key milestones, objectives and deliverables for each project. The DTE Energy President and Chief Executive Officer's evaluation of performance against these metrics will determine the level of payout.

The measures in the above table are defined below:

DTE Energy Adjusted EPS - DTE Energy net income after adjustments for certain non-operating items approved by the O&C Committee, divided by average shares outstanding, fully diluted.

DTE Gas Adjusted Net Income - DTE Gas net income after adjustments for certain non-operating items approved by the O&C Committee.

DTE Gas Adjusted Cash Flow - DTE Gas net cash from operating activities adjusted by DTE Gas capital expenditures and other items approved by the O&C Committee.

Customer Satisfaction Index - Satisfaction of six key drivers of residential customer satisfaction: (1) electric delivery, (2) gas delivery, (3) electric pricing, (4) gas pricing, (5) service reputation, and (6) corporate image using industry standard methodology developed by Market Strategies International.

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Customer Satisfaction Improvement Program - The calculation for defects per million opportunities which will include defects from DTE Cares callbacks and total complaints (MPSC, corporate and web assists) measured as a reduction from 2011 rate.

MPSC Customer Complaints - Number of complaints received by the MPSC in the calendar year for all business units across DTE Energy.

Employee Engagement - DTE Gas's Gallup Grand Mean score.

Safety Index - Number of OSHA defined recordable injuries in the calendar year per 100 employees (working an average of 2,000 hours per year, per employee) divided by the actual number of hours worked for DTE Gas.

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Diversity Hiring - The percentage of minority and female non-represented placements at DTE Gas (new hires and promotions) in Career Levels 3 and above, excluding officers.

DTE Gas Distribution System Improvement - Measures the number of open leaks in the system as of December 31, 2012.

Inside Meters Removal Program - Measures the number of inside meters removed during the year.

Main Line Renewal Program - Measures the number of miles of unprotected main (includes cast iron or bare steel without cathodic protection) that is eliminated each year.

GSP Adjusted Net Income - DTE Energy's Gas Storage and Pipeline Business Unit's ("GSP") net income after adjustments for certain non-operating items approved by the O&C Committee.

GSP Adjusted Cash Flow - GSP net cash from operating activities adjusted by GSP capital expenditures and other items approved by the O&C Committee.

GSP - New Project Development - Project performance against key milestones, objectives and deliverables identified at the beginning of the performance period for new business opportunities, or new geographies for current business.

The aggregate weighted payment percentage for the pre-adjusted calculated award for Mr. Norcia was 132.9%.

The earnings per share, cash flow and net income measures were chosen as indicators of the Company's financial strength. The customer satisfaction, employee engagement, safety and diversity measures were selected to make the Company more responsive to our customers' needs and to make the Company a safer and better place to work. The GSP - New Project Development measure is designed to reward growth in DTE Energy's Gas Storage and Pipeline business unit.

Each objective has a minimum, target and maximum level. The Company or relevant business unit must attain a minimum level of achievement for an objective before any compensation is payable with respect to that objective. The minimum established level of each objective will result in a payout of 25% of target (0% for GSP - New Product Development measure), and the maximum established for each level (or better) will result in a payment of up to 175% of target.

The pre-adjusted awards are adjusted by an individual performance modifier for each of the Named Executive Officers. Individual performance criteria are set at the beginning of each calendar year for each of the Named Executive Officers. For 2012, qualitative criteria include, as applicable, leadership performance, overall operational performance, employee engagement and customer performance, continuous operational improvements and other appropriate operating measures. The O&C Committee evaluates the individual performance of each of the Named Executive Officers and approves an adjustment to the annual award based on the individual contribution and performance. The individual performance modifier adjusts a Named Executive Officer's annual cash bonus such that the Named Executive Officer's actual cash bonus ranges between zero and 150% of the pre-adjusted calculated award. For 2012, the individual performance modifiers for the Named Executive Officers ranged from 115% to 125%.

The final awards for 2012 year were paid to each of the Named Executive Officers in early 2013 and are reported in the Non-Equity Incentive Plan Compensation column of the "Summary Compensation Table" on page 50.



b. Long-Term Incentive Plan - The Long-Term Incentive Plan provides the O&C Committee the ability to design programs that focus on our long-term performance over a three-year period, with the objective to align executives' interests with those of our shareholders. Our principles for ownership of stock, discussed on page 48, ensure that the executives and other employees have a vested interest in the long-term financial health, management, and success of the Company.

The Long-Term Incentive Plan rewards executives and other employees with stock-based compensation. Participants are eligible to receive restricted stock, performance shares, performance units, stock options or a combination of these awards. Since the creation of the plan, we have granted only performance shares, time-based restricted stock and non-qualified stock options. Further, in 2012, the O&C Committee did not grant stock options under the Long-term Incentive Plan. Executives receive Long-Term Incentive Plan grants based upon a target percentage of base salary. The targeted award levels for the Named Executive Officers for 2012 were as follows: Mr. Anderson - 300% of base salary; Mr. Meador - 150% of base salary; Mr. Kurmas - 155% of base salary; Mr. Norcia - 150% of base salary and Mr. Peterson - 115% of base salary. In addition to the targeted award levels, the O&C Committee also considers previous years' grants, career potential, and retention issues in determining the final number of awards granted.

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The value of each element of these Long-Term Incentive Plan grants for 2012 was as follows:

Performance Shares	Approximately 60%
Restricted Stock	Approximately 40%

This mix was designed to provide a balance of incentives to executives for creating long-term shareholder value through strong financial and operating performance and to align executive interests with shareholder interests.

**Performance Shares Granted in 2012:** In 2012, performance shares represented approximately 60% of the overall Long-Term Incentive Plan grant value. Granting of performance shares allows us to tie long-term performance objectives with creating shareholder value. Performance shares entitle the executive to receive a specified number of shares, or a cash payment equal to the fair market value of the shares, or a combination of the two, depending on the level of achievement of performance measures. The performance measurement period for the 2012 grants is January 1, 2012 through December 31, 2014. Payments earned under the 2012 grants and the related performance measures are described in footnote 2 to the “Grants of Plan-Based Awards” table on page 52. In the event a participant retires (age 55 or older with at least 10 years of service), dies or becomes disabled, the participant or beneficiary retains the right to a pro-rated number of performance shares. In the event employment terminates for any other reason, the participant forfeits all rights to any outstanding performance shares. In June 2009, the O&C Committee decided that, beginning with the 2010 performance share grants, dividends or dividend equivalents would not be paid on unvested or unearned performance shares. During the period beginning on the date the performance shares are awarded and ending on the certification date of the performance objectives, the number of performance shares awarded will be increased, assuming full dividend reinvestment at the fair market value on the dividend payment date. The cumulative number of performance shares will be adjusted to determine the final payment based on the performance objectives as certified by the committee.

**Performance Shares Paid in 2012:** The performance shares granted in 2009 were paid in early 2012. The payout amounts were based upon performance measures, each of which was weighted to reflect its importance to the total calculation. The Company had to attain a minimum level for each measure before any compensation was payable with respect to that measure. The minimum established level of each measure would have resulted in a payout of 50% of target, and an established maximum (or better) for each level would have resulted in a payout of 200% of target. The payout amount was based upon the following performance measures (and related weighting):

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## Long-Term Incentive Plan (2012 Payout of Awards Granted in 2009)

For Messrs. Anderson, Meador and Peterson:

Measures	Weight	Threshold	Target	Maximum	Result	Payout %	Weighted Average Payout %		
Total Shareholder Return: DTE vs. Peer Group	40	% 25th percentile	50th percentile	75th percentile	64th percentile	156.0	%	62.4	%
Balance Sheet Health as of 12/31/2011	40	% Downgrade from one of the major agencies	No change from 12/31/2008 ratings	Upgrade from one of the major agencies	Upgrade from one agency	200.0	%	80.0	%
Employee Engagement - 3 year average Gallup results vs. Utility Sector	20	% 30	% 50	% 75	% 64	% 156.0	%	31.2	%
Total	100	%						173.6	%

For Mr. Kurmas:

Measures	Weight	Threshold	Target	Maximum	Result	Payout %	Weighted Average Payout %		
Total Shareholder Return: DTE vs. Peer Group	40	% 25th percentile	50th percentile	75th percentile	64th percentile	156.0	%	62.4	%
Balance Sheet Health as of 12/31/2011	20	% Downgrade from one of the major agencies	No change from 12/31/2008 ratings	Upgrade from one of the major agencies	Upgrade from one agency	200.0	%	40.0	%
DTE Electric Average Return on Equity 2009 - 2011	40	% 9.8	% 10.8	% 11.8	% 10.9	% 113.3	%	45.3	%
Total	100	%						147.7	%

For Mr. Norcia:

Measures	Weight	Threshold	Target	Maximum	Result	Payout %	Weighted Average Payout %		
Total Shareholder Return: DTE vs. Peer Group	40	% 25th percentile	50th percentile	75th percentile	64th percentile	156.0	%	62.4	%
Balance Sheet Health as of 12/31/2011	20	% Downgrade from one of the major agencies	No change from 12/31/2008 ratings	Upgrade from one of the major agencies	Upgrade from one agency	200.0	%	40.0	%

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DTE Gas Average Return on Equity 2009 - 2011	28	%	9.4	%	10.4	%	11.4	%	10.4	%	100.0	%	28.0	%
Gas Storage & Pipeline 2009 - 2011 Net Income, excluding corporate allocations (\$ millions)	12	%	\$48		\$52		\$56		\$57.1		200.0	%	24.0	%
Total	100	%											154.4	%

The measures in the above tables are defined below:

Total Shareholder Return - Total shareholder return compared to 22 peer group companies (as defined below) based on the average share prices from December 2008 to December 2011.

Balance Sheet Health - DTE Senior Unsecured Debt Bond Ratings as of December 31, 2011. All ratings must be at least investment grade or there will not be a payout for this measure. Downgrades and upgrades are netted (i.e, a downgrade from one agency and an upgrade from the same or other agency nets to zero changes).

DTE Electric Average Return on Equity 2009 - 2011 - DTE Electric's three-year average segment return on equity, expressed as a percentage, calculated based on operating income.

DTE Gas Average Return on Equity 2009 - 2011 - DTE Gas' three-year average segment return on equity, expressed as a percentage, calculated based on operating income.

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Gas Storage & Pipeline 2009 - 2011 Net Income - Gas Storage and Pipelines' three-year average segment net income, adjusted for corporate allocations and other items approved by the O&C Committee.

The peer group for the Long-Term Incentive Plan, as approved by the O&C Committee, consists of the companies set forth below. These companies were selected because: (1) their operations are largely regulated; (2) their size (based on market capitalization); and (3) their business strategies are similar to those of DTE Energy. In creating this peer group, the Company started with the S&P 1500 Multi-Utility and S&P 1500 Electric Utility Indices and eliminated companies with less than \$2 billion of market capitalization and companies with material gas commodity exposure. In addition, companies that were in the process of being acquired were also eliminated. The O&C Committee reviews and approves this peer group annually.

Alliant Energy Corporation	PG&E Corporation
American Electric Power Company, Inc.	Pinnacle West Capital Corporation
CenterPoint Energy, Inc.	Progress Energy, Inc.
CMS Energy Corporation	SCANA Corporation
Consolidated Edison, Inc.	Sierra Pacific
DPL, Inc.	TECO Energy, Inc.
Great Plains Energy Inc.	The Southern Company
Integrus Energy Group, Inc.	Vectren Corporation
NiSource Inc.	Westar Energy, Inc.
Northeast Utilities	Wisconsin Energy Corporation
NSTAR	Xcel Energy Inc.

Total shareholder return compared to the Peer Group is a primary measure because it reflects how well our Company has performed on total return to its shareholders relative to the total shareholder returns of similar companies. Over the past three years, the payout level for the NEOs has ranged from 74.8% to 149.0%. For the 2009 - 2011 period, the minimum levels of performance for all three measures were exceeded. Based on the results of these measures, the 2012 payout level, as approved by the O&C Committee, was 173.6% for Messrs. Anderson, Meador and Peterson, 147.7% for Mr. Kurmas, and 154.4% for Mr. Norcia. See footnote 2 to the "Option Exercises and Stock Vested in 2012" table on page 54.

**Restricted Stock:** The restricted stock we grant is time-based restricted stock and generally includes a three-year vesting period. The granting of restricted stock allows us to grant executives long-term equity incentives to encourage continued employment. In 2012, restricted stock was granted, representing approximately 40% of the overall Long-Term Incentive Plan grant value, with the restriction period ending on February 15, 2015. The three-year vesting period focuses on long-term value creation and executive retention. The three-year vesting period requires continued employment throughout the restriction period. These restricted stock grants do not qualify as performance-based compensation under Internal Revenue Code Section 162(m). As such, the full values of these shares are included in the Internal Revenue Code Section 162(m) computation in the year of vesting. For more information, see "Internal Revenue Code Limits on Deductibility of Compensation" on page 48. In the event a participant retires (age 55 or older with at least 10 years of service), dies or becomes disabled, the participant or beneficiary retains the right to a pro-rated number of restricted shares. In the event the employment terminates for any other reason, the participant forfeits all rights to any outstanding restricted shares.

**Stock Options:** In 2012, non-qualified stock options were not granted to executives. For the 2009-2010 period non-qualified stock options represented approximately 20% of the overall Long-Term Incentive Plan grant value. The granting of stock options allowed us to grant executives long-term equity incentives that align long-term performance with creating shareholder value. These stock options have a ten-year exercise period and vest one-third on each anniversary of the grant date over a three-year period. The stock option exercise price is based on the closing price on the date the options are granted. In the event a participant retires (age 55 or older with at least 10 years of service) or

becomes disabled, the participant retains the rights to all outstanding vested and unvested stock options in accordance with the original terms of the grant. In the event a participant dies, the beneficiary has three years from the date of death to exercise the stock options. In the event employment terminates for any other reason, the participant forfeits all rights to any unvested stock options and has 90 days to exercise any vested stock options.

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Retirement and Other Benefits

Providing a supplemental retirement program for our executives is in keeping with our philosophy and objectives to attract and retain talented executives. The Pension Benefits Table and related footnotes beginning on page 55 describe both the qualified and nonqualified retirement benefit programs for which certain executives are eligible and are commonly offered by other employers in our peer group. Other benefit programs include the DTE Energy Company Supplemental Savings Plan (the “Supplemental Savings Plan”), which mirrors the 401(k) plan and allows executives to continue to defer base salary after certain IRS limits have been reached. The matching contributions we make in the Supplemental Savings Plan are the same as those provided under the 401(k) plan. For further description of the supplemental retirement programs, see “Pension Benefits” beginning on page 54.

Executive Benefits

We provide executives with certain benefits generally not available to our other employees as a matter of competitive practice and as a retention tool. The O&C Committee periodically reviews the level of benefits provided to executives against a peer group to assure they are reasonable and consistent with our overall compensation objectives.

We provide a cash allowance to certain executives in lieu of executive benefits typically provided by other companies. The executive is permitted to use the allowance as he or she deems appropriate. Although the allowance is taxable for income tax purposes, it is not considered as compensation for any Company incentive or benefit program.

During 2012, we provided various benefits for a limited number of officers that included the following:

- a. Home security program and security driver for business: Home security monitoring for most executives has been phased out and replaced by the executive benefit allowance. During 2012, the Company provided home security monitoring systems for certain executives, including some of the Named Executive Officers, based on our executive security policies and a security risk assessment by the Company's chief security officer. These expenses are considered appropriate to protect the Company and its executives despite the incidental personal benefit to the executives. In addition to home security monitoring, under our executive security policy, the Board requires Mr. Anderson to use a Company car and security driver while on Company business.
- b. Corporate aircraft for limited business travel: We lease a fractional share of an aircraft for limited business travel by executives and other employees when there is an appropriate business purpose. Personal use of the aircraft is not allowed except in unusual circumstances and requires the prior approval of the CEO. During 2012, one Named Executive Officer was accompanied on a business trip by family members on the corporate aircraft. There was no incremental cost to the Company for this usage. The Named Executive Officer reimbursed the Company for the value of the family members' usage in accordance with the IRS' Standard Industry Fare Level methodology.
- c. Supplemental retirement program: Certain executives are eligible for both the qualified and non-qualified retirement benefit programs, which are commonly offered by other employers in our peer group. For further description of the supplemental retirement programs, see “Pension Benefits” beginning on page 54.
- d. Other benefits: Executives are also allowed the limited use of corporate event tickets and the corporate condominium when available. In addition, as part of a Department of Energy-funded (“DOE”), General Motors (“GM”) Vehicle Electrification Demonstration Project, DTE has purchased 10 Chevrolet Volts. As part of the demonstration project, these Volts have been loaned to Company employees (including Named Executive Officers) to be driven as their primary vehicle for a period of one to two years. The Company is collecting vehicle charging data and driving data that will be shared with GM and the DOE.





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### Post-Termination Agreements

We have entered into indemnification agreements and change-in-control agreements with each of the Named Executive Officers and certain other executives. The indemnification agreements require that we indemnify these individuals for certain liabilities to which they may become subject as a result of their affiliation with the Company. The change-in-control agreements are intended to provide continuity of management in the event there is a change-in-control of the Company and to align executive and shareholder interests in support of corporate transactions. The important terms of, and the potential payments provided under, the change-in-control agreements are described beginning on page 58.

### Stock Ownership Policy

Our principles for ownership of stock ensure that the executives and other employees have a vested interest in the financial health, management and success of the Company. We expect most executives and certain other employees to own, within five years of their appointment to such position, shares of our stock having a value equal to a multiple of their annual base salary. Common stock, time-based restricted stock, phantom stock, and unvested performance shares (assuming achievement of target levels of performance) are counted toward the fulfillment of this ownership requirement. The following are the requirements for the Named Executive Officers: (i) for Mr. Anderson, five times his base salary; (ii) for Messrs. Kurmas, Meador and Norcia four times their respective base salary; and (iii) for Mr. Peterson, three times his base salary. Other executives and employees may be required to hold from one to three times their base salaries as determined by their executive group level within the Company. As of January 4, 2013, 100% of the Named Executive Officers and 100% of the other required employees met the stock ownership guidelines.

### Internal Revenue Code Limits on Deductibility of Compensation

In evaluating the potential compensation alternatives, our O&C Committee considers the possible impact of Section 162(m) of the Internal Revenue Code of 1986, as amended (the "Code"). Code Section 162(m) places a limit of \$1 million on the amount of compensation we can deduct as a business expense on our federal income tax return with respect to "covered employees" unless it is (i) based on performance and (ii) paid under a program that meets Internal Revenue Code requirements. In general, "covered employees" for these purposes are our CEO and the three highest paid executive officers named in the "Summary Compensation Table" on page 50 other than the CEO and CFO. The Annual Incentive Plan and the Long-Term Incentive Plan, previously approved by the shareholders, are designed to provide the opportunity for use of the performance-based compensation exception. The Long-Term Incentive Plan permits various types of awards, some of which qualify for exemption under Code Section 162(m) and some of which do not. We expect to continue to emphasize performance-based compensation programs designed to fulfill future corporate business objectives at all levels. Although these programs are generally designed to satisfy the requirements of Code Section 162(m), we believe it is important to preserve flexibility in designing compensation programs and it may be appropriate in certain circumstances to grant compensation that may not meet all of the Internal Revenue Code requirements for deducting compensation in excess of \$1 million and, therefore, will not be tax deductible for the Company. For the 2012 tax year, the Company paid the Named Executive Officers a total of \$2.32 million which was not deductible.

We have also structured all of our nonqualified compensation programs to be in compliance with Internal Revenue Code Section 409A, as added by the American Jobs Creation Act of 2004. Internal Revenue Code Section 409A imposes additional tax penalties on our executive officers for certain types of deferred compensation that are not in compliance with the form and timing of elections and distribution requirements of that section.

Accounting considerations also play a role in our executive compensation program. Financial Accounting Standards Board Accounting Standards Codification Topic 718 (“ASC Topic 718”) requires us to expense the fair value of our stock option grants over the vesting period, which reduces the amount of our reported profits. Because of this stock-based expensing and the impact of dilution to our shareholders, we closely monitor the number and the fair values of the option shares.

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Report of the Organization and Compensation Committee

The O&C Committee has reviewed and discussed with management the Compensation Discussion and Analysis required by Item 402(b) of Regulation S-K. Based on that review and discussion, we recommended to the Board that the Compensation Discussion and Analysis be included in the Company's 2013 Proxy Statement.

Organization and Compensation Committee

Ruth G. Shaw, Chair

Eugene A. Miller, Vice Chair

Lillian Bauder

David A. Brandon

Frank M. Hennessey

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## Summary Compensation Table

The table below summarizes the total compensation earned by each of the Named Executive Officers for the fiscal years ended December 31, 2010, December 31, 2011 and December 31, 2012.

Name and Principal Position	Year	Salary (\$)(1)	Stock Awards (\$)(2)	Option Awards (\$)(3)	Non-Equity Incentive Plan Compensation (\$)(4)	Change in Pension Value and Nonqualified Deferred Compensation Earnings (\$)(5)	All Other Compensation (\$)(6)	Total (\$)
Gerard M. Anderson, Chairman, President and Chief Executive Officer(7)	2012	1,200,000	4,469,640	—	1,982,000	1,904,683	127,510	9,683,833
	2011	1,099,615	3,279,500	—	1,621,000	1,272,574	116,590	7,389,279
	2010	901,538	2,021,700	449,600	1,282,000	851,893	94,652	5,601,383
David E. Meador, Executive Vice President and Chief Financial Officer	2012	614,616	1,101,447	—	787,000	1,057,591	83,847	3,644,501
	2011	590,577	1,072,865	—	629,400	767,867	78,233	3,138,942
	2010	559,615	835,050	196,700	591,700	577,727	73,979	2,834,771
Steven E. Kurmas, Group President	2012	543,269	1,010,990	—	688,200	955,356	79,117	3,276,932
	2011	518,269	969,795	—	574,700	851,283	76,231	2,990,278
	2010	482,500	791,100	168,600	463,500	727,243	69,895	2,702,838
Gerardo Norcia, Group President	2012	486,538	888,607	—	539,900	228,513	72,086	2,215,644
	2011	443,269	749,600	—	394,900	127,576	71,275	1,786,620
	2010	408,846	483,450	112,400	330,500	137,660	65,159	1,538,015
Bruce D. Peterson, Senior Vice President and General Counsel	2012	495,308	681,088	—	465,300	165,798	81,608	1,889,102
	2011	483,962	669,955	—	376,800	157,301	69,273	1,757,291
	2010	468,961	527,400	140,500	348,700	128,443	68,199	1,682,203

The base salary amounts reported include amounts which were voluntarily deferred by the Named Executive Officers into the Supplemental Savings Plan. The amounts deferred by each of the Named Executive Officers were as follows:

Name	2012 Deferred Amount	2011 Deferred Amount	2010 Deferred Amount
Gerard M. Anderson	\$103,000	\$93,461	\$73,654
David E. Meador	\$32,169	\$30,746	\$28,269
Steven E. Kurmas	\$17,596	\$16,396	\$14,250

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Gerardo Norcia	\$21,923	\$18,962	\$16,208
Bruce D. Peterson	\$22,625	\$22,217	\$21,017

These amounts represent the grant date fair value of the restricted stock and performance shares granted in 2010, (2) 2011 and 2012 in accordance with ASC Topic 718. The number of awards granted and other information related to the 2012 grants are detailed in the "Grants of Plan-Based Awards" table on page 52.

(3) These amounts represent the grant date fair value of the stock options granted in 2010 in accordance with FASB ASC Topic 718. There were no stock options granted in 2011 or 2012.

The 2012 Annual Incentive Plan amounts, shown in the Non-Equity Incentive Plan Compensation column, paid to (4) the Named Executive Officers were calculated as described beginning on page 38 and include an individual performance modifier.

The amounts in this column represent the aggregate change in the actuarial present values of each Named (5) Executive Officer's accumulated benefits under the DTE Energy Company Retirement Plan, the DTE Energy Company Supplemental

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Retirement Plan, and the DTE Energy Company Executive Supplemental Retirement Plan. The measurement period for each of 2010, 2011 and 2012 was the calendar year. Amounts in this column change from year to year based on a number of different variables. The primary variable is the discount rate used for valuation purposes. Discount rates used for 2010, 2011 and 2012 valuations were 5.50%, 5.00%, and 4.15% respectively. These plans are described in more detail beginning on page 54.

(6) The following table provides a breakdown of the 2012 amounts reported in this column.

Name	Company Matching Contributions to the 401(k) Plan (\$)*	Company Matching Contributions to the Supplemental Savings Plan*, **	Additional Benefits (\$)**	Total (\$)
Gerard M. Anderson	11,077	60,923	55,510	127,510
David E. Meador	13,985	22,892	46,970	83,847
Steven E. Kurmas	15,000	17,596	46,521	79,117
Gerardo Norcia	13,038	16,154	42,894	72,086
Bruce D. Peterson	13,629	16,089	51,890	81,608

(7) Mr. Anderson served as President and Chief Executive Officer through September 12, 2011, when he assumed the additional role of Chairman.

\* The matching contributions reflected in these two columns are predicated on the Named Executive Officers making contributions from base salary. The total combined Company matching contributions between the plans cannot exceed 6% for each of the Named Executive Officers.

\*\* The Supplemental Savings Plan provides for deferring compensation in excess of various Internal Revenue Code limits imposed on tax qualified plans, including the maximum employee pre-tax contribution limit (\$16,500 plus \$5,500 per year catch-up contributions for 2010 and 2011, and \$17,000 plus \$5,500 per year catch-up contributions for 2012) and the compensation limit (\$245,000 for 2010 and 2011, and \$250,000 for 2012). Supplemental Savings Plan account balances are paid only in cash to the Named Executive Officer upon termination of employment.

\*\*\* The value attributable to executive benefits for the Named Executive Officers. Beginning in 2007, the executives receive an annual cash executive benefit allowance in lieu of certain non-cash executive benefits. The cash executive benefit allowance paid to each Named Executive Officer during 2012 was \$35,000. Other executive benefits made available to certain of the named executive officers during 2012 included security services, use of a Company-owned Chevrolet Volt and limited personal use of corporate event tickets, the corporate condominium and the Company aircraft. See "Executive Benefits" on page 47 for a full discussion of executive benefits.

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Grants of Plan-Based Awards

Name	Grant Date	Estimated Future Payouts Under Non-Equity Incentive Plan Awards(1)			Estimated Future Payouts Under Equity Incentive Plan Awards(2)			All Other Stock Awards: Number of Shares of Stock or Units (#)(3)	All Other Option Awards: Number of Securities Underlying Options (#)(4)	Exercise or Base Price of Option Awards (\$/Sh)	Grant Date Fair Value of Stock and Option Awards (\$)(4)
		Threshold Award (\$)	Target Award (\$)	Maximum (\$)	Threshold Target (#)	Maximum (#)	Maximum (#)				
Gerard M. Anderson		—	1,200,000	3,150,000							
	2/15/2012				—	50,000	100,000			53.21	2,660,500
	2/15/2012							34,000		53.21	1,809,140
David E. Meador	2/15/2012									—	—
	2/15/2012	—	465,000	1,220,625						—	—
	2/15/2012				—	12,400	24,800			53.21	659,804
Steven E. Kurmas	2/15/2012									53.21	441,643
	2/15/2012							8,300		53.21	—
	2/15/2012	—	385,000	1,010,625						—	—
Gerardo Norcia	2/15/2012									53.21	606,594
	2/15/2012							7,600		53.21	404,396
	2/15/2012	—	325,000	853,125						—	—
Bruce D. Peterson	2/15/2012									53.21	532,100
	2/15/2012							6,700		53.21	356,507
	2/15/2012	—	298,800	784,350						—	—
Bruce D. Peterson	2/15/2012									53.21	409,717
	2/15/2012							5,100		53.21	271,371
	2/15/2012									—	—

These dollar amounts represent the threshold, target, and maximum payouts for the 2012 plan year under the (1) Annual Incentive Plan. The various measures and details relating to the 2012 final awards are presented beginning on page 38.

(2) The target column represents the number of performance shares granted to the Named Executive Officers under the Long-Term Incentive Plan on February 15, 2012. The performance measurement period for the 2012 grants is January 1, 2012 through December 31, 2014. Payments earned from the 2012 grants will be based on two performance measures weighted as follows: (i) total shareholder return vs. shareholder return of a custom peer

group (80%) and (ii) balance sheet health - FFO to debt (20%) for Messrs. Anderson, Meador and Peterson. Payments earned from the 2012 grants will be based on three performance measures weighted as follows: (i) total shareholder return vs. shareholder return of a custom peer group (60%), (ii) balance sheet health - FFO to debt (20%) and (iii) business specific measures (20%) for Messrs. Kurmas and Norcia. The final payouts, if any, will occur after the O&C Committee approves the final results in early 2015. Beginning with 2010 performance share grants, dividends or dividend equivalents are not paid on unvested performance shares.

- This column reports the number of shares of restricted stock granted under the Long-Term Incentive Plan to each of the Named Executive Officers on February 15, 2012. These shares of restricted stock will vest on February 15, (3) 2015, assuming the Named Executive Officer is still actively employed by the Company on that date. Dividends on these shares of restricted stock are paid to the Named Executive Officer during the vesting period and are paid at the same rate as dividends paid to shareholders.
- (4) The Company did not grant stock options under the Long-Term Incentive Plan to the Named Executive Officers in 2012.
- (5) This column reports the grant date fair value of each equity award granted in 2012 computed in accordance with FASB ASC Topic 718.



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## Outstanding Equity Awards at Fiscal Year-End

Name	Option Awards				Stock Awards				
	Number of Securities Underlying Unexercised Options Exercisable (#)	Number of Securities Underlying Unexercised Options Unexercisable (#)	Option Exercise Price (\$)	Option Expiration Date	Number of Shares or Units of Stock That Have Not Vested	Market Value of Shares or Units of Stock That Have Not Vested (\$)(8)	Number of Unearned Shares, Units or Rights That Have Not Vested (#)(10)	Market or Payout Value of Unearned Shares, Units or Rights That Have Not Vested (\$)(11)	
Gerard M. Anderson	15,000	(1)	39.41	2/9/2014	85,000	5,104,250	122,863	7,377,923	
	35,000	(2)	44.72	2/15/2015					
	45,000	(3)	43.42	2/28/2016					
	35,000	(4)	47.75	2/23/2017					
	75,000	(5)	41.79	2/25/2018					
	58,889	(6)	27.70	2/26/2019					
	53,333	(7)	26,667	(7 ) 43.95	2/25/2020				
David E. Meador	5,333	(7)	11,667	(7 ) 43.95	2/25/2020	27,000	1,621,350	38,303	2,300,065
Steven E. Kurmas	5,000	(2)	44.72	2/15/2015	24,900	1,495,245	35,304	2,119,987	
	20,000	(7)	10,000	(7 ) 43.95	2/25/2020				
Gerardo Norcia	2,480	(2)	44.72	2/15/2015	18,600	1,116,930	26,884	1,614,378	
	10,000	(3)	43.42	2/28/2016					
	5,000	(4)	47.75	2/23/2017					
	20,000	(5)	41.79	2/25/2018					
	13,334	(6)	27.70	2/26/2019					
	13,333	(7)	6,667	(7 ) 43.95	2/25/2020				
Bruce D. Peterson	334	(6)	27.70	2/26/2019	16,800	1,008,840	23,999	1,441,116	
	5,666	(7)	8,334	(7 ) 43.95	2/25/2020				

- (1) These stock options vested in three equal annual installments beginning on February 9, 2005.
- (2) These stock options vested in three equal annual installments beginning on February 15, 2006.
- (3) These stock options vested in three equal annual installments beginning on February 28, 2007.
- (4) These stock options vested in three equal annual installments beginning on February 23, 2008.
- (5) These stock options vested in three equal annual installments beginning on February 25, 2009.
- (6) These stock options vested in three equal annual installments beginning on February 26, 2010.

(7) These stock options vested in three equal annual installments beginning on February 25, 2011.

The numbers in this column reflect the total number of unvested shares of restricted stock granted on February 25, (8) 2010, February 17, 2011 and February 15, 2012. Each of these grants will vest on the third anniversary of the date of the grant.

(9) The dollar value of the unvested shares of restricted stock reported in the preceding column valued at the closing price of DTE Energy common stock on December 31, 2012 (\$60.05 per share).

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(10) The numbers in this column reflect the total number of unvested performance shares (rounded to the nearest whole share), at target level of performance, granted on February 25, 2010, February 17, 2011 and February 15, 2012. The payout, if any, will occur after the end of the three-year performance period.

(11) The dollar value of the unvested performance shares reported in the preceding column (including partial shares) valued at the closing price of DTE Energy common stock on December 31, 2012 (\$60.05 per share).

## Option Exercises and Stock Vested in 2012

Name	Option Awards		Stock Awards	
	Number of Shares Acquired on Exercise (#)	Value Realized on Exercise (\$)	Number of Shares Acquired on Vesting (#)	Value Realized on Vesting (\$)
Gerard M. Anderson	75,000	1,664,131	25,000 43,400	(1) 1,371,250 (2) 2,309,314
David E. Meador	91,667	1,532,315	9,500 17,360	(1) 521,075 (2) 923,726
Steven E. Kurmas	72,000	1,500,721	9,500 14,770	(1) 521,075 (2) 785,912
Gerardo Norcia	10,420	139,928	4,800 8,029	(1) 263,280 (2) 427,223
Bruce D. Peterson	76,000	1,157,263	6,100 11,284	(1) 334,585 (2) 600,422

(1) This row is the number and related fair market value of the time-based restricted stock that was originally granted on February 26, 2009 and vested on February 26, 2012.

(2) This row is the number and related fair market value of the performance shares that were originally granted on February 26, 2009 based upon performance measures described on page 43 in "Long-Term Incentive Plan."

## Pension Benefits

For purposes of the following discussion concerning the pension benefits and retirement plans in which our Named Executive Officers participate, we will be using the following terms:

"Cash Balance Plan" means the New Horizon Cash Balance component of the Retirement Plan (tax-qualified plan)

"DC ESRP" means the Defined Contribution component of the ESRP (non-qualified plan for tax purposes)

"ESRP" means the DTE Energy Company Executive Supplemental Retirement Plan (nonqualified plan for tax purposes)

"MCN Retirement Plan" means the MCN Traditional component of the Retirement Plan

"MSBP" means the Management Supplemental Benefit Plan (nonqualified plan for tax purposes), a component of the ESRP

"Retirement Plan" means the DTE Energy Company Retirement Plan (tax-qualified plan)

"SRP" means the DTE Energy Company Supplemental Retirement Plan (nonqualified plan for tax purposes)

"Traditional Retirement Plan" means the Detroit Edison Traditional component of the Retirement Plan (tax-qualified plan)

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The “Pension Benefits” table below describes the retirement benefits for the Named Executive Officers.

Name	Plan Name (1)	Number of Years Credited Service (#)	Present Value of Accumulated Benefit (\$)	Payments During Last Fiscal Year (\$)
Gerard M. Anderson	Retirement Plan	19.1	810,929	—
	SRP	19.1	2,412,125	—
	ESRP	19.1	4,267,463	—
David E. Meador	Retirement Plan	15.8	703,057	—
	SRP	15.8	944,199	—
	ESRP	25.8	(2) 3,624,475	—
Steven E. Kurmas	Retirement Plan	33.3	1,971,761	—
	SRP	33.3	1,835,057	—
	ESRP	33.3	1,017,016	—
Gerardo Norcia	Retirement Plan	10.2	109,729	—
	SRP	10.2	181,166	—
	ESRP	10.2	619,867	—
Bruce D. Peterson	Retirement Plan	10.5	207,116	—
	SRP	10.5	384,126	—
	ESRP	10.5	743,856	—

- (1) As described below, Messrs. Anderson and Meador each have a choice between the MSBP and DC ESRP benefits.  
 (1) The ESRP number that is reported is the higher of the MSBP or DC ESRP.

For purposes of calculating the benefit under the MSBP only, Mr. Meador has 10 years of additional awarded service. Mr. Meador's eligibility for the additional awarded service, granted at the time of his hiring, is subject to (2) his meeting the eligibility requirements of that plan. This additional time was granted to Mr. Meador to compensate him for lost pension benefits from his previous employers. If additional service is awarded, the MSBP benefit is reduced by any benefit from the noncontributory portion of a prior employer's retirement plan.

**Retirement Plan:** The Retirement Plan includes a number of different benefit accrual formulas including the Traditional Retirement Plan, the MCN Retirement Plan and the Cash Balance Plan. Messrs. Anderson and Meador participate in the Traditional Retirement Plan. Mr. Kurmas participates in the MCN Retirement Plan. Messrs. Norcia and Peterson participate in the Cash Balance Plan. All NEOs are currently 100% vested in the Retirement Plan.

**Traditional Retirement Plan:** The benefits provided under the Traditional Retirement Plan are based on an employee's years of benefit service, average final compensation and age at retirement. Compensation used to calculate the benefits under the Traditional Retirement Plan consists of (i) base salary and (ii) lump sums in lieu of base salary increases for the highest five consecutive calendar years within the last 10 years prior to retirement. The monthly benefit at age 65 equals 1.5% for each year of credited service times the average final compensation. Early retirement benefits are immediately available to any employee who has at least 15 years of service and has attained age 45. An annual benefit (payable in equal monthly installments for life or a combination of monthly payments and a partial lump sum) is calculated in the same manner as described above, subject to a reduction factor based on the employee's age at the time the retirement allowance commences. The early retirement age is computed on the basis of the number of full months by which the employee is under the age to be attained at the employee's next birthday. An employee who is qualified for early retirement may elect to defer benefit payments until age 65 with no reduction in the allowance or any earlier age with the corresponding reduction factor. Messrs. Anderson and Meador are currently eligible for early retirement benefits.



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MCN Retirement Plan: The benefits provided under this plan are based on an employee's years of benefit service, average final compensation and age at retirement. Compensation used to calculate the benefits under the MCN Retirement Plan consists of base salary for the highest five consecutive calendar years within the last 10 years prior to retirement. The monthly benefit at age 65 consists of the total of the following:

1. 1.33% for each year of credited service up to 30, times average final compensation, plus,
2. 1.43% for each year of credited service over 30, times average final compensation, plus,
3. 0.5% for each year of credited service up to 35, times average final compensation minus covered compensation.

An employee who has attained age 55 and whose combined attained age and years of credit service equals at least 70, or who has 30 or more years of credited service regardless of age, is eligible for an early retirement benefit starting before the participant's normal retirement age. The benefit is reduced by 5% for each year retirement precedes age 62, through age 55. Benefits are actuarially reduced if retirement occurs between ages 48 and 55. Mr. Kurmas is currently eligible for an early retirement benefit.

Cash Balance Plan: The benefits provided under the Cash Balance Plan are expressed as a lump sum. The cash balance benefit increases each year with contribution credits and interest credits. Contribution credits equal 7% of eligible earnings (base salary and annual corporate incentive payments from the Annual Incentive Plan) for an employee with 30 years or less of credited service and 7 1/2% of eligible earnings for an employee with more than 30 years of credited service. Interest credits are based on the average 30-year Treasury rates for the month of September prior to the plan year. Interest on each year's January 1 benefit is added the following December 31. The interest credit does not apply to the contribution for the current year. Upon termination of employment, a vested employee may, at any time, elect to receive the value of his benefit. If an employee elects to defer the benefit, interest credits will continue to accrue on the deferred benefit until the distribution of the benefit begins. An employee may elect to receive the benefit as a lump sum payout or as a monthly annuity, but not both. If an employee elects the lump-sum option, the entire lump sum is eligible to be rolled over to another qualified plan or IRA. Messrs. Norcia and Peterson are currently eligible for the full value of their plan benefit.

SRP: The benefits provided under the SRP are those benefits that would otherwise have been paid under the Retirement Plan but for the limitations imposed on qualified plans by the Internal Revenue Code.

ESRP: The ESRP includes two components, the MSBP and the DC ESRP. Under the current terms of the ESRP, certain participants, including Messrs. Meador and Anderson will receive a choice at termination of employment of either the MSBP or DC ESRP benefit, but not both. Messrs. Kurmas, Norcia and Peterson are only eligible to participate in the DC ESRP component of the ESRP and not the MSBP component.

MSBP: Prior to January 1, 2001, many Company executives, including Messrs. Anderson and Meador, participated in the MSBP. The MSBP was incorporated into the ESRP and certain executives, including Messrs. Anderson and Meador, were designated as grandfathered participants. Under the current terms of the ESRP, grandfathered participants will receive a choice at termination of employment of either the MSBP or DC ESRP benefit, but not both. The MSBP requires an executive to be at least age 55 with 10 years of service to receive benefits. Only Mr. Meador is currently eligible for MSBP benefits.

The benefits provided under the MSBP set a target retirement benefit and are basically equal to 60% of average final compensation for the Named Executive Officers (other than Messrs. Kurmas, Norcia and Peterson, who are not covered under the MSBP component of the ESRP). This amount is then adjusted based on age at termination, years of service (actual service and awarded service), and payment option selected. The adjusted amount is offset by the

amount that is paid from the Retirement Plan, SRP and any benefit from the noncontributory portion of a prior employer's retirement plan (if awarded service has been granted). Compensation used to calculate the benefits under the MSBP includes the highest 260 weeks of base salary, lump sums in lieu of base salary increases and, for years prior to 2001, the annual incentive bonus paid under the Shareholder Value Improvement Plan. Subsequent to 2000, when the Shareholder Value Improvement Plan was eliminated, the highest 260 weeks includes 10% of an executive's base salary in lieu of a bonus. In the event of a change-in-control of the Company, executives who have entered into Change-in-Control Severance Agreements with the Company would receive an additional two years of age and service credits for purposes of the MSBP or any successor plan. See "Potential Payments Upon Termination of Employment" beginning on page 58 for further explanation of the change-in-control provision of the MSBP.

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DC ESRP: Effective January 1, 2001, we implemented the DC ESRP, a defined-contribution approach to non-qualified supplemental retirement benefits. The DC ESRP approach was effective for most of the newly hired or promoted executives after that date. The DC ESRP provides for a benefit equal to a stated percentage of base salary and Annual Incentive Plan awards that is credited to a bookkeeping account on behalf of eligible executives. For the Named Executive Officers, the contribution percentage is 10%. The account value will increase or decrease based on the performance of the investment elections under the plan, as directed by the participants. Vesting of the benefit under the DC ESRP occurs at a rate of 20% per anniversary year. All of the Named Executive Officers are 100% vested in their DC ESRP accounts. In the event of a change-in-control of the Company, executives who have entered into Change-in-Control Severance Agreements with the Company would receive an additional two years of compensation credits for purposes of the DC ESRP or any successor plan. See “Potential Payments Upon Termination of Employment” beginning on page 58 for further explanation of the change-in-control provision of the DC ESRP.

## Non-Qualified Deferred Compensation

The following table details the contributions (both employee and Company), earnings, withdrawals/distributions and aggregate year-end balance for the Supplemental Savings Plan for 2012. This plan is more fully described below.

Name	Executive Contributions in Last Fiscal Year (\$)(1)	Registrant Contributions in Last Fiscal Year (\$)(2)	Aggregate Earnings in Last Fiscal Year (\$)(3)	Aggregate Balance at Last Fiscal Year End (\$)
Gerard M. Anderson	103,000	60,923	198,876	1,669,998
David E. Meador	32,169	22,892	78,184	830,543
Steven E. Kurmas	17,596	17,596	30,834	264,905
Gerardo Norcia	21,923	16,154	24,315	217,143
Bruce D. Peterson	22,625	16,089	32,814	451,586

(1) During 2012, all of the Named Executive Officers were participants in the Supplemental Savings Plan. These amounts represent the amounts deferred from base salary into the Supplemental Savings Plan.

(2) These amounts are the Company matching contribution to the Supplemental Savings Plan for 2012 and are included in the “Summary Compensation Table” on page 50 as “All Other Compensation.”

(3) These earnings represent investment income on the various investment alternatives that can be selected and directed by participants. The aggregate earnings are based on this income and are not reported as compensation in the Summary Compensation Table.

The Supplemental Savings Plan — A participant may contribute up to 100% (less applicable FICA taxes and other legally required or voluntary deductions) of base salary to the Supplemental Savings Plan. The percentage a participant may contribute to the Supplemental Savings Plan is determined by the percentage that the participant elects to contribute to the 401(k) plan. A participant may direct his or her contributions and related company contributions to any investment option available under the 401(k) plan. As under the 401(k) plan, investment directions and exchanges may be made on a daily basis.

For Supplemental Savings Plan participants who also participate in the DTE Electric portion of the 401(k) plan (including all of the Named Executive Officers other than Mr. Kurmas), we contribute \$1 to the participant’s Supplemental Savings Plan account for each \$1 the participant contributes on the first 4% of eligible compensation. We contribute \$0.50 for each \$1 contributed on the next 4% of eligible compensation.

For participants in the MCN portion of the 401(k) plan, such as Mr. Kurmas, we make matching contributions dollar for dollar on the first 6% of eligible compensation.

Participants are 100% vested at all times in the value of their contributions and Company matching contributions. We maintain bookkeeping accounts for participants in the Supplemental Savings Plan. In order to comply with Internal Revenue Code Section 409A, there are separate accounts for monies deferred on or after January 1, 2005. A



participant's benefit will be comprised of separate bookkeeping accounts evidencing his or her interest in each of the investment funds in which contributions and related employer contributions have been invested. No actual "contributions" are made to the funds themselves. Earnings or losses are calculated using the daily valuation methodology employed by the record keeper for each corresponding fund under the 401(k) plan.

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If a participant retires from the Company, becomes totally and permanently disabled and entitled to benefits under a long-term disability plan sponsored by the Company, or terminates employment with the Company, the participant will be eligible to receive the full value of his or her Supplemental Savings Plan account, including all of his or her own contributions and all Company contributions, adjusted for investment earnings and losses. In the event of death, a lump sum distribution will be paid to the participant's spouse or other designated beneficiary.

Distributions from the Supplemental Savings Plan will be paid in cash. Distributions will be made in accordance with the participant's distribution election. A participant may elect to take a lump sum distribution or annual payments over a period of not less than two years and not more than 15 years. Lump sums and the first annual installment payments from the participant's pre-2005 account will be made no later than March 1 of the plan year following the year of termination. Subsequent annual installments will be made no later than March 1 of the installment period. Lump sums and the first annual installment payments from the participant's post-2004 account will be made as of January 1 of the plan year following the year of termination or next following the latest date to which the participant deferred the distribution under the terms of the plan; however, Named Executive Officers and certain other executives must wait a minimum of six months after termination prior to receiving a distribution from post-2004 balances. Subsequent annual installments will be made as of January 1 of the installment period.

### Potential Payments Upon Termination of Employment

Other than the Change-in-Control Severance Agreements discussed below, we have not entered into any other severance agreements or other arrangements with the Named Executive Officers and do not maintain any other severance benefit programs for the Named Executive Officers.

### Change-in-Control Benefits

We have entered into Change-in-Control Severance Agreements with certain executives, including the Named Executive Officers. The agreements are intended to provide continuity of management in the event there is a change-in-control of the Company and to align executive and shareholder interests in support of corporate transactions. For purposes of these agreements, a change-in-control occurs if (i) we or our assets are acquired by another company or if we merge, consolidate, or reorganize with another company and less than 55% of the new or acquiring company's combined voting stock is held by holders of the voting stock of the Company immediately prior to the change-in-control transaction, (ii) a "person" becomes the beneficial owner of at least 20% of the Company's voting stock, (iii) a majority of the Company's Board members change within a period of two consecutive years, (iv) the Company's shareholders approve a complete liquidation or dissolution of the Company, or (v) the Company executes, at the direction of the Board, one or more definitive agreements to engage in a transaction that will result in one of the events described in (i) through (iv).

The Change-in-Control Severance Agreements provide for severance compensation in the event that the executive's employment is terminated (actually or constructively) within two years after a change-in-control of the Company. The severance compensation provided to an executive following a qualifying termination is the same for all of the change-in-control events. The cash severance benefit is the sum of (i) a multiple of the executive's base salary plus annual bonus, assuming target performance goals for such year would be met, plus (ii) a lump sum payment of the executive's pro-rated annual bonus (reduced by any pro-rated annual bonus otherwise paid because of the executive's termination). The multiple for the Named Executive Officers is 200%. An additional amount is paid as consideration for the prohibition against engaging in any competitive activity for one year after termination that is imposed by the Change-in-Control Severance Agreement. The additional amount for the Named Executive Officers is 100% of the executive's base salary plus annual bonus, assuming target performance goals for such year would be met.

The Company's retiree health and life insurance plans separately provide that any non-represented employee who receives severance pay because of a change-in-control will be credited with additional years of service after age 45 for

purposes of eligibility for retiree health and life insurance equal to individual's "benefit continuation period" under the applicable severance agreement or program. Under these provisions, the Named Executive Officers would be credited with an additional two years of service after age 45 for purposes of eligibility for retiree health and life insurance benefits.

The severance payment includes payment by the Company for outplacement services by a firm selected by the Named Executive Officer in an amount up to 15% of the Named Executive Officer's base pay.

In addition, the executive would receive an additional two years of age and service credits for purposes of the MSBP (if the executive is a participant in the MSBP, as are Messrs. Anderson and Meador), or an additional two years of compensation credits for purposes of the ESRP, a cash payment representing health care and other welfare benefits for two years, outplacement services, and indemnification for any excise taxes. If the executive is subject to the Company's mandatory

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retirement policy (as are the Named Executive Officers), the benefits provided under a Change-in-Control Severance Agreements are subject to reduction depending on the executive's age at termination. Executives who have Change-in-Control Severance Agreements and are participants in the MSBP who meet certain age and service requirements at the time of their termination would receive an immediate distribution of their benefit under the MSBP.

In addition, the Long-Term Incentive Plan provides that all options, restricted stock awards and performance shares will become exercisable or vested or will be earned (as applicable) upon the occurrence of change-in-control event (i) or (iv) described above. Performance shares will be earned assuming target performance. Although this acceleration provision appears in the Long-Term Incentive Plan, the excise tax indemnification provisions of the Change-in-Control Severance Agreements (for executives covered by such agreements) will apply to any excise taxes incurred as a result of the acceleration.

We have an irrevocable trust established to provide a source of funds to assist us in meeting our obligations under the Change-in-Control Severance Agreements and certain other director and executive compensation plans described previously. We may make contributions to the trust from time to time in amounts determined sufficient to pay benefits when due to participants under such plans. Notwithstanding the trust, these plans are not qualified or fully funded, and amounts on deposit in the trust are subject to the claims of the Company's general creditors.

The following table provides the estimated lump-sum or present values of the various change-in-control protections as if a qualifying termination had occurred on December 31, 2012.

Name	Severance Amount (\$)(1)	Pro-Rated Bonus \$(2)	Pension Enhancement \$(3)	Accelerated LTIP Awards \$(4)	Out-placement \$(5)	Health & Welfare Benefits \$(6)	Excise Tax & Gross Up \$(7)	Non-Compete \$(8)	Total (\$)
Gerard M. Anderson	4,800,000	1,200,000	4,569,452	8,141,939	180,000	85,600	8,738,698	2,400,000	30,115,689
David E. Meador	2,170,000	—	1,062,828	2,508,771	93,000	85,600	2,253,530	1,085,000	9,258,729
Steven E. Kurmas	1,870,000	—	956,599	2,310,165	82,500	85,600	2,328,962	935,000	8,568,826
Gerardo Norcia	1,650,000	325,000	299,688	1,772,824	75,000	85,600	1,802,595	825,000	6,835,707
Bruce D. Peterson	1,593,600	—	296,517	1,570,034	74,700	85,600	—	796,800	4,417,251

(1) The severance amount equals two times each Named Executive Officer's base salary and target bonus as of December 31, 2012, reduced by the target bonus payable under the terms of the Annual Incentive Plan because the executive has attained age 55 and completed 10 years of service. This applies to Messrs. Meador, Kurmas and Peterson.

(2) The pro-rated bonus is equal to the Named Executive Officer's base salary as of December 31, 2012 multiplied by the 2012 plan year AIP target, less the AIP that would be paid under the AIP plan document because the executive is age 55 with 10 years of service. This applies to Messrs. Meador, Kurmas and Peterson.

(3) The pension enhancement represents the present value of the additional two years of age and service awarded under the MSBP formula or two additional years of compensation credits awarded under the ESRP formula per the Change-in-Control Severance Agreements.

(4) This column reflects the acceleration of stock options, performance shares and restricted stock granted under the Company's Long-Term Incentive Plan.

(5) Outplacement benefits are capped at 15% of each Named Executive Officer's base salary.

This column includes family coverage costs for medical, dental and vision benefits for a 24-month period. Also

(6) included are life insurance, long-term disability insurance, and accidental death and disability insurance for a 24-month period.

Pursuant to the Change-in-Control Severance Agreements, the Company will reimburse each Named Executive

(7) Officer for any excise tax imposed by the IRS (20% of any amounts deemed to be an excess parachute payment).

In addition, the Company will gross-up the amount of the excise tax reimbursement for income taxes.

(8) The consideration for the non-competition prohibition in the Change-in-Control Severance Agreement is 100% of each Named Executive Officer's base salary and target bonus as of December 31, 2012.

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## 2012 DIRECTOR COMPENSATION TABLE

The following table details the compensation earned in 2012 by each of the non-employee directors.

Name	Fees Earned or Paid in Cash \$(1)	Stock Awards (\$) (2)	All Other Compensation (\$) (3)	Total (\$)
Lillian Bauder	112,083	95,000	5,494	262,577
David A. Brandon	85,000	95,000	158	180,158
W. Frank Fountain, Jr.	88,000	95,000	305	183,305
Frank M. Hennessey	88,333	95,000	5,494	188,827
John E. Lobbia*	25,000	95,000	165	120,165
Charles G. McClure, Jr.	69,583	53,710	95	123,388
Gail J. McGovern	82,000	95,000	5,158	182,158
Eugene A. Miller	100,000	95,000	5,494	200,494
Mark A. Murray	84,000	95,000	103	179,103
James B. Nicholson	41,000	60,090	165	101,255
Charles W. Pryor, Jr.	88,000	95,000	3,305	186,305
Josue Robles, Jr.	89,667	95,000	305	184,972
Ruth G. Shaw	91,167	95,000	5,305	191,472
James H. Vandenberghe	90,000	95,000	2,658	187,658

\* Mr. Lobbia retired when his term ended on May 3, 2012.

(1) The following table provides a detailed breakdown of the fees earned or paid in cash:

Name	Fees Earned or Paid in Cash			Total (\$)
	Board Retainer (\$)	Presiding Director/ Committee Chair Retainers (\$)	Meeting Fees (\$)	
Lillian Bauder	60,000	21,083	31,000	112,083
David A. Brandon	60,000	—	25,000	85,000
W. Frank Fountain, Jr.	60,000	5,000	23,000	88,000
Frank M. Hennessey	60,000	3,333	25,000	88,333
John E. Lobbia*	20,000	—	5,000	25,000
Charles G. McClure, Jr.	55,000	4,583	10,000	69,583
Gail J. McGovern	60,000	—	22,000	82,000
Eugene A. Miller	60,000	10,000	30,000	100,000
Mark A. Murray	60,000	—	24,000	84,000
James B. Nicholson	32,500	2,500	6,000	41,000
Charles W. Pryor, Jr.	60,000	5,000	23,000	88,000
Josue Robles, Jr.	60,000	6,667	23,000	89,667
Ruth G. Shaw	60,000	8,167	23,000	91,167
James H. Vandenberghe	60,000	5,000	25,000	90,000

\* Mr. Lobbia retired when his term ended on May 3, 2012.

Messrs. Brandon, Fountain and Nicholson elected to defer 100%, 60% and 50%, respectively, of the fees detailed above into the DTE Energy Company Plan for Deferring the Payment of Directors' Fees. Meeting fees include fees for any official Company business or special services that may be required by the Company, which are paid the equivalent of committee meeting fees per day.



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These amounts represent the dollar amounts of compensation cost for 2012 in accordance with ASC Topic 718 and, as such, include costs recognized in the financial statements with respect to phantom shares and shares of restricted stock granted. Because the phantom shares are 100% vested (with a mandatory three-year deferral) on the grant date, the ASC Topic 718 expense equals the grant date fair value as of January 3, 2012. The grant date fair value of \$53.87 was the closing price of the Company stock on January 3, 2012. For all of the non-employee (2) directors except Messrs. McClure and Nicholson, this amount is the value of the annual grant of 1,765 phantom shares granted on January 3, 2012. For Messrs. McClure and Nicholson, this amount is the value of 1000 shares of restricted stock granted on February 3, 2012 and June 5, 2012, respectively. For these awards, the grant date fair value of \$53.71 was the closing price on February 3, 2012 and the grant date fair value of \$57.15 was the closing price on June 5, 2012.

Outstanding equity awards as of January 4, 2013 are as follows:

Name	Phantom Shares in Equity Plan	Phantom Shares in Deferred Fee Plan	Restricted Stock	Unexercised Stock Options
Lillian Bauder	29,490	—	—	—
David A. Brandon	5,575	2,223	1,000	—
W. Frank Fountain, Jr.	12,764	8,425	—	—
Frank M. Hennessey	25,919	8,503	—	—
John E. Lobbia*	3,950	—	—	—
Charles G. McClure, Jr.	1,625	—	1,000	—
Gail J. McGovern	19,051	—	—	—
Eugene A. Miller	29,490	9,527	—	—
Mark A. Murray	5,575	—	—	—
James B. Nicholson	1,625	471	1,000	—
Charles W. Pryor, Jr.	27,663	—	—	—
Josue Robles, Jr.	7,105	—	—	1,000
Ruth G. Shaw	5,575	—	—	—
James H. Vandenberghe	5,575	2,275	—	—

\* Mr. Lobbia retired when his term ended on May 3, 2012.

This amount is the total of the premiums paid for the group-term life insurance provided to the non-employee (3) directors by the Company and all contributions made by the DTE Energy Foundation under the Company matching program.



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2014 ANNUAL MEETING OF SHAREHOLDERS

Our Bylaws provide that the annual meeting of shareholders will be held on such date and at such time and place as may be fixed by the Board of Directors. When the Board fixes the date for an annual meeting, it will be announced as soon as practicable.

Shareholder Proposals and Nominations of Directors

**For Inclusion In Proxy Statement.** Shareholder proposals to be considered for inclusion in the Proxy Statement for the 2014 Annual Meeting must be received by the Corporate Secretary at our principal business address no later than 5:00 p.m. Detroit time on November 12, 2013.

**For Matters to be Brought at the Meeting.** If a shareholder intends to submit a matter other than by timely submitting the proposal to be included in the Proxy Statement, the shareholder must give timely notice in accordance with our Bylaws. To be timely, a shareholder's notice nominating a person for election to the Board or proposing other business must be received not less than 60 nor more than 90 calendar days prior to the date of the annual shareholder meeting.

**Procedures for Submitting Proposals and Nominations.** Any shareholder who wishes to (i) nominate a person for election to the Board, or (ii) propose other items of business at an annual meeting must be a shareholder of record at the time of giving the notice and entitled to vote at the meeting. All notices must be received by the Corporate Secretary, One Energy Plaza, Room 2386 WCB, Detroit, Michigan 48226-1279, fax: 313-235-8871. Any such notice must include:

- the name and address, as they appear on our books, of the shareholder making the proposal or nomination and of the beneficial owner, if any, on whose behalf the proposal or nomination is made;
- the class and number of shares that are owned beneficially and of record by the shareholder making the proposal or nomination and by the beneficial owner, if any, on whose behalf the proposal or nomination is made; and
- a representation that the person giving the notice is a shareholder of record entitled to vote at the annual meeting and intends to appear at the meeting in person or by proxy to make the nomination or propose the business specified in the notice.

In addition, our Bylaws require the following:

If a shareholder notice is nominating a person for election to the Board, the notice must also include:

- a description of all arrangements or understandings pursuant to which the nomination is made;
- such other information regarding the nominee as would be required to be included in a proxy statement filed pursuant to the SEC's proxy rules if the nominee had been nominated by the Board; and
- the signed consent of the nominee to serve as a director if elected.

If a shareholder notice is proposing any other items of business, the notice must also include as to each matter the shareholder proposes to bring before the annual meeting:

- a description in reasonable detail of the business desired to be brought before the annual meeting and the reasons for conducting such business at the annual meeting; and
- any material interest the shareholder or the beneficial owner, if any, on whose behalf the proposal is made, has in the matter.

A shareholder must also comply with all the applicable requirements of the Exchange Act for shareholder proposals, including matters covered by SEC Rule 14a-8. Nothing in our Bylaws affects any rights of shareholders to request inclusion of proposals in the proxy statement pursuant to SEC Rule 14a-8.

Proxies solicited by the Company for the 2014 annual meeting may confer discretionary authority to vote on an untimely proposal without express direction from the shareholders giving proxies.

SOLICITATION OF PROXIES

We will pay the cost to solicit proxies. Directors and officers of DTE Energy and employees of its affiliates may solicit proxies either personally or by telephone, facsimile transmission or via the Internet, but no additional remuneration will be paid by the Company for the solicitation of those proxies. We paid approximately \$12,500 plus out-of-pocket expenses to Morrow & Co., LLC, 470 West Ave., Stamford, Connecticut 06902 to help distribute proxy materials and solicit votes in that same manner.

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**IMPORTANT**

The interest and cooperation of all shareholders in our affairs are considered to be of the greatest importance by your management. Even if you expect to attend the annual meeting, it is urgently requested that, whether your share holdings are large or small, you promptly fill in, date, sign and return the enclosed proxy card in the envelope provided or vote by telephone or on the Internet. If you do so now, we will be saved the expense of follow-up notices.

Shareowner Services  
 P.O. Box 64945  
 St. Paul, MN 55164-0945  
 COMPANY #

Vote by Internet, Telephone or Mail  
 24 Hours a Day, 7 Days a Week

Your Internet or telephone vote authorizes the named proxies to vote your shares in the same manner as if you marked, signed and returned your proxy card.

:INTERNET - [www.eproxy.com/dte](http://www.eproxy.com/dte)

Use the Internet to vote your proxy until 11:59 p.m. (EDT) on May 1, 2013.\*

(TELEPHONE - 1-800-560-1965)

Use a touch-tone telephone to vote your proxy until 11:59 p.m. (EDT) on May 1, 2013.\*

\*MAIL - Mark, sign and date your proxy card and return it in the postage-paid envelope provided. Mailed copies must be received by 11:59 p.m. (EDT) on May 1, 2013.

\*For DTE Energy Savings Plan participants -

Internet and telephone voting are available through 11:59 p.m. (EDT) on April 29, 2013.

The Board of Directors Recommends a Vote FOR Proposals 1, 2 and 3 and AGAINST Proposal 4.

1. Election of directors:	01 Gerard M. Anderson	05 James B. Nicholson	<input type="radio"/> Vote FOR all nominees	<input type="radio"/> Vote WITHHELD
Nominees for Terms	02 David A. Brandon Jr.	06 Charles W. Pryor, Jr.	(except as marked)	from all nominees
Ending in 2014:	03 Charles G. McClure, Jr.	07 Ruth G. Shaw		
	04 Gail J. McGovern			

(Instructions: To withhold authority to vote for any indicated nominee, write the number(s) of the nominee(s) in the box provided to the right.)

- |   |                           |                               |                               |
|---|---------------------------|-------------------------------|-------------------------------|
| 2. Ratification of Independent Registered Public Accounting Firm PricewaterhouseCoopers LLP | <input type="radio"/> For | <input type="radio"/> Against | <input type="radio"/> Abstain |
| 3. Advisory Vote to Approve Executive Compensation  | <input type="radio"/> For | <input type="radio"/> Against | <input type="radio"/> Abstain |
| 4. Shareholder Proposal Regarding Political Contributions                                   | <input type="radio"/> For | <input type="radio"/> Against | <input type="radio"/> Abstain |

THIS PROXY WHEN PROPERLY EXECUTED WILL BE VOTED AS DIRECTED OR, IF NO DIRECTION IS GIVEN, WILL BE VOTED AS THE BOARD RECOMMENDS.

Address Change or Comments? Mark box, sign, and indicate below:  Date

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Signature(s): Please sign exactly as your name(s) appears on Proxy. If held in joint tenancy, all persons should sign. Trustees, administrators, etc., should include title and authority. Corporations should provide full name of corporation and title of authorized officer signing the Proxy.

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DTE ENERGY COMPANY  
2013 ANNUAL MEETING OF SHAREHOLDERS

Dear Shareholder(s):

The Annual Meeting of Shareholders of DTE Energy Company will be held at the Sheraton New York Times Square Hotel, 811 7th Avenue, New York, NY 10019, on Thursday, May 2, 2013 at 8:00 a.m. (EDT).

All shareholders must receive pre-authorization in order to attend DTE Energy Company's Annual Meeting of Shareholders. Please contact DTE Energy Shareholder Services by e-mail at [sholdersvcs@dteenergy.com](mailto:sholdersvcs@dteenergy.com) or by telephone at 1-313-235-4200 and provide your name, address, telephone number and your request to attend. All requests for admittance to the annual meeting will be responded to and verified shareholders will have their names on file at the meeting. In addition to ownership confirmation, you must also present government-issued photo identification such as a driver's license, state identification card or passport for admission. No guests will be permitted. Annual meeting attendance requests must be received by the end of business on Thursday, April 25, 2013. Admission is on a first-come first-served basis and all transportation and parking fees are at your own expense.

Lisa A. Muschong  
Corporate Secretary  
proxy

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DTE ENERGY COMPANY PROXY CARD AND VOTING INSTRUCTION FORM  
SOLICITED ON BEHALF OF THE BOARD OF DIRECTORS

By signing on the other side, I (we) appoint Bruce D. Peterson, Lisa A. Muschong and David E. Meador, any or all of them, as proxies to vote my (our) shares of Common Stock at the Annual Meeting of Shareholders to be held on Thursday, May 2, 2013, and at all adjournments thereof, upon the matters set forth on the reverse side hereof and upon such other matters as may properly come before the meeting.

If you sign and return this proxy, the shares will be voted as directed. If no direction is indicated, the shares will be voted FOR Proposals 1, 2, and 3, and AGAINST Proposal 4. Your telephone or Internet vote authorizes the named proxies to vote your shares as directed. Unless you have voted by telephone or Internet, or have returned a signed proxy, the shares cannot be voted for you (except that your broker can vote your shares on Proposal 2 without your instruction). If you are a registered shareholder, you can also vote your shares at the meeting.

For participants in one of the DTE Energy Company Savings Plans, by signing on the other side, you hereby direct JPMorgan Chase Bank, as Trustee, to vote all shares of Common Stock of DTE Energy Company represented by your proportionate interest in the Trust at the Annual Meeting of Shareholders of the Company to be held on Thursday, May 2, 2013, and at all adjournments thereof, upon the matters set forth on the reverse side hereof and upon such other matters as may properly come before the meeting.

The Trustee is directed to vote as specified on the reverse. If you sign and return this form, but do not otherwise specify, the Trustee will vote FOR Proposals 1, 2 and 3 and AGAINST Proposal 4. Only the Trustee can vote your shares. Your shares cannot be voted in person.

For participants in the Detroit Edison Company Savings & Stock Ownership Plan for Employees Represented by Local 17 of the International Brotherhood of Electrical Workers, the Detroit Edison Company Savings & Stock Ownership Plan for Employees Represented by Local 223 of the Utility Workers Union of America, and in the DTE Energy Plan portion of the DTE Energy Company Savings and Stock Ownership Plan: The Trustee only votes shares for which the Trustee has received your vote by telephone or Internet, or has received a signed voting instruction form.

For participants in the MichCon Investment and Stock Ownership Plan and in the Citizens Gas Plan and MCN Plan portions of the DTE Energy Company Savings and Stock Ownership Plan: Shares with respect to which the Trustee does not receive voting instructions will be voted by the Trustee in the same proportion as shares for which the Trustee receives voting instructions.

See reverse for voting instructions.