

DTE ENERGY CO
Form 424B2
May 20, 2011

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Filed Pursuant to Rule 424(b)(2). Registration No.: 333-161489. A filing fee of \$34,830 calculated in accordance with Rule 457(r), has been transmitted to the SEC in connection with the securities offered by means of this prospectus supplement and the accompanying prospectus from the registration statement filed August 21, 2009. This paragraph shall be deemed to update the Calculation of Registration Fee table in the registration statement referred to above.

**Prospectus Supplement
(To Prospectus Dated August 21, 2009)**

\$300,000,000

DTE Energy Company

2011 Series C

Floating Rate Notes due 2013

We are offering \$300,000,000 of our 2011 Series C Floating Rate Notes due 2013. We will pay interest on the notes quarterly on March 3, June 3, September 3 and December 3 of each year, beginning on September 3, 2011. Interest on the notes will be based on the three-month LIBOR rate, calculated as described herein, plus 0.70% and will be reset quarterly. The notes will mature on June 3, 2013 and will not be subject to redemption prior to maturity. The notes will be unsecured and unsubordinated obligations and will rank equally with all of our other unsecured and unsubordinated indebtedness from time to time outstanding.

Investment in the notes involves risks. You should read carefully the entire prospectus and this prospectus supplement, including the section entitled Risk Factors that begins on page S-6 of this prospectus supplement, which describes some of these risks.

	Price to Public(1)	Underwriting Discounts and Commissions	Proceeds to DTE Before Expenses(1)
Per Note	100%	0.30%	99.70%
Total	\$300,000,000	\$900,000	\$299,100,000

(1) Plus accrued interest, if any, from May 26, 2011 if settlement occurs after that date.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus supplement or the accompanying prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

Delivery of the notes will be made, in book-entry form only, on or about May 26, 2011.

Joint Book-Running Managers

BofA Merrill Lynch

Barclays Capital

Deutsche Bank Securities

The date of this prospectus supplement is May 19, 2011.

You should rely only on the information contained or incorporated by reference in this prospectus supplement and the accompanying prospectus. We have not, and the underwriters have not, authorized any person to provide you with different information. If anyone provides you with different or inconsistent information, you should not rely on it. We are not, and the underwriters are not, making an offer to sell these securities in any jurisdiction where the offer or sale is not permitted. You should assume that the information appearing in this prospectus supplement or the accompanying prospectus or any document incorporated by reference is accurate only as of its date. DTE Energy's business, financial condition, results of operations and prospects may have changed since such date. To the extent that the information in this prospectus supplement differs from the information in the accompanying prospectus, you should rely on the information in this prospectus supplement.

References in this prospectus supplement to DTE Energy, we, us, or our refer to DTE Energy Company and its consolidated subsidiaries.

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CAUTIONARY STATEMENTS REGARDING FORWARD-LOOKING STATEMENTS

This prospectus supplement, the accompanying prospectus and the documents incorporated by reference in this prospectus supplement or the accompanying prospectus contain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 (the Securities Act) and Section 21E of the Securities Exchange Act of 1934 (the Exchange Act), with respect to the financial condition, results of operations and business of DTE Energy. You can find many of these statements by looking for words such as believes, expects, anticipates, estimates or similar expressions in this prospectus supplement, the accompanying prospectus or the documents incorporated by reference herein or therein. You are cautioned not to place undue reliance on such statements, which speak only as of the date of this prospectus supplement or the date of any document incorporated by reference.

These forward-looking statements are subject to numerous assumptions, risks and uncertainties. Our actual results may differ from those expected due to a number of variables as described in our public filings with the SEC, including our Annual Report on Form 10-K for the year ended December 31, 2010 and our Quarterly Report on Form 10-Q for the quarter ended March 31, 2011, which are incorporated by reference herein.

All subsequent written and oral forward-looking statements attributable to us or any person acting on our behalf are expressly qualified in their entirety by the cautionary statements contained or referred to in this section. We undertake no obligation to release publicly any revisions to the forward-looking statements to reflect events or circumstances after the date of this document or to reflect the occurrence of unanticipated events.

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PROSPECTUS SUPPLEMENT SUMMARY

This summary highlights important information about DTE Energy Company and this offering. It does not contain all the information that is important to you in connection with your decision to invest in the notes. We encourage you to read this prospectus supplement and the accompanying prospectus in their entirety as well as the information we incorporate by reference before making an investment decision.

DTE Energy Company

DTE Energy Company (DTE Energy) is a Michigan corporation engaged in utility operations through its wholly owned subsidiaries, The Detroit Edison Company (Detroit Edison) and Michigan Consolidated Gas Company (MichCon). We also have non-utility operations that are engaged in a variety of energy related businesses.

Detroit Edison is a Michigan public utility engaged in the generation, purchase, distribution and sale of electricity to approximately 2.1 million customers in southeastern Michigan.

MichCon is a Michigan public utility engaged in the purchase, storage, transmission, distribution and sale of natural gas to approximately 1.2 million customers throughout Michigan.

Our non-utility operations consist primarily of Gas Storage and Pipelines, Unconventional Gas Production, Power and Industrial Projects and Energy Trading. Gas Storage and Pipelines consists of natural gas pipeline, gathering and storage businesses. Unconventional Gas Production is engaged in unconventional gas and oil project development and production. Power and Industrial Projects is comprised of coke batteries and pulverized coal projects, reduced emission fuel and steel industry fuel-related projects, on-site energy services, renewable power generation, landfill gas recovery and coal transportation, marketing and trading. Energy Trading consists of energy marketing and trading operations.

The mailing address of DTE Energy's principal executive offices is One Energy Plaza, Detroit, Michigan, 48226-1279, and its telephone number is (313) 235-4000.

The Offering

For a more complete description of the terms of the notes, see Description of Notes.

The Issuer	DTE Energy Company.
Offered Securities	\$300 million aggregate principal amount of our 2011 Series C Floating Rate Notes due 2013.
Maturity	The notes will mature on June 3, 2013.
Interest Payment Dates	Interest on the notes is payable quarterly on March 3, June 3, September 3 and December 3 of each year, beginning on September 3, 2011. Interest on the notes will be based on the three month LIBOR rate described herein plus 0.70% and will be reset quarterly.

Redemption

We may not redeem the notes prior to maturity.

Ranking

The notes will be our unsecured and unsubordinated obligations and will rank on a parity in right of payment with all of our other unsecured and unsubordinated indebtedness from time to time outstanding. The notes are our obligations exclusively, and are not the obligations of any of our subsidiaries. Because we are a holding company, our obligations on the notes will be effectively subordinated to existing and future liabilities of our subsidiaries. See [Description of the Notes](#) [Ranking](#) herein, and [Description of Debt Securities](#) [Ranking](#) in the accompanying prospectus.

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Use of Proceeds	Total net proceeds from the sale of the notes, after deducting our expenses and the underwriting discount, are expected to be approximately \$299 million. We expect to use the proceeds to repay a portion of our \$600 million aggregate principal amount 7.05% Senior Notes due 2011 which mature on June 1, 2011, and for general corporate purposes.
Risk Factors	Your investment in the notes will involve risks. You should carefully consider the discussion of risks in Risk Factors in this prospectus supplement and the other information in this prospectus supplement and the accompanying prospectus, including Cautionary Statements Regarding Forward-Looking Statements, on page S-2 of this prospectus supplement, before deciding whether an investment in the notes is suitable for you.

Table of Contents**Summary Consolidated Financial Data**

The following table sets forth our summary consolidated financial data on a historical basis for the three months ended March 31, 2011 and March 31, 2010 and each of the three years ended December 31, 2010, 2009 and 2008. The year-end financial data have been derived from our audited financial statements which have been audited (1) for the years ended December 31, 2010 and December 31, 2009 by PricewaterhouseCoopers LLP, and (2) for the year ended December 31, 2008 by Deloitte & Touche LLP, each an independent registered public accounting firm. See **Experts** in this prospectus supplement. The financial data for the interim periods have been derived from our unaudited condensed consolidated financial statements and include, in the opinion of our management, all adjustments, consisting of normal recurring adjustments, except as otherwise disclosed in the notes to the interim financial statements, necessary for a fair presentation of the financial data. Financial results for the interim periods are not necessarily indicative of results that may be expected for any other interim period or for the fiscal year. The information below should be read in conjunction with **Management's Discussion and Analysis of Financial Condition and Results of Operations** in our Annual Report on Form 10-K for the year ended December 31, 2010 and our Quarterly Report on Form 10-Q for the quarter ended March 31, 2011, and in conjunction with our financial statements and the related notes and the other financial or statistical information that we include or incorporate by reference herein and in the accompanying prospectus. See **Where You Can Find More Information** in the accompanying prospectus.

	Three Months Ended March 31,		Year Ended December 31,		
	2011	2010	2010	2009	2008
	(Unaudited)				
	(In millions, except per share amounts)				
Income Statement Data					
Operating Revenues	\$ 2,431	\$ 2,453	\$ 8,557	\$ 8,014	\$ 9,329
Net Income	\$ 178	\$ 230	\$ 639	\$ 535	\$ 553
Earnings Per Common Share					
Basic	\$ 1.04	\$ 1.38	\$ 3.75	\$ 3.24	\$ 3.34
Diluted	\$ 1.04	\$ 1.38	\$ 3.74	\$ 3.24	\$ 3.34
Dividends Declared Per Share of Common Stock	\$ 0.56	\$ 0.53	\$ 2.18	\$ 2.12	\$ 2.12
Balance Sheet Data					
Total Assets	\$ 24,489	\$ 24,203	\$ 24,896	\$ 24,195	\$ 24,590
Long-Term Debt, net of current portion(1)	\$ 7,015	\$ 7,295	\$ 7,089	\$ 7,370	\$ 7,741

(1) Includes securitization bonds issued in March 2001 by The Detroit Edison Securitization Funding LLC, which were outstanding in the amounts of \$559 million at March 31, 2011, \$717 million at March 31, 2010, \$643 million at December 31, 2010, \$793 million at December 31, 2009, and \$932 million at December 31, 2008.

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RISK FACTORS

An investment in the notes involves risks. You should carefully consider the following information, together with the other information in this prospectus supplement, the accompanying prospectus and the documents that are incorporated by reference in this prospectus supplement and the accompanying prospectus (including the Risk Factors set forth in the Company's Annual Report on Form 10-K for the year ended December 31, 2010 and Quarterly Report on Form 10-Q for the quarter ended March 31, 2011), about risks concerning the notes, before buying any notes. See also Cautionary Statements Regarding Forward-Looking Statements in this prospectus supplement.

There are various risks associated with the operations of DTE Energy's utility and non-utility businesses. To provide a framework to understand the operating environment of DTE Energy, we are providing a brief explanation of the more significant risks associated with our businesses. Although we have tried to identify and discuss key risk factors, others could emerge in the future. Each of the following risks could affect our performance.

Regional and national economic conditions can have an unfavorable impact on us.

Our utility and non-utility businesses follow the economic cycles of the customers we serve. Our utilities and certain non-utility businesses provide services to the domestic automotive and steel industries which have undergone considerable financial distress, exacerbating the decline in regional economic conditions. Should national or regional economic conditions further decline, reduced volumes of electricity and gas, and demand for energy services we supply, collections of accounts receivable and potentially higher levels of lost or stolen gas could result in decreased earnings and cash flow.

We are exposed to credit risk of counterparties with whom we do business.

Adverse economic conditions affecting, or financial difficulties of, counterparties with whom we do business could impair the ability of these counterparties to pay for our services or fulfill their contractual obligations, or cause them to delay such payments or obligations. We depend on these counterparties to remit payments on a timely basis. Any delay or default in payment could adversely affect our cash flows, financial position, or results of operations.

We are subject to rate regulation.

Electric and gas rates for our utilities are set by the Michigan Public Service Commission (MPSC) and the Federal Energy Regulatory Commission (FERC) and cannot be changed without regulatory authorization. We may be negatively impacted by new regulations or interpretations by the MPSC, the FERC or other regulatory bodies. Our ability to recover costs may be impacted by the time lag between the incurrence of costs and the recovery of the costs in customers' rates. Our regulators also may decide to disallow recovery of certain costs in customers' rates if they determine that those costs do not meet the standards for recovery under our governing laws and regulations. The State of Michigan elected a new governor and legislature in November 2010 and we cannot predict whether the resulting changes in political conditions will affect the regulations or interpretations affecting our utilities. New legislation, regulations or interpretations could change how our business operates, impact our ability to recover costs through rate increases or require us to incur additional expenses.

We may be required to refund amounts we collect under self-implemented rates.

Michigan law allows our utilities to self-implement base rate changes six months after a rate filing, subject to certain limitations. However, if the final rate case order provides for lower rates than we have self-implemented, we must

refund the difference, with interest. We have self-implemented rates in the past and have been ordered to make refunds to customers. Our financial performance may be negatively affected if the MPSC sets lower rates in future rate cases than those we have self-implemented, thereby requiring us to issue refunds. We cannot predict what rates an MPSC order will adopt in future rate cases.

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Michigan's electric Customer Choice program could negatively impact our financial performance.

The electric Customer Choice program, as originally contemplated in Michigan, anticipated an eventual transition to a totally deregulated and competitive environment where customers would be charged market-based rates for their electricity. The State of Michigan currently experiences a hybrid market, where the MPSC continues to regulate electric rates for our customers, while alternative electric suppliers charge market-based rates. In addition, such regulated electric rates for certain groups of our customers exceed the cost of service to those customers. Due to distorted pricing mechanisms during the initial implementation period of electric Customer Choice, many commercial customers chose alternative electric suppliers. MPSC rate orders and 2008 energy legislation enacted by the State of Michigan are phasing out the pricing disparity over five years and have placed a cap on the total potential Customer Choice related migration. However, even with the electric Customer Choice-related relief received in recent Detroit Edison rate orders and the legislated 10 percent cap on participation in the electric Customer Choice program, there continues to be financial risk associated with the electric Customer Choice program. Electric Customer Choice migration is sensitive to market price and full service electric price changes.

Environmental laws and liability may be costly.

We are subject to numerous environmental regulations. These regulations govern air emissions, water quality, wastewater discharge and disposal of solid and hazardous waste. Compliance with these regulations can significantly increase capital spending, operating expenses and plant down times. These laws and regulations require us to seek a variety of environmental licenses, permits, inspections and other regulatory approvals. We could be required to install expensive pollution control measures or limit or cease activities based on these regulations. Additionally, we may become a responsible party for environmental cleanup at sites identified by a regulatory body. We cannot predict with certainty the amount and timing of future expenditures related to environmental matters because of the difficulty of estimating clean up costs. There is also uncertainty in quantifying liabilities under environmental laws that impose joint and several liability on potentially responsible parties.

We may also incur liabilities as a result of potential future requirements to address climate change issues. Proposals for voluntary initiatives and mandatory controls are being discussed both in the United States and worldwide to reduce greenhouse gases such as carbon dioxide, a by-product of burning fossil fuels. If increased regulation of greenhouse gas emissions are implemented, the operations of our fossil-fuel generation assets and our unconventional gas production assets may be significantly impacted. Since there can be no assurances that environmental costs may be recovered through the regulatory process, our financial performance may be negatively impacted as a result of environmental matters.

Adverse changes in our credit ratings may negatively affect us.

Regional and national economic conditions, increased scrutiny of the energy industry and regulatory changes, as well as changes in our economic performance, could result in credit agencies reexamining our credit rating. While credit ratings reflect the opinions of the credit agencies issuing such ratings and may not necessarily reflect actual performance, a downgrade in our credit rating below investment grade could restrict or discontinue our ability to access capital markets and could result in an increase in our borrowing costs, a reduced level of capital expenditures and could impact future earnings and cash flows. In addition, a reduction in credit rating may require us to post collateral related to various physical or financially settled contracts for the purchase of energy-related commodities, products and services, which could impact our liquidity.

Our ability to access capital markets is important.

Our ability to access capital markets is important to operate our businesses. In the past, turmoil in credit markets has constrained, and may again in the future constrain, our ability as well as the ability of our subsidiaries to issue new debt, including commercial paper, and refinance existing debt at reasonable interest rates. In addition, the level of borrowing by other energy companies and the market as a whole could limit our access to capital markets. We have substantial amounts of credit facilities that expire in 2012 and 2013. We intend to seek to renew the facilities on or before the expiration dates. However, we cannot predict the outcome of these efforts, which could

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result in a decrease in amounts available and/or an increase in our borrowing costs and negatively impact our financial performance.

Poor investment performance of pension and other postretirement benefit plan holdings and other factors impacting benefit plan costs could unfavorably impact our liquidity and results of operations.

Our costs of providing non-contributory defined benefit pension plans and other postretirement benefit plans are dependent upon a number of factors, such as the rates of return on plan assets, the level of interest rates used to measure the required minimum funding levels of the plans, future government regulation, and our required or voluntary contributions made to the plans. The performance of the debt and equity markets affects the value of assets that are held in trust to satisfy future obligations under our plans. We have significant benefit obligations and hold significant assets in trust to satisfy these obligations. These assets are subject to market fluctuations and will yield uncertain returns, which may fall below our projected return rates. A decline in the market value of the pension and postretirement benefit plan assets will increase the funding requirements under our pension and postretirement benefit plans if the actual asset returns do not recover these declines in the foreseeable future. Additionally, our pension and postretirement benefit plan liabilities are sensitive to changes in interest rates. As interest rates decrease, the liabilities increase, potentially increasing benefit expense and funding requirements. Also, if future increases in pension and postretirement benefit costs as a result of reduced plan assets are not recoverable from Detroit Edison or MichCon customers, the results of operations and financial position of our company could be negatively affected. Without sustained growth in the plan investments over time to increase the value of our plan assets, we could be required to fund our plans with significant amounts of cash. Such cash funding obligations could have a material impact on our cash flows, financial position, or results of operations.

If our goodwill becomes impaired, we may be required to record a charge to earnings.

We annually review the carrying value of goodwill associated with acquisitions made by the Company for impairment. Factors that may be considered for purposes of this analysis include any change in circumstances indicating that the carrying value of our goodwill may not be recoverable such as a decline in stock price and market capitalization, future cash flows, and slower growth rates in our industry. We cannot predict the timing, strength or duration of any economic slowdown or subsequent recovery, worldwide or in the economy or markets in which we operate; however, when events or changes in circumstances indicate that the carrying value of these assets may not be recoverable, the Company may take a non-cash impairment charge, which could potentially materially impact our results of operations and financial position.

Weather significantly affects operations.

Deviations from normal hot and cold weather conditions affect our earnings and cash flow. Mild temperatures can result in decreased utilization of our assets, lowering income and cash flow. Ice storms, tornadoes, or high winds can damage the electric distribution system infrastructure and require us to perform emergency repairs and incur material unplanned expenses. The expenses of storm restoration efforts may not be fully recoverable through the regulatory process.

Operation of a nuclear facility subjects us to risk.

Ownership of an operating nuclear generating plant subjects us to significant additional risks. These risks include, among others, plant security, environmental regulation and remediation, changes in federal nuclear regulation and operational factors that can significantly impact the performance and cost of operating a nuclear facility. While we maintain insurance for various nuclear-related risks, there can be no assurances that such insurance will be sufficient to cover our costs in the event of an accident or business interruption at our nuclear generating plant, which may affect

our financial performance.

Construction and capital improvements to our power facilities and distribution systems subject us to risk.

We are managing ongoing and planning future significant construction and capital improvement projects at multiple power generation and distribution facilities and our gas distribution system. Many factors that could cause delay or increased prices for these complex projects are beyond our control, including the cost of materials and

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labor, subcontractor performance, timing and issuance of necessary permits, construction disputes and weather conditions. Failure to complete these projects on schedule and on budget for any reason could adversely affect our financial performance and operations at the affected facilities.

The supply and/or price of energy commodities and/or related services may impact our financial results.

We are dependent on coal for much of our electrical generating capacity. Price fluctuations, fuel supply disruptions and increases in transportation costs could have a negative impact on the amounts we charge our utility customers for electricity and on the profitability of our non-utility businesses. Our access to natural gas supplies is critical to ensure reliability of service for our utility gas customers. We have hedging strategies and regulatory recovery mechanisms in place to mitigate negative fluctuations in commodity supply prices, but there can be no assurances that our financial performance will not be negatively impacted by price fluctuations. The price of energy also impacts the market for our non-utility businesses that compete with utilities and alternative electric suppliers.

The supply and/or price of other industrial raw and finished inputs and/or related services may impact our financial results.

We are dependent on supplies of certain commodities, such as copper and limestone, among others, and industrial materials and services in order to maintain day-to-day operations and maintenance of our facilities. Price fluctuations or supply interruptions for these commodities and other items could have a negative impact on the amounts we charge our customers for our utility products and on the profitability of our non-utility businesses.

Unplanned power plant outages may be costly.

Unforeseen maintenance may be required to safely produce electricity or comply with environmental regulations. As a result of unforeseen maintenance, we may be required to make spot market purchases of electricity that exceed our costs of generation. Our financial performance may be negatively affected if we are unable to recover such increased costs.

Our estimates of gas reserves are subject to change.

While great care is exercised in utilizing historical information and assumptions to develop reasonable estimates of future production and cash flow, we cannot provide absolute assurance that our estimates of our Barnett gas reserves are accurate. We estimate proved gas reserves and the future net cash flows attributable to those reserves. There are numerous uncertainties inherent in estimating quantities of proved gas reserves and cash flows attributable to such reserves, including factors beyond our control. Reserve engineering is a subjective process of estimating underground accumulations of gas that cannot be measured in an exact manner. The accuracy of an estimate of quantities of reserves, or of cash flows attributable to such reserves, is a function of the available data, assumptions regarding expenditures for future development and exploration activities, and of engineering and geological interpretation and judgment. Additionally, reserves and future cash flows may be subject to material downward or upward revisions, based upon production history, development and exploration activities and prices of gas. Actual future production, revenue, taxes, development expenditures, operating expenses, quantities of recoverable reserves and the value of cash flows from such reserves may vary significantly from the assumptions and underlying information we used.

Our ability to utilize production tax credits may be limited.

To reduce U.S. dependence on imported oil, the Internal Revenue Code provides production tax credits as an incentive for taxpayers to produce fuels and electricity from alternative sources. We have generated production tax credits from coke production, landfill gas recovery; biomass fired electric generation, reduced emission fuel, steel industry fuel and

gas production operations. All production tax credits taken after 2008 are subject to audit by the Internal Revenue Service (IRS). If our production tax credits were disallowed in whole or in part as a result of an IRS audit, there could be additional tax liabilities owed for previously recognized tax credits that could significantly impact our earnings and cash flows.

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We rely on cash flows from subsidiaries.

DTE Energy is a holding company. Cash flows from our utility and non-utility subsidiaries are required to pay interest expenses and dividends on DTE Energy debt and securities. Should a major subsidiary not be able to pay dividends or transfer cash flows to DTE Energy, our ability to pay interest and dividends would be restricted.

Renewable portfolio standards and energy efficiency programs may affect our business.

We are subject to Michigan and potential future federal legislation and regulation requiring us to secure sources of renewable energy. Under the current Michigan legislation we will be required in the future to provide a specified percentage of our power from Michigan renewable energy sources. We are developing a strategy for complying with the existing state legislation, but we do not know what requirements may be added by federal legislation. We are actively engaged in developing renewable energy projects and identifying third party projects in which we can invest. We cannot predict the financial impact or costs associated with these future projects.

We are also required by Michigan legislation to implement energy efficiency measures and provide energy efficiency customer awareness and education programs. These requirements necessitate expenditures and implementation of these programs creates the risk of reducing our revenues as customers decrease their energy usage. We do not know how these programs will impact our business and future operating results.

Threats of terrorism or cyber attacks could affect our business.

We may be threatened by problems such as computer viruses or terrorism that may disrupt our operations and could harm our operating results. Our industry requires the continued operation of sophisticated information technology systems and network infrastructure. Despite our implementation of security measures, all of our technology systems are vulnerable to disability or failures due to hacking, viruses, acts of war or terrorism and other causes. If our information technology systems were to fail and we were unable to recover in a timely way, we might be unable to fulfill critical business functions, which could have a material adverse effect on our business, operating results, and financial condition.

In addition, our generation plants, gas pipeline and storage facilities and electrical distribution facilities in particular may be targets of terrorist activities that could disrupt our ability to produce or distribute some portion of our energy products. We have increased security as a result of past events and we may be required by our regulators or by the future terrorist threat environment to make investments in security that we cannot currently predict.

Our participation in energy trading markets subjects us to risk.

Events in the energy trading industry have increased the level of scrutiny on the energy trading business and the energy industry as a whole. In certain situations we may be required to post collateral to support trading operations, which could be substantial. If access to liquidity to support trading activities is curtailed, we could experience decreased earnings potential and cash flows. Energy trading activities take place in volatile markets and expose us to risks related to commodity price movements. We routinely have speculative trading positions in the market, within strict policy guidelines we set, resulting from the management of our business portfolio. To the extent speculative trading positions exist, fluctuating commodity prices can improve or diminish our financial results and financial position. We manage our exposure by establishing and enforcing strict risk limits and risk management procedures. During periods of extreme volatility, these risk limits and risk management procedures may not work as planned and cannot eliminate all risks associated with these activities.

We may not be fully covered by insurance.

We have a comprehensive insurance program in place to provide coverage for various types of risks, including catastrophic damage as a result of acts of God, terrorism or a combination of other significant unforeseen events that could impact our operations. Economic losses might not be covered in full by insurance or our insurers may be unable to meet contractual obligations.

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In connection with our business we collect and retain personally identifiable information of our customers, shareholders and employees. Our customers, shareholders and employees expect that we will adequately protect their personal information, and the United States regulatory environment surrounding information security and privacy is increasingly demanding. A significant theft, loss or fraudulent use of customer, shareholder, employee or DTE Energy data by cybercrime or otherwise could adversely impact our reputation and could result in significant costs, fines and litigation.

A work interruption may adversely affect us.

Unions represent approximately 5,000 of our employees. A union choosing to strike would have an impact on our business. We are unable to predict the effect a work stoppage would have on our costs of operation and financial performance.

Failure to retain and attract key executive officers and other skilled professional and technical employees could have an adverse effect on our operations.

Our business is dependent on our ability to recruit, retain, and motivate employees. Competition for skilled employees in some areas is high and the inability to retain and attract these employees could adversely affect our business and future operating results.

There is no existing market for the notes and we cannot assure that such a market will develop.

There is no existing market for the notes, and we do not intend to apply for listing of the notes on any securities exchange. We cannot assure that an active trading market for the notes will develop. There can be no assurances as to the liquidity of any market that may develop for the notes, the ability of noteholders to sell their notes or the price at which the noteholders may be able to sell their notes. Future trading prices of the notes will depend on many factors including, among other things, prevailing interest rates, our operating results and the market for similar securities. Generally, the liquidity of, and trading market for, the notes may also be materially and adversely affected by declines in the market for similar debt securities. Such a decline may materially and adversely affect such liquidity and trading independent of our financial performance and prospects.

USE OF PROCEEDS

Net proceeds from the sale of the notes, after deducting our expenses and the underwriting discount, are expected to be approximately \$299 million. We expect to use the proceeds to repay a portion of our \$600 million aggregate principal amount 7.05% Senior Notes due 2011 which mature on June 1, 2011, and for general corporate purposes.

RATIOS OF EARNINGS TO FIXED CHARGES

Our ratios of earnings to fixed charges were as follows for the periods indicated in the table below:

	Three Months Ended March 31, 2011	2010	Year Ended December 31,			
			2009	2008	2007	2006
Ratios of Earnings to Fixed Charges	3.15	2.67	2.37	2.51	3.05	1.95

Our ratios of earnings to fixed charges were computed based on:

earnings, which consist of consolidated income plus income taxes and fixed charges, except capitalized interest; and

fixed charges, which consist of consolidated interest on indebtedness, including capitalized interest, amortization of debt discount and expense and the estimated portion of rental expense attributable to interest.

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The following table sets forth our cash, cash equivalents and restricted cash, short-term debt, current portion of long-term debt and capital lease obligations, total long-term debt, preferred securities of subsidiaries, common shareholders' equity and total capitalization at March 31, 2011 and as adjusted to give effect to this offering and application of the net proceeds of this offering to repay a portion of our \$600 million aggregate principal amount 7.05% Senior Notes due 2011 which mature on June 1, 2011. The information set forth below is only a summary and should be read in conjunction with our consolidated financial statements and the related notes in each case incorporated by reference in this prospectus supplement and the accompanying prospectus.

	As of March 31, 2011	
	Historical	As
	(Unaudited)	Adjusted
	(In millions)	
Cash and cash equivalents	\$ 197	\$ 197
Restricted cash	\$ 67	\$ 67
Short-term borrowings	\$ 0	\$ 0
Current portion of long-term debt, including capital leases	\$ 899	\$ 600
Long-term debt (net of current portion):		
Mortgage bonds, notes and other	\$ 6,129	\$ 6,429
Securitization bonds	559	559
Trust preferred-linked securities	289	289
Capital lease obligations	38	38
Total long-term debt	\$ 7,015	\$ 7,315
Common shareholders' equity	\$ 6,793	\$ 6,793
Total capitalization	\$ 13,808	\$ 14,108

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DESCRIPTION OF NOTES

The following summary sets forth the specific terms and provisions of the notes. The following description of the specific terms of the notes supplements, and, to the extent inconsistent, replaces, the description of the general terms and provisions of the debt securities and the indenture governing the notes set forth in the accompanying prospectus under Description of Debt Securities. The following summary is qualified in its entirety by reference to the terms and provisions of the notes and the indenture, which are incorporated in this prospectus supplement and the accompanying prospectus by reference. Capitalized terms not otherwise defined in this section, or in the accompanying prospectus, have the meanings given to them in the notes and in the indenture.