

DTE ENERGY CO
Form PRE 14A
March 11, 2011

Table of Contents

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:

- x Preliminary Proxy Statement
- o **Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
- o 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)

Payment of Filing Fee (Check the appropriate box):

- x No fee required.
- o Fee computed on table below per Exchange Act Rules 14a-6(i)(4) and 0-11.

1) Title of each class of securities to which transaction applies:

2) Aggregate number of securities to which transaction applies:

3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

4) Proposed maximum aggregate value of transaction:

5) Total fee paid:

o Fee paid previously with preliminary materials.

o Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

Edgar Filing: DTE ENERGY CO - Form PRE 14A

1) Amount Previously Paid:

2) Form, Schedule or Registration Statement No.:

3) Filing Party:

4) Date Filed:

SEC 1913 (02-02)

Persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

Table of Contents

**One Energy Plaza
Detroit, Michigan 48226-1279**

2011 Notice of Annual Meeting of Shareholders and Proxy Statement

Date: Thursday, May 5, 2011
Time: 10:00 a.m. Detroit time
Place: DTE Energy Building
(Town Square; see map on the last page)
One Energy Plaza
Detroit, Michigan 48226

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 2011;
3. Vote on a Management proposal relating to a nonbinding advisory vote on executive compensation;
4. Vote on a Management proposal relating to the frequency of nonbinding advisory votes on executive compensation;
5. Vote on a Management proposal to amend the Bylaws to declassify the Board of Directors;
6. Vote on a Shareholder proposal relating to political contributions; and
7. 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 8, 2011. Only shareholders of record at the close of business on that date can vote at the meeting. For more information, please read the accompanying 2011 Proxy Statement.

This 2011 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 21, 2011.

It is important that your shares be represented at the meeting. Shareholders may vote their shares (1) in person at the annual meeting, (2) by telephone, (3) via the Internet, or (4) by completing and mailing the enclosed proxy card in the return envelope. Specific instructions for voting by telephone or via the Internet are attached to the proxy card. 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 your shares are directly held in your name as a shareholder of record, an admission ticket to the meeting is attached to your proxy card. Please vote your proxy, and bring the admission ticket with you to the meeting. If your shares are registered in the name of a bank, brokerage firm, or other nominee and you plan to attend the meeting, bring your statement of account showing evidence of ownership as of the record date. All shareholders who plan to attend the meeting must present a government-issued photo identification card, such as your driver's license, state***

identification card or passport.

By Order of the Board of Directors

Lisa A. Muschong
Corporate Secretary

Anthony F. Earley, Jr.
Executive Chairman of the Board

March 21, 2011

**Important Notice Regarding the Availability of Proxy Materials for the
Annual Shareholders Meeting to Be Held on May 5, 2011:**

**The Proxy Statement and Annual Report are available to security holders at
www.proxydocs.com/dte**

Table of Contents

TABLE OF CONTENTS

<u>INFORMATION CONCERNING VOTING AND PROXY SOLICITATION</u>	2
<u>QUESTIONS AND ANSWERS</u>	2
<u>Q: What is a proxy?</u>	2
<u>Q: What is a Proxy Statement?</u>	2
<u>Q: What are the purposes of this annual meeting?</u>	2
<u>Q: Who is entitled to vote?</u>	2
<u>Q: What is the difference between a shareholder of record and a street name holder?</u>	2
<u>Q: How do I vote?</u>	3
<u>Q: Can I change my vote after I have voted?</u>	3
<u>Q: Can I revoke a proxy?</u>	3
<u>Q: Is my vote confidential?</u>	3
<u>Q: What does it mean if I get more than one proxy card?</u>	4
<u>Q: What is householding and how am I affected?</u>	4
<u>Q: Can I elect to receive or view DTE Energy's annual report and proxy statement electronically?</u>	4
<u>Q: What constitutes a quorum?</u>	4
<u>Q: What are abstentions and broker non-votes and how do they affect voting?</u>	5
<u>Q: How does the voting work?</u>	5
<u>Q: Who may attend the annual meeting?</u>	6
<u>Q: How will the annual meeting be conducted?</u>	6
<u>Q: How does a shareholder recommend a person for election to the Board for the 2012 annual meeting?</u>	6
<u>CORPORATE GOVERNANCE</u>	7
<u>Governance Guidelines</u>	7
<u>Election of Directors and Vacancies</u>	7
<u>Board Committees</u>	9
<u>Election of the Chairman and the CEO; Presiding Director</u>	9
<u>Board Meetings and Attendance</u>	10
<u>Terms of Office</u>	10
<u>Executive Sessions</u>	10
<u>Assessment of Board and Committee Performance</u>	11
<u>Board Compensation and Stock Ownership</u>	11
<u>Codes of Business Conduct and Ethics</u>	11
<u>Communications with the Board</u>	11
<u>MEETINGS AND COMMITTEES OF THE BOARD OF DIRECTORS</u>	12
<u>BOARD OF DIRECTORS RISK OVERSIGHT FUNCTIONS</u>	14
<u>BOARD OF DIRECTORS COMPENSATION</u>	15
<u>INFORMATION ON COMPANY EXECUTIVE OFFICERS</u>	17
<u>COMPENSATION COMMITTEE INTERLOCKS AND INSIDER PARTICIPATION</u>	17
<u>INDEMNIFICATION AND LIABILITY</u>	18
<u>SECURITY OWNERSHIP OF DIRECTORS AND OFFICERS</u>	19
<u>SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE</u>	20
<u>SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS</u>	20
<u>CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS</u>	21

Table of Contents

<u>PROPOSAL NO. 1 ELECTION OF DIRECTORS</u>	22
<u>Nominees for Election at this Meeting for Terms Expiring in 2014</u>	23
<u>Nominee for Election at this Meeting for a Term Expiring in 2013</u>	25
<u>Directors Whose Present Terms Continue Until 2012</u>	26
<u>Directors Whose Present Terms Continue Until 2013</u>	28
<u>PROPOSAL NO. 2 RATIFICATION OF APPOINTMENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM</u>	30
<u>Fees to the Independent Registered Public Accounting Firm</u>	30
<u>Policy on Audit Committee Pre-Approval of Audit and Permissible Non-Audit</u>	31
<u>Services of Independent Registered Public Accounting Firm</u>	31
<u>Report of the Audit Committee</u>	31
<u>PROPOSAL NO. 3 MANAGEMENT PROPOSAL Nonbinding Advisory Vote on Executive Compensation</u>	33
<u>PROPOSAL NO. 4 MANAGEMENT PROPOSAL Frequency of Nonbinding Advisory Votes on Executive Compensation</u>	34
<u>PROPOSAL NO. 5 MANAGEMENT PROPOSAL Amendment to the Bylaws to Declassify the Board of Directors</u>	35
<u>PROPOSAL NO. 6 SHAREHOLDER PROPOSAL POLITICAL CONTRIBUTIONS</u>	37
<u>CONSIDERATION OF ANY OTHER BUSINESS THAT MAY COME BEFORE THE MEETING</u>	39
<u>EXECUTIVE COMPENSATION</u>	40
<u>Compensation Discussion and Analysis</u>	40
<u>Report of the Organization and Compensation Committee</u>	53
<u>Summary Compensation Table</u>	54
<u>Grants of Plan-Based Awards</u>	56
<u>Outstanding Equity Awards at Fiscal Year-End</u>	57
<u>Option Exercises and Stock Vested in 2010</u>	59
<u>Pension Benefits</u>	60
<u>Non-Qualified Deferred Compensation</u>	63
<u>Potential Payments Upon Termination of Employment</u>	64
<u>2010 DIRECTOR COMPENSATION TABLE</u>	66
<u>2012 ANNUAL MEETING OF SHAREHOLDERS</u>	67
<u>Shareholder Proposals and Nominations of Directors</u>	67
<u>SOLICITATION OF PROXIES</u>	68
<u>MAP TO ANNUAL SHAREHOLDER MEETING</u>	

Table of Contents

2011 PROXY STATEMENT OF DTE ENERGY COMPANY
INFORMATION CONCERNING VOTING AND PROXY SOLICITATION
QUESTIONS AND ANSWERS

Q: What is a proxy?

A: A proxy is a document, also referred to as a proxy card, on which you authorize someone else to vote for you in the way that you want to vote. You may also choose to abstain from voting. **The Board of Directors (the Board) is soliciting proxies to be voted at the 2011 Annual Meeting of Shareholders and any adjournment or postponement of such meeting.**

Q: What is a Proxy Statement?

A: A Proxy Statement is this document, required by the Securities and Exchange Commission (the SEC), which is furnished in connection with the solicitation of proxies and, among other things, explains the items on which you are asked to vote on the proxy.

Q: What are the purposes of this annual meeting?

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

1. Elect six directors. The nominees are Lillian Bauder, W. Frank Fountain, Jr., Mark A. Murray, Josue Robles, Jr. and James H. Vandenberghe for terms expiring in 2014 and David A. Brandon for a term expiring in 2013. (See Proposal No. 1 Election of Directors on page 22);
2. Ratify the appointment of PricewaterhouseCoopers LLP as our independent registered public accounting firm for the year 2011. (See Proposal No. 2 Ratification of Appointment of Independent Registered Public Accounting Firm on page 30);
3. Vote on a Management proposal providing a nonbinding advisory vote on the Company's executive compensation. (See Proposal No. 3 Management Proposal Nonbinding Advisory Vote on Executive Compensation on page 33);
4. Vote on a Management proposal recommending a nonbinding advisory vote on executive compensation be held once every three years. (See Proposal No. 4 Management Proposal Frequency of Nonbinding Advisory Votes on Executive Compensation on page 34);
5. Vote on a Management proposal to amend the Bylaws to create a declassified Board of Directors. (See Proposal No. 5 Management Proposal Amendment to the Bylaws to Declassify the Board of Directors on page 35);
6. Vote on a Shareholder proposal relating to political contributions, if properly presented at the 2011 meeting. (See Proposal No. 6 Shareholder Proposal Political Contributions on page 37); and
7. 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 39).

Q: Who is entitled to vote?

A: Only our shareholders of record at the close of business on March 8, 2011 (the Record Date) are entitled to vote at the annual meeting. Each share of common stock has one vote with respect to each director position and each other matter coming before the meeting.

Q: What is the difference between a shareholder of record and a street name holder?

A: If your shares are registered directly in your name with Wells Fargo Bank, National Association, Shareowner Services, (Wells Fargo), our stock transfer agent, you are considered the shareholder of record for those shares.

Table of Contents

If your shares are held in a stock brokerage account or by a bank or other nominee, you are considered the beneficial owner of the shares, and your shares are said to be held in street name. Street name holders generally cannot vote their shares directly and must instead instruct the brokerage firm, bank or other nominee how to vote their shares using the method described under "How do I vote?" below.

Q: How do I vote?

A: If you hold your shares in your own name as shareholder of record, you may vote by telephone, through the Internet, by mail or by casting a ballot in person at the annual meeting.

To vote by mail, sign and date each proxy card that you receive and return it in the enclosed prepaid envelope. Proxies will be voted as you specify on each proxy card.

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

By completing, signing and returning the proxy card or voting by telephone or through the Internet, your shares will be voted as you direct. Please refer to the proxy card for instructions. 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 39).

If your shares are owned through the DTE Energy 401(k) plans (401(k) plans), see "What shares are included on my proxy card?" below.

If your shares are registered in street name, 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 provide, a voting instruction form for you to use in directing it how to vote your shares.

Q: Can I change my vote after I have voted?

A: If you hold your shares in your own name as shareholder of record, any subsequent vote by any means will change your prior vote. For example, if you voted by telephone, a subsequent Internet vote will change your vote. If you wish to change your vote by mail, you may do so by requesting, in writing, a new proxy card from the tabulator, Wells Fargo, DTE Energy, c/o Wells Fargo Shareowner Services, 161 N. Concord Exchange, South St. Paul, MN 55075, or you can request a new proxy card by telephone at 1-866-388-8558. The last vote received prior to the meeting will be the one counted. Shareholders of record may also change their vote by voting in person at the annual meeting. If you hold your shares in street name, you should contact your brokerage firm, bank or other nominee.

Q: Can I revoke a proxy?

A: Yes. If you are a shareholder of record as of the Record Date, you may revoke a proxy by submitting a letter addressed to the tabulator, Wells Fargo, DTE Energy, c/o Wells Fargo Shareowner Services, 161 N. Concord Exchange, South St. Paul, MN 55075, prior to the meeting. If you hold your shares in street name, you should contact your brokerage firm, bank or other nominee.

Q: Is my vote confidential?

A: Yes, your vote is confidential. The tabulator and inspectors of election will not be employees of the Company nor will they be affiliated with the Company in any way. Your vote will not be disclosed except as required by law or in other limited circumstances.

Q: What shares are included on my proxy card?

A: *For shareholders of record* The proxy card you received covers the number of shares to be voted in your account as of the Record Date, including any shares held for participants in our Dividend Reinvestment and Stock Purchase Plan.

Table of Contents

For shareholders who are participants in the 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.

For holders in street name Separate voting instructions will be provided by your brokerage firm, bank or other nominee for shares you hold in street name.

Q: What does it mean if I get more than one proxy card?

A: It indicates that your shares are registered differently and are in more than one account. Sign and return all proxy cards, or vote each account by telephone or on the Internet, to ensure that all your shares are voted. We encourage you to register all your accounts in the same name and address. To do this, contact Wells Fargo Shareowner Services at 1-866-388-8558.

Q: What is householding and how am I affected?

A: The SEC permits us to deliver a single copy of the annual report and proxy statement to shareholders who have the same address and last name. Each shareholder will continue to receive a separate proxy card. This procedure, called householding, will reduce the volume of duplicate information you receive and reduce our printing and postage costs. If you received one set of these documents at your household and you wish to receive separate copies, you may contact Wells Fargo, DTE Energy, c/o Wells Fargo Shareowner Services, 161 N. Concord Exchange, South St. Paul, MN 55075, or by telephone at 1-866-388-8558 and these documents will be promptly delivered to you. If you do not wish to participate in householding and prefer to receive separate copies of our annual reports and proxy statements, now or in the future, please submit a written request to Wells Fargo at the address listed above.

Similarly, if you currently receive multiple copies of this document, you can request the elimination of the duplicate documents by contacting Wells Fargo Shareowner Services at the address or phone number listed above.

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

Q: Can I elect to receive or view DTE Energy's annual report and proxy statement electronically?

A: Yes. If you are a shareholder of record, you may elect to receive the Company's annual report and proxy materials electronically rather than in printed form.

If you wish to provide your consent and enroll in this service, log on to www.ematerials.com/dte, where step-by-step instructions will prompt you through the enrollment process. Starting with the 2012 meeting, you will receive an e-mail notification directing you to the Web site hosting the annual report and proxy statement as well as voting instructions for voting via the Internet.

By consenting to electronic delivery, you are stating that you currently have, and expect to have in the future, access to the Internet. If you do not currently have, or expect to have in the future, access to the Internet, please do not elect to have documents delivered electronically, as we will rely on your consent and will not deliver paper copies of future annual reports and proxy materials.

If you do not sign-up for electronic delivery, we will continue to mail you printed copies of the materials.

To view the current year's proxy statement and annual report on Form 10-K, please visit our website at www.proxydocs.com/dte. There you will be able to view, search and print the documents. We also post these materials on our website at www.dteenergy.com, in the Investors Reports & Filings section as soon as they are available so you may view them. To vote on the current year's proxy, please refer to the question How Do I Vote? above.

Q: What constitutes a quorum?

A: There were 169,371,631 shares of our common stock outstanding on the Record Date. Each share is entitled to one vote with respect to each director position and each other matter coming before the annual

Table of Contents

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 the 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. The election of directors in an uncontested election, advisory votes on executive compensation and amendment of the company s bylaws are all non-routine matters. Consequently, your broker must receive voting instructions from you in order to vote with respect to proposals 1, 3, 4, 5 and 6 at our 2011 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 five nominees for terms ending in 2014 and one nominee for a term ending in 2013 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. Withheld votes have the same effect as abstentions. If you vote by telephone or the Internet, follow the instructions attached to the proxy card. Your broker is not entitled to vote your shares on this matter unless instructions are received from you. You cannot vote for more than five directors for terms ending in 2014 and one director for a term ending in 2013.

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 Management Proposal Nonbinding Advisory Vote on Executive Compensation Approval of the Management 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 Management Proposal Frequency of Nonbinding Advisory Votes on Executive Compensation Approval of the Management 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. 5 Management Proposal Amendment to the Bylaws to Declassify the Board of Directors Approval of the Management 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. 6 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

Table of Contents

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.

Q: Who may attend the annual meeting?

A: *Shareholders of Record* Any shareholder of record as of the Record Date may attend. Your admission ticket to attend the meeting is attached to the lower portion of your proxy card. Please vote your proxy, and bring the admission ticket with you to the meeting.

All Other Shareholders If your shares are registered in the name of a bank, brokerage firm or other nominee and you plan to attend the meeting, bring your statement of account showing evidence of ownership as of the Record Date. However, as noted above, you will not be able to vote those shares at the annual meeting unless you have made arrangements with your bank, brokerage firm or other nominee of record.

All shareholders will be required to present a government-issued photo identification card, such as your driver's license, state identification card or passport.

Seating and parking are limited and admission is on a first-come basis.

Q: How will the annual meeting be conducted?

A: The Executive 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 2012 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 67 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.

Table of Contents

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 Statement and Governance 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

Our Bylaws currently provide that the Board be divided into three classes, each class being as nearly equal in number as possible. At each annual shareholder meeting, the shareholders elect one class of directors for a three-year term, and elect any director who may be filling a vacancy in an unexpired term. However, our management has proposed and the Board of Directors has agreed that our Bylaws should be amended to declassify the Board of Directors. If this proposal passes, beginning with the 2012 annual meeting of shareholders, directors with expiring terms will be elected annually for terms of one year. For more details, see Proposal No. 5 Management Proposal Amendment to the Bylaws to Declassify the Board of Directors on page 35.

If a vacancy in 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 23.

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.

Table of Contents

The Corporate Governance Committee screened director candidates and recommended to the Board that David A. Brandon be elected as a director. Mr. Brandon had been recommended as a potential candidate by the Chief Executive Officer of the Company at the time, Mr. Earley, and other executive officers. At the Board's June 24, 2010 meeting, Mr. Brandon was elected to fill a vacancy created by an increase in the size of the Board from 14 to 15 directors, to serve for a term expiring in 2011.

Composition of the Board and Director Independence

Our Governance Guidelines state that the exact size of the Board will be determined by the Board from time to time. Currently, our Governance Guidelines set the size of the Board at no less than 10 and no more than 18 directors.

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 a majority of our directors qualify as independent and have no material relationship with the Company. The independent directors are Lillian Bauder, David A. Brandon, W. Frank Fountain, Jr., Allan D. Gilmour, Frank M. Hennessey, Gail J. McGovern,

Table of Contents

Eugene A. Miller, Mark A. Murray, Charles W. Pryor, Jr., General Josue Robles, Jr., Ruth G. Shaw and James H. Vandenberghe. Directors Anthony F. Earley, Jr., Gerard M. Anderson and John E. Lobbia are not independent directors and may be deemed to be affiliates of the Company under the categorical standards. Mr. Earley is not considered independent under the Company's categorical standards due to his current employment as Chairman and prior employment as CEO of the Company; Mr. Anderson is not considered independent due to his current employment as President and Chief Executive Officer; and Mr. Lobbia is not considered independent due to his prior employment as Chairman and CEO of the Company and his son's current employment at the Company.

Board Committees

The Board has standing committees for Audit, Corporate Governance, Finance, Nuclear Review, Organization and Compensation and Public Responsibility. 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 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.

Effective October 1, 2010, the Board decided to begin facilitating the transition of the Company's leadership from Mr. Earley to Mr. Anderson and as a result, they voted to separate the roles of Chairman and Chief Executive Officer. In this arrangement, Mr. Earley remains an employee of the Company, advises Mr. Anderson on strategic planning activities and uses his expertise and experience to represent the Company in various policy and business forums. Mr. Anderson will be responsible for the management of the Company and will generally set the agenda for, and lead discussions of, strategic issues for the Company. The Board believes that both Mr. Earley and Mr. Anderson are extremely qualified through their experience and expertise to fill these roles. The Board believes that this separation of these functions facilitates long term leadership stability, will not affect risk oversight and is in the best interests of the Company and shareholders.

Even with the separation of the CEO and Chairman roles, 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

Table of Contents

determined by the Board. On February 3, 2011, the Board unanimously re-elected Mr. Miller as the Presiding Director. As Presiding Director, Mr. Miller'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 to 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.

Board Meetings and Attendance

The Board met six times in 2010. A portion of each Board meeting was spent with the Chairman and no other management members. All of the incumbent directors attended at least 75% of the Board meetings and the meetings of the committees on which they served, 11 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 other than the current three-year terms of office (which will be reduced to one-year terms if Proposal 5 passes). 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, current employees who are also directors will not stand for re-election after retiring from employment with the Company. Mr. Gilmour reached the mandatory retirement age in 2009 but consented to serve for one additional year in order to assist the Board with its transition plans for the Board's Finance Committee. Mr. Gilmour

was in a class of directors to be elected at the 2010 Annual Meeting of Shareholders and was elected to a one-year term expiring at the 2011 Annual Meeting of Shareholders.

Executive Sessions

It is the Board's practice that the non-management directors meet in executive session at every regular Board meeting and meet in executive session at other times whenever they believe it would be appropriate. The non-management directors met in executive sessions (sessions without the Chairman, CEO or any representatives of management present) at all six Board meetings in 2010. At least once per year, the non-management

Table of Contents

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 non-management 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 17.)

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. There were no waivers or amendments during 2010.

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
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 2343 WCB
Detroit, Michigan 48226-1279

Table of Contents

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 2459 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, 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 2459 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.

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 2010.

Board Members	Corporate			Nuclear Review	Organization & Compensation	Public Responsibility
	Audit	Governance	Finance			
Gerard M. Anderson						
Lillian Bauder		X*		X		X
David A. Brandon			X(1)			
Anthony F. Earley, Jr.						
W. Frank Fountain, Jr.	X					X*
Allan D. Gilmour		X	X(2)		X	
Frank M. Hennessey	X*				X	
John E. Lobbia			X	X		
Gail J. McGovern			X			X
Eugene A. Miller		X	X		X*	
Mark A. Murray			X			X
Charles W. Pryor, Jr.			X	X*		
Josue Robles, Jr.	X	X(3)				X(4)
Ruth G. Shaw				X	X	
James H. Vandenberghe	X	X	X*(5)			
2010 Meetings	7	6	9	5	9	3

* Chair

(1) Mr. Brandon began serving on the Finance Committee in June 2010.

Table of Contents

- (2) Mr. Gilmour served as the Chair of the Finance Committee until May 2010.
- (3) General Robles began serving on the Corporate Governance Committee in May 2010.
- (4) General Robles served on the Public Responsibility Committee until May 2010.
- (5) Mr. Vandenberghe served as the Vice-Chair of the Finance Committee until May 2010 when he became Chair.

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 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.

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.

Table of Contents

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.
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.

Public 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.
Reviews the policies, programs, performance and activities relating to the Company's compliance and ethics programs.
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 and the independent registered public accounting firm in executive sessions at least quarterly, and meets in executive session with the General Counsel 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

Table of Contents

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 Responsibility Committee deals with matters of risk associated with social responsibility, 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 to a Committee risk issues that may arise which do not fall within a specific Committee. 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 and comprised of the Chief Executive Officer, 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, among other things, 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 the joint Audit Committee and Finance Committee 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/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, 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.

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 40). Based on the review completed in 2010, two changes were made to the non-employee director compensation program. In December 2010, the Board of Directors voted to increase the Presiding Director cash retainer from \$15,000 to \$20,000 annually, effective January 1, 2011. Further, effective January 1, 2011, the annual equity grant to non-employee directors, previously set at 2,000 phantom shares annually, was changed to be a variable number of phantom shares valued at \$90,000 annually. For total compensation paid

Table of Contents

to each director during 2010, see the 2010 Director Compensation Table on page 66. The compensation program effective January 1, 2011 is described below.

Cash Compensation

Cash retainer	\$60,000 annually
Presiding Director retainer	\$20,000 annually
Committee chair retainer	\$10,000 annually for Audit Committee Chair and Organization and Compensation Committee Chair \$5,000 annually for all other Committee chairs
Committee meeting fees and fees for special services	\$1,000 per meeting/occurrence
Board meeting fee	\$2,000 per meeting

Equity Compensation

Upon first election to the Board	1,000 shares of restricted DTE Energy common stock
Annual equity compensation	A variable number of phantom shares of DTE Energy common stock valued at \$90,000 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)

(1) 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 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.

Messrs. Gilmour and Miller and Dr. Bauder are the only current directors covered by this plan and, upon their retirement from the Board, they will each receive \$3,415 per month for 45, 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.

Table of Contents**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 their annual cash and phantom stock compensation. Common stock, time-based restricted stock, and phantom shares held by a director are counted toward fulfillment of this ownership requirement. As of January 1, 2011, 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/her resignation or removal. The executive officers of the Company elected by the Board for 2011 are as follows:

Name	Age(1)	Present Position	Present Position Held Since
Anthony F. Earley, Jr.	61	Executive Chairman of the Board	10/01/10(2)
Gerard M. Anderson	52	President and Chief Executive Officer	10/01/10(2)
David E. Meador	54	Executive Vice President and Chief Financial Officer	06/23/04
Lynne Ellyn	59	Senior Vice President and Chief Information Officer	12/31/01
Paul C. Hillegonds	62	Senior Vice President	05/16/05
Steven E. Kurmas	55	President and Chief Operating Officer, Detroit Edison and Group President, DTE Energy Company	12/08/08(2)
Bruce D. Peterson	54	Senior Vice President and General Counsel	06/25/02
Gerardo Norcia	48	President and Chief Operating Officer, MichCon and Group President, DTE Energy Company	06/28/07(2)
Larry E. Steward	58	Vice President	01/15/01
Peter B. Oleksiak	44	Vice President and Controller and Chief Accounting Officer	02/07/07(2)
Lisa A. Muschong	41	Corporate Secretary	05/10/10(2)

(1) As of March 21, 2011.

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

COMPENSATION COMMITTEE INTERLOCKS AND INSIDER PARTICIPATION

During 2010, the Organization and Compensation Committee consisted of Messrs. Gilmour, Hennessey and Miller and Dr. Shaw. 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 2010, 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.

Table of Contents

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 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 \$185 million.

Table of Contents**SECURITY OWNERSHIP OF DIRECTORS AND OFFICERS**

The following table sets forth information as of January 3, 2011, 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 (who served as Chief Executive Officer until October 1, 2010), 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 3, 2011.

Amount and Nature of Beneficial Ownership as of January 3, 2011

Name of Beneficial Owners	Common Stock(1)	Phantom Stock(2)	Other Shares That May Be Acquired(3)	Options Exercisable Within 60 Days
Gerard M. Anderson	144,273	10,004	69,799	362,221
Lillian Bauder	4,983	23,889	0	2,000
David A. Brandon	1,000	2,525	0	0
Anthony F. Earley, Jr.	298,175	22,145	145,460	848,330
W. Frank Fountain, Jr.	1,000	13,700	0	0
Allan D. Gilmour	2,400	23,889	0	4,000
Frank M. Hennessey	6,516	28,408	0	3,000
Steven E. Kurmas	52,392	1,330	22,313	100,665
John E. Lobbia	24,058	14,153	0	4,000
Gail J. McGovern	1,000	14,323	0	1,000
David E. Meador	64,124	3,014	29,830	146,999
Eugene A. Miller	2,400	32,618	0	4,000
Mark A. Murray	1,000	4,045	0	0
Gerardo Norcia	27,753	993	16,091	61,233
Bruce D. Peterson				