DTE ENERGY COMPANY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 — ORGANIZATION AND BASIS OF PRESENTATION

Corporate Structure

DTE Energy owns the following businesses:

- Detroit Edison, an electric utility engaged in the generation, purchase, distribution and sale of electric energy to approximately 2.1 million customers in southeast Michigan;
- MichCon, a natural gas utility engaged in the purchase, storage, transmission, distribution and sale of natural gas to approximately 1.2 million customers throughout Michigan; and
- Other segments are involved in 1) natural gas pipelines and storage; 2) unconventional gas project development and production; 3) power and industrial projects and coal transportation and marketing; and 4) energy marketing and trading operations.

Detroit Edison and MichCon are regulated by the MPSC. The FERC regulates certain activities of Detroit Edison's business as well as various other aspects of businesses under DTE Energy. In addition, the Company is regulated by other federal and state regulatory agencies including the NRC, the EPA and MDEQ.

References in this report to "Company" or "DTE" are to DTE Energy and its subsidiaries, collectively.

Basis of Presentation

The accompanying consolidated financial statements are prepared using accounting principles generally accepted in the United States of America. These accounting principles require management to use estimates and assumptions that impact reported amounts of assets, liabilities, revenues and expenses, and the disclosure of contingent assets and liabilities. Actual results may differ from the Company's estimates.

Certain prior year balances were reclassified to match the current year's financial statement presentation.

Principles of Consolidation

The Company consolidates all majority owned subsidiaries and investments in entities in which it has controlling influence. Non-majority owned investments are accounted for using the equity method when the Company is able to influence the operating policies of the investee. Non-majority owned investments include investments in limited liability companies, partnerships or joint ventures. When the Company does not influence the operating policies of an investee, the cost method is used. These consolidated financial statements also reflect the Company's proportionate interests in certain jointly owned utility plant. The Company eliminates all intercompany balances and transactions.

We consolidate variable interest entities (VIEs) for which we are the primary beneficiary. In general, we determine whether we are the primary beneficiary of a VIE through a qualitative analysis of risk which indentifies which variable interest holder absorbs the majority of the financial risk or rewards and variability of the VIE. In performing this analysis, we consider all relevant facts and circumstances, including: the design and activities of the VIE, the terms of the contracts the VIE has entered into, the identification of variable interest holders including equity owners, customers, suppliers and debt holders and which parties participated significantly in the design of the entity. If the qualitative analysis is inconclusive, a specific quantitative analysis is performed. Refer to Note 3 for discussion of changes in consolidation guidance applicable to VIEs.

Legal entities within the Company's Power and Industrial Projects segments enter into long-term contractual arrangements with customers to supply energy-related products or services. The entities are designed to pass-through the commodity risk associated with these contracts to the customers, with the Company retaining operational and customer default risk and generally are VIEs. Potential new arrangements are continually under consideration and completed arrangements in 2009 have resulted in an increase in the number of VIEs with which the Company is affiliated.

The aforementioned arrangements are assessed on a qualitative and, if necessary, quantitative basis to determine who is the primary beneficiary. If the Company is the primary beneficiary, the VIE is consolidated. If the Company is not the primary beneficiary, the VIE is accounted for under the equity method of accounting. The VIEs are reviewed for reconsideration events each quarter, and the assessment of the primary beneficiary updated, if necessary.

DTE Energy has interests in various unconsolidated trusts that were formed for the sole purpose of issuing preferred securities and lending the gross proceeds to the Company. The sole assets of the trusts are debt securities of DTE Energy with terms similar to those of the related preferred securities. Payments the Company makes are used by the trusts to make cash distributions on the preferred securities it has issued. We have reviewed these interests and have determined they are VIEs, but the Company is not the primary beneficiary as it does not have variable interests in the trusts.

The maximum risk exposure for consolidated VIEs is reflected on our Consolidated Statements of Financial Position. For non-consolidated VIEs, the maximum risk exposure is generally only the extent of our investment and/or the amount which we have guaranteed. In general, creditors of consolidated VIEs do not have recourse to the general credit of the Company.

The following table summarizes the amounts for variable interest entities with which the Company is affiliated as of December 31, 2009 and 2008:

	2009	2008
	(in Millions)	
Variable Interest Entities — Consolidated		
Total Assets	**$ 96**	$ 47
Total Liabilities	**40**	39
Shareholders' Equity	**5**	(4)
Variable Interest Entities — Non-consolidated		
Other Investments	**$178**	$191
Bank loan guarantee	**11**	—
Trust preferred — linked securities	**289**	289

NOTE 2 — SIGNIFICANT ACCOUNTING POLICIES

Revenues

Revenues from the sale and delivery of electricity, and the sale, delivery and storage of natural gas are recognized as services are provided. Detroit Edison and MichCon record revenues for electric and gas provided but unbilled at the end of each month.

Detroit Edison's accrued revenues include a component for the cost of power sold that is recoverable through the PSCR mechanism. MichCon's accrued revenues include a component for the cost of gas sold that is recoverable through the GCR mechanism. Annual PSCR and GCR proceedings before the MPSC permit Detroit Edison and MichCon to recover prudent and reasonable supply costs. Any overcollection or undercollection of costs, including interest, will be reflected in future rates. See Note 12.

Non-utility businesses recognize revenues as services are provided and products are delivered. Revenues and energy costs related to trading contracts are presented on a net basis in the Consolidated Statements of Operations. Commodity derivatives used for trading purposes are accounted for using the mark-to-market method with unrealized gains and losses recorded in Operating Revenues.

Accounting for ISO Transactions

Detroit Edison participates in the energy market through MISO. MISO requires that we submit hourly day-ahead, real time and FTR bids and offers for energy at locations across the MISO region. Detroit Edison accounts for MISO transactions on a net hourly basis in each of the day-ahead, real-time and FTR markets and net transactions across all MISO energy market locations. We record net purchases in a single hour in fuel, purchased power and gas and net sales in a single hour in operating revenues in the Consolidated Statements of Income. We record net sale billing adjustments when we receive invoices. We record expense accruals for future net purchases adjustments base on historical experience, and reconcile accruals to actual expenses when we receive invoices.

Energy Trading participates in the energy markets through MISO, PJM and ISO-NE. These markets require that we submit hourly day-ahead, real time bids and offers for energy at locations across each RTO region. We submit bids in the annual and monthly auction revenue rights and FTR auctions for the all the RTO’s. Energy Trading accounts for these transactions on a net hourly basis for the day-ahead, real-time and FTR markets. These transactions are related to our trading contracts which are presented on a net basis in operating revenues in the Consolidated Statements of Income.

Comprehensive Income

Comprehensive income is the change in Common shareholders’ equity during a period from transactions and events from non-owner sources, including net income. As shown in the following table, amounts recorded to Other comprehensive income for the year ended December 31, 2009 include unrealized gains and losses from derivatives accounted for as cash flow hedges, unrealized gains and losses on available for sale securities, and changes in benefit obligations, consisting of deferred actuarial losses, prior service costs and transition amounts related to pension and other postretirement benefit plans, and foreign exchange translation adjustments.

	Net Unrealized Gain/(Loss) on Derivatives	Net Unrealized Gain/(Loss) on Investments	Benefit Obligations	Foreign Exchange Translation	Accumulated Other Comprehensive Loss
			(in Millions)		
Beginning balances	$ (7)	$ (18)	$ (138)	$ (2)	$ (165)
Current period change, net of tax	1	8	7	2	18
Ending balance	$ (6)	$ (10)	$ (131)	$ —	$ (147)

Cash Equivalents and Restricted Cash

Cash and cash equivalents include cash on hand, cash in banks and temporary investments purchased with remaining maturities of three months or less. Restricted cash consists of funds held to satisfy requirements of certain debt and partnership operating agreements. Restricted cash designated for interest and principal payments within one year is classified as a current asset.

Receivables

Accounts receivable are primarily composed of trade receivables and unbilled revenue. Our accounts receivable are stated at net realizable value.

The allowance for doubtful accounts for Detroit Edison and MichCon is generally calculated using the aging approach that utilizes rates developed in reserve studies. We establish an allowance for uncollectible accounts based on historical losses and management’s assessment of existing economic conditions, customer trends, and other factors. Customer accounts are generally considered delinquent if the amount billed is not received by the due date, typically 21 days, however, factors such as assistance programs may delay aggressive action. We assess late payment fees on trade receivables based on contractual past-due terms established with customers. Customer accounts are written off when collection efforts have been exhausted, generally one year after service has been terminated.

The customer allowance for doubtful accounts for our other businesses is calculated based on specific review of probable future collections based on receivable balances in excess of 90 days.

Unbilled revenues of $618 million and $812 million are included in customer accounts receivable at December 31, 2009 and 2008, respectively.

Inventories

The Company generally values inventory at average cost.

Gas inventory of $44 million and $14 million as of December 31, 2009 and 2008, respectively, at MichCon is determined using the last-in, first-out (LIFO) method. At December 31, 2009, the replacement cost of gas remaining in storage exceeded the LIFO cost by $218 million. At December 31, 2008, the replacement cost of gas remaining in storage exceeded the LIFO cost by $232 million. During 2008, MichCon liquidated 4.2 Bcf prior years' LIFO layers. The liquidation reduced 2008 cost of gas by approximately $21 million, but had no impact on earnings as a result of the GCR mechanism.

Property, Retirement and Maintenance, and Depreciation, Depletion and Amortization

Property is stated at cost and includes construction-related labor, materials, overheads and an allowance for funds used during construction (AFUDC). The cost of properties retired, less salvage value, at Detroit Edison and MichCon is charged to accumulated depreciation. Expenditures for maintenance and repairs are charged to expense when incurred, except for Fermi 2.

Approximately $13 million and $25 million of expenses related to Fermi 2 refueling outages were accrued at December 31, 2009 and December 31, 2008, respectively. Amounts are accrued on a pro-rata basis over an period that coincides with scheduled refueling outages at Fermi 2. This accrual of outage costs matches the regulatory recovery of these costs in rates set by the MPSC.

The Company bases depreciation provisions for utility property at Detroit Edison and MichCon on straight-line and units-of-production rates approved by the MPSC.

Non-utility property is depreciated over its estimated useful life using straight-line, declining-balance or units-of-production methods.

The Company credits depreciation, depletion and amortization expense when it establishes regulatory assets for plant-related costs such as depreciation or plant-related financing costs. The Company charges depreciation, depletion and amortization expense when it amortizes these regulatory assets. The Company credits interest expense to reflect the accretion income on certain regulatory assets.

Capitalized software costs are classified as Property, plant and equipment and the related amortization is included in Accumulated depreciation, depletion and amortization on the Consolidated Statements of Financial Position. The Company capitalizes the costs associated with computer software it develops or obtains for use in its business. The Company amortizes capitalized software costs on a straight-line basis over the expected period of benefit, ranging from 3 to 20 years. See Note 7.

Unconventional Gas Production

The Company follows the successful efforts method of accounting for investments in gas properties. Under this method of accounting, all property acquisition costs and costs of exploratory and development wells are capitalized when incurred, pending determination of whether the well contains proved reserves. If an exploratory well does not contain proved reserves, the costs of drilling the well are expensed. The costs of development wells are capitalized, whether productive or nonproductive. Geological and geophysical costs on exploratory prospects and the costs of carrying and retaining properties without economical quantities of proved reserves are expensed as incurred. An impairment loss is recorded if the net capitalized costs of proved gas properties exceed the aggregate related undiscounted future net revenues. An impairment loss is recorded to the extent that capitalized costs of unproved properties, on a property-by-property basis, are considered not to be realizable. Depreciation, depletion and amortization of proved gas properties are determined using the units-of-production method.

Long-Lived Assets

Long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate the carrying amount of an asset may not be recoverable. If the carrying amount of the asset exceeds the expected future cash flows generated by the asset, an impairment loss is recognized resulting in the asset being written down to its estimated fair value. Assets to be disposed of are reported at the lower of the carrying amount or fair value, less costs to sell.

Our Power and Industrial Projects segment has long-term contracts with General Motors Corporation (GM) to provide onsite energy services at certain of their facilities. At December 31, 2009, the book value of long-lived assets used in the servicing of these facilities was approximately $65 million. In addition, we have an equity investment of approximately $51 million in an entity which provides similar services to Chrysler LLC (Chrysler). We considered the 2009 bankruptcies of GM and Chrysler as an indication of possible impairment due to a significant adverse change in the business climate that could affect the value of our long-lived assets, performed impairment tests on these assets in the second quarter of 2009 and determined that we did not have an impairment. We have also determined that we do not have an other than temporary decline in our Chrysler-related equity investment. We will continue to assess these matters in future periods for possible asset impairments. See Note 11.

Intangible Assets

The Company has certain intangible assets relating to emission allowances and non-utility contracts. Emission allowances are charged to fuel expense as the allowances are consumed in the operation of the business. Our intangible assets related to emission allowances were $9 million at December 31, 2009 and $19 million at December 31, 2008. The gross carrying amount and accumulated amortization of intangible assets at December 31, 2009 were $64 million and $19 million, respectively. The gross carrying amount and accumulated amortization of intangible assets at December 31, 2008 were $66 million and $15 million, respectively. The Company amortizes contract intangible assets on a straight-line basis over the expected period of benefit, ranging from 4 to 30 years. Intangible assets amortization expense was $4 million in 2009, $7 million in 2008 and $2 million in 2007. Amortization expense of intangible assets is estimated to be $4 million annually for 2010 through 2014.

Excise and Sales Taxes

The Company records the billing of excise and sales taxes as a receivable with an offsetting payable to the applicable taxing authority, with no impact on the Consolidated Statements of Operations.

Deferred Debt Costs

The costs related to the issuance of long-term debt are deferred and amortized over the life of each debt issue. In accordance with MPSC regulations applicable to the Company's electric and gas utilities, the unamortized discount, premium and expense related to debt redeemed with a refinancing are amortized over the life of the replacement issue. Discount, premium and expense on early redemptions of debt associated with non-utility operations are charged to earnings.

Investments in Debt and Equity Securities

The Company generally classifies investments in debt and equity securities as either trading or
and has recorded such investments at market value with unrealized gains or losses included in earnings or in other comprehensive income or loss, respectively. Changes in the fair value of Fermi 2 nuclear decommissioning investments are recorded as adjustments to regulatory assets or liabilities, due to a recovery mechanism from customers. The Company's investments are reviewed for impairment each reporting period. If the assessment indicates that the impairment is other than temporary, a loss is recognized resulting in the investment being written down to its estimated fair value. See Note 4.

Offsetting Amounts Related to Certain Contracts

The Company offsets the fair value of derivative instruments with cash collateral received or paid for those derivative instruments executed with the same counterparty under a master netting agreement, which reduces both the Company's total assets and total liabilities. As of December 31, 2009 and December 31, 2008, the total cash collateral posted, net of cash collateral received, was $117 million and $30 million, respectively. Derivative assets and derivative liabilities are shown net of collateral of $34 million and $120 million, respectively, as of December 31, 2009 and $31 million and $17 million, respectively as of December 31, 2008. At December 31, 2009, amounts of cash collateral received or paid not related to unrealized derivative positions totaling $32 million and $1 million were included in Accounts receivable and Accounts payable, respectively. At December 31, 2008, amounts of cash collateral received or paid not related to unrealized derivative positions totaling $7 million and $23 million were included in Accounts receivable and Accounts payable, respectively.

Subsequent Events

The Company has evaluated subsequent events through February 23, 2010, the date that these financial statements were issued.

Other Accounting Policies

See the following notes for other accounting policies impacting the Company's consolidated financial statements:

Note	Title
3	New Accounting Pronouncements
4	Fair Value
5	Financial and Other Derivative Instruments
6	Goodwill
9	Asset Retirement Obligation
12	Regulatory Matters
13	Income Taxes
21	Retirement Benefits and Trusteed Assets
22	Stock-based Compensation

NOTE 3 — NEW ACCOUNTING PRONOUNCEMENTS

FASB Accounting Standards Codification ™ (Codification)

On July 1, 2009, the Codification became the single source of authoritative nongovernmental generally accepted accounting principles (GAAP) in the United States of America. The Codification is a reorganization of current GAAP into a topical format that eliminates the current GAAP hierarchy and establishes two levels of guidance — authoritative and non-authoritative. According to the FASB, all “non-grandfathered, non-SEC accounting literature” that is not included in the Codification would be considered non-authoritative. The FASB has indicated that the Codification does not change current GAAP. Instead, the proposed changes aim to (1) reduce the time and effort it takes for users to research accounting questions and (2) improve the usability of current accounting standards. The Codification is effective for interim and annual periods ending after September 15, 2009.

Fair Value Accounting

In September 2006, the FASB issued ASC 820 (SFAS No. 157, *Fair Value Measurements)* . The standard defines fair value, establishes a framework for measuring fair value in generally accepted accounting principles, and expands disclosures about fair value measurements. It emphasizes that fair value is a market-based measurement, not an entity-specific measurement. Fair value measurement should be determined based on the assumptions that market participants would use in pricing an asset or liability. Effective January 1, 2008, the Company adopted ASC 820 (SFAS No. 157). The cumulative effect adjustment upon adoption of ASC 820 represented a $4 million increase to the January 1, 2008 balance of retained earnings. As permitted by ASC 820-10 (FSP No. 157-2), the Company elected to defer the effective date of the standard as it pertains to measurement and disclosures about the fair value of non-financial assets and liabilities made on a nonrecurring basis. The Company has adopted the recognition provisions for non-financial assets and liabilities as of January 1, 2009. See Note 4.

In April 2009, the FASB issued three FSPs intended to provide additional application guidance and enhance disclosures regarding fair value measurements and impairments of securities. The FSPs are effective for interim and annual periods ending after June 15, 2009.

- ASC 825-10 (FSP No. 107-1 and APB No. 28-1), *Interim Disclosures about Fair Value of Financial Instruments*, expands the fair value disclosures required for all financial instruments within the scope of ASC 825-10 to interim periods.
- ASC 820-10 (FSP No. 157-4), *Determining Fair Value When the Volume and Level of Activity for the Asset or Liability Have Significantly Decreased and Identifying Transactions That Are Not Orderly*, which applies to all assets and liabilities, i.e., financial and nonfinancial, reemphasizes that the objective of fair value remains unchanged (i.e., an exit price notion). The FSP provides application guidance on measuring fair value when the volume and level of activity has significantly decreased and identifying transactions that are not orderly. The FSP also emphasizes that an entity cannot presume that an observable transaction price is not orderly even when there has been a significant decline in the volume and level of activity.
- ASC 320-10 (FSP No. 115-2 and SFAS No. 124-2), *Recognition and Presentation of Other-Than-Temporary Impairments*, is intended to bring greater consistency to the timing of impairment recognition, and provide greater clarity to investors about the credit and noncredit components of impaired debt securities that are not expected to be sold.

The Company adopted these FSPs in the second quarter of 2009. The adoption of these FSPs did not have a significant impact on DTE Energy’s consolidated financial statements.

Determining Whether Instruments Granted in Share-Based Payment Transactions Are Participating Securities

In June 2008, the FASB issued ASC 260-10 (FSP EITF No. 03-6-1, *Determining Whether Instruments Granted in Share-Based Payment Transactions are Participating Securities).* This FSP addresses whether instruments granted in share-based payment transactions are participating securities prior to vesting and, therefore, need to be included in the earnings allocation in computing earnings per share (EPS) under the two-class method described in ASC 260-10, section 45, paragraphs 59A and 60B (SFAS No. 128, *Earnings Per Share).* Unvested share-based payment awards that contain non-forfeitable rights to dividends or dividend equivalents (whether paid or unpaid) are participating securities and shall be included in the computation of EPS pursuant to the two-class method. Stock awards granted by the Company under its stock-based compensation plan qualify as a participating security. This FSP was effective for financial statements issued for fiscal years and interim periods beginning after December 15, 2008. The Company adopted the requirements of the FSP effective January 1, 2009 and applied the requirements retrospectively. The adoption of the FSP had the effect of reducing previously reported 2008 amounts for basic and diluted earnings per common share by $.03 and $.02, respectively, and reducing previously reported 2007 amounts for basic and diluted earnings per common share by $.03 and $.01, respectively.

Noncontrolling Interests in Consolidated Financial Statements

In December 2007, the FASB issued ASC 810-10 (SFAS No. 160, *Noncontrolling Interests in Consolidated Financial Statements — an Amendment of ARB No. 51).* This standard establishes accounting and reporting standards for the noncontrolling interests in a subsidiary and for the deconsolidation of a subsidiary. It clarifies that a noncontrolling interest in a subsidiary is an ownership interest in the consolidated entity that should be reported as equity in the consolidated financial statements. The standard is effective for fiscal years, and interim periods within those years, beginning on or after December 15, 2008. This standard shall be applied prospectively as of the beginning of the fiscal year in which this standard is initially applied, except for the presentation and disclosure requirements which shall be applied retrospectively for all periods presented. The Company adopted the standard as of January 1, 2009 and applied the new presentation and disclosure requirements retrospectively. As a result, the formats and captions of certain 2008 and 2007 financial statement amounts have been revised to present noncontrolling interests in accordance with ASC 810-10 (SFAS No. 160). These revisions include reclassifying minority interest expense as net income attributable to noncontrolling interests, moving minority interest to noncontrolling interests in total shareholders' equity, and separately reflecting activity of noncontrolling interests in the Consolidated Statements of Equity and of Comprehensive Income.

Disclosures about Derivative Instruments and Guarantees

In March 2008, the FASB issued ASC 815-10 (SFAS No. 161, *Disclosures about Derivative Instruments and Hedging Activities — an amendment of FASB Statement No. 133)* . This standard requires enhanced disclosures about an entity's derivative and hedging activities and thereby improves the transparency of financial reporting. Entities are required to provide enhanced disclosures about (a) how and why an entity uses derivative instruments, (b) how derivative instruments and related hedged items are accounted for under ASC 815 (SFAS No. 133) and its related interpretations, and (c) how derivative instruments and related hedged items affect an entity's financial position, financial performance, and cash flows.

The standard is effective for financial statements issued for fiscal years and interim periods beginning after November 15, 2008, with early application encouraged. Comparative disclosures for earlier periods at initial adoption are encouraged but not required. The Company adopted the standard effective January 1, 2009. See Note 5.

Subsequent Events

In May 2009, the FASB issued ASC 855 (SFAS No. 165, *Subsequent Events)* . This standard provides guidance on management's assessment of subsequent events. The new standard clarifies that management must evaluate, as of each reporting period, events or transactions that occur after the balance sheet date "through the date that the financial statements are issued or are available to be issued." Management must perform its assessment for both interim and annual financial reporting periods. The standard does not significantly change the Company's practice for evaluating such events. ASC 855 (SFAS No. 165) is effective prospectively for interim and annual periods ending after June 15, 2009 and requires disclosure of the date subsequent events are evaluated through. The Company adopted the standard during the quarter ended June 30, 2009. See Note 2.

Transfers of Financial Assets

In June 2009, the FASB issued ASU 2009-16 (SFAS No. 166, *Accounting for Transfers of Financial Assets — an amendment of FASB No. 140).* This standard amends ASC 860, (SFAS No. 140), eliminates the concept of a "qualifying special-purpose entity" (QSPE) and associated guidance and creates more stringent conditions for reporting a transfer of a portion of a financial asset as a sale. ASU 2009-16 (SFAS No. 166) is intended to enhance reporting in the wake of the subprime mortgage crisis and the deterioration in the global credit markets. The standard is effective for financial asset transfers occurring after the beginning of an entity's first fiscal year that begins after November 15, 2009. Early adoption is prohibited. ASU 2009-16 (SFAS No. 166) must be applied prospectively to transfers of financial assets occurring on or after its effective date. The adoption of ASU 2009-16 (SFAS No. 166) will not have a material impact on DTE Energy's consolidated financial statements.

Variable Interest Entities (VIE)

In June 2009, the FASB issued ASU 2009-17 (SFAS No. 167, *Amendments to FASB Interpretation 46(R)).* This standard amends the consolidation guidance that applies to VIEs and affects the overall consolidation analysis under ASC 810 -10 (Interpretation 46(R)). The amendments to the consolidation guidance affect all entities and enterprises currently within the scope of ASC 810-10, as well as qualifying special purpose entities that are currently outside the scope of ASC 810-10. Accordingly, the Company will need to reconsider its previous ASC 810-10 conclusions, including (1) whether an entity is a VIE, (2) whether the enterprise is the VIE's primary beneficiary, and (3) what type of financial statement disclosures are required. ASU 2009-17 (SFAS No. 167) is effective as of the beginning of the first fiscal year that begins after November 15, 2009. Early adoption is prohibited. The Company is currently assessing the impact of ASU 2009-17 (SFAS No. 167), however adoption of the standard is not expected to have a material impact to the consolidated financial statements.

Fair Value Measurements and Disclosures

In September and August 2009, respectively, the FASB issued ASU 2009-12, *Fair Value Measurements and Disclosure,* and ASU 2009-05, *Measuring Liabilities at Fair Value.* ASU 2009-12 provides guidance for the fair value measurement of investments in certain entities that calculate the net asset value per share (or its equivalent) determined as of the reporting entity's measurement date. Certain attributes of the investment (such as restrictions on redemption) and transaction prices from principal-to-principal or brokered transactions will not be considered in measuring the fair value of the investment. The amendments in this standard are effective for interim and annual periods ending after December 15, 2009.

ASU 2009-05 provides guidance on measuring the fair value of liabilities under ASC 820. This standard clarifies that in the absence of a quoted price in an active market for an identical liability at the measurement date, companies may apply approaches that use the quoted price of an investment in the identical liability or similar liabilities traded as assets or other valuation techniques consistent with the fair-value measurement principles in ASC 820. The standard permits fair value measurements of liabilities that are based on the price that a company would pay to transfer the liability to a new obligor. It also permits a company to measure the fair value of liabilities using an estimate of the price it would receive to enter into the liability at that date. The new standard is effective for interim and annual periods beginning after August 27, 2009 and applies to all fair-value measurements of liabilities required by GAAP. The adoption of ASU 2009-12 and ASU 2009-05 did not have a material impact on DTE Energy's consolidated financial statements.

In January 2010, the FASB issued ASU 2010-06, *Improving Disclosures about Fair Value Measurements* . ASU 2010-06 requires the gross presentation of activity within the Level 3 fair value measurement roll forward and details of transfers in and out of Level 1 and 2 fair value measurements. The new disclosures are required of all entities that are required to provide disclosures about recurring and nonrecurring fair value measurements. ASU 2010-06 is effective for interim and annual reporting periods beginning after December 15, 2009, except for the gross presentation of the Level 3 fair value measurement roll forward which is effective for annual reporting periods beginning after December 15, 2010 and for interim reporting periods within those years.

Revenue Arrangements

In September 2009, the FASB ratified Issue No. 08-1, *Revenue Arrangements with Multiple Deliverables (not yet codified).* Issue 08-1 provides principles and application guidance on whether multiple deliverables exist, how the arrangement should be separated, and the consideration allocated. This standard shall be applied prospectively for revenue arrangements entered into or materially modified in fiscal years beginning on or after June 15, 2010, with earlier application permitted. Alternatively, an entity may elect to adopt this standard on a retrospective basis. The Company is currently assessing the impact of Issue No. 08-1 on DTE Energy's consolidated financial statements. Adoption of the standard is not expected to have a material impact to the consolidated financial statements.

NOTE 4 — FAIR VALUE

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in a principal or most advantageous market. Fair value is a market-based measurement that is determined based on inputs, which refer broadly to assumptions that market participants use in pricing assets or liabilities. These inputs can be readily observable, market corroborated or generally unobservable inputs. The Company makes certain assumptions it believes that market participants would use in pricing assets or liabilities, including assumptions about risk, and the risks inherent in the inputs to valuation techniques. Credit risk of the Company and its counterparties is incorporated in the valuation of assets and liabilities through the use of credit reserves, the impact of which is immaterial for the years ended December 31, 2009 and 2008. The Company believes it uses valuation techniques that maximize the use of observable market-based inputs and minimize the use of unobservable inputs.

A fair value hierarchy has been established, which prioritizes the inputs to valuation techniques used to measure fair value in three broad levels. The fair value hierarchy gives the highest priority to quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). In some cases, the inputs used to measure fair value might fall in different levels of the fair value hierarchy. All assets and liabilities are required to be classified in their entirety based on the lowest level of input that is significant to the fair value measurement in its entirety. Assessing the significance of a particular input may require judgment considering factors specific to the asset or liability,

DTE Energy Company
Notes to Consolidated Financial Statements — (Continued)

and may affect the valuation of the asset or liability and its placement within the fair value hierarchy. The Company classifies fair value balances based on the fair value hierarchy defined as follows:

- *Level 1* — Consists of unadjusted quoted prices in active markets for identical assets or liabilities that the Company has the ability to access as of the reporting date.
- *Level 2* — Consists of inputs other than quoted prices included within Level 1 that are directly observable for the asset or liability or indirectly observable through corroboration with observable market data.
- *Level 3* — Consists of unobservable inputs for assets or liabilities whose fair value is estimated based on internally developed models or methodologies using inputs that are generally less readily observable and supported by little, if any, market activity at the measurement date. Unobservable inputs are developed based on the best available information and subject to cost-benefit constraints.

The following table presents assets and liabilities measured and recorded at fair value on a recurring basis as of December 31, 2009:

	Level 1	Level 2	Level 3	Netting Adjustments(2)	Net Balance at December 31, 2009
			(in Millions)		
Assets:					
Cash equivalents	$ 15	$ —	$ —	$ —	$ 15
Nuclear decommissioning trusts and Other Investments(1)	599	325	—	—	924
Derivative assets	1,080	1,207	385	(2,347)	325
Total	$ 1,694	$ 1,532	$ 385	$ (2,347)	$ 1,264
Liabilities:					
Derivative liabilities	$(1,120)	$(1,370)	$ (361)	$ 2,433	$ (418)
Total	$(1,120)	$(1,370)	$ (361)	$ 2,433	$ (418)
Net Assets at December 31, 2009	$ 574	$ 162	$ 24	$ 86	$ 846

(1) Excludes cash surrender value of life insurance investments.

(2) Amounts represent the impact of master netting agreements that allow the Company to net gain and loss positions and cash collateral held or placed with the same counterparties.

The following table presents the fair value reconciliation of Level 3 assets and liabilities measured at fair value on a recurring basis for the years ended December 31, 2009 and 2008:

	Year Ended December 31	
	2009	2008
	(in Millions)	
Liability balance as of beginning of the period	**$(183)**	$(366)
Changes in fair value recorded in income	**41**	(10)
Changes in fair value recorded in regulatory assets/liabilities	**—**	2
Changes in fair value recorded in other comprehensive income	**8**	6
Purchases, issuances and settlements	**(44)**	195
Transfers in/out of Level 3	**202**	(10)
Liability balance as of December 31	**$ 24**	$(183)
The amount of total gains (losses) included in net income attributed to the change in unrealized gains (losses) related to assets and liabilities held at December 31, 2009 and 2008	**$ 93**	$ 129

Transfers in/out of Level 3 represent existing assets or liabilities that were either previously categorized as a higher level and for which the inputs to the model become unobservable or assets and liabilities that were previously classified as Level 3 for which the lowest significant input became observable during the period. Transfers in/out of Level 3 are reflected as if they had occurred at the beginning of the period. Transfers out of Level 3 in 2009 reflect a change in the significance of unobservable inputs and an increased reliance on broker quotes for certain gas transactions.

Cash Equivalents

Cash equivalents include investments with maturities of three months or less when purchased. The cash equivalents shown in the fair value table are comprised of investments in money market funds. The fair values of the shares of these funds are based on observable market prices and, therefore, have been categorized as Level 1 in the fair value hierarchy.

Nuclear Decommissioning Trusts and Other Investments

The nuclear decommissioning trust fund investments have been established to satisfy Detroit Edison’s nuclear decommissioning obligations. The nuclear decommissioning trusts and other fund investments hold debt and equity securities directly and indirectly through commingled funds and institutional mutual funds. Exchange-traded debt and equity securities held directly are valued using quoted market prices in actively traded markets. The commingled funds and institutional mutual funds which hold exchange-traded equity or debt securities are valued based on the underlying securities, using quoted prices in actively traded markets. Non-exchange-traded fixed income securities are valued based upon quotations available from brokers or pricing services. For non-exchange traded fixed income securities, the trustees receive prices from pricing services. A primary price source is identified by asset type, class or issue for each security. The trustees monitor prices supplied by pricing services and may use a supplemental price source or change the primary price source of a given security if the trustees challenge an assigned price and determine that another price source is considered to be preferable. DTE Energy has obtained an understanding of how these prices are derived, including the nature and observability of the inputs used in deriving such prices. Additionally, DTE Energy selectively corroborates the fair values of securities by comparison of market-based price sources.

Derivative Assets and Liabilities

Derivative assets and liabilities are comprised of physical and financial derivative contracts, including futures, forwards, options and swaps that are both exchange-traded and over-the-counter traded contracts. Various inputs are used to value derivatives depending on the type of contract and availability of market data. Exchange-traded derivative contracts are valued using quoted prices in active markets. DTE Energy considers the following criteria in determining whether a market is considered active: frequency in which pricing information is updated, variability in pricing between sources or over time and the availability of public information. Other derivative contracts are valued based upon a variety of inputs including commodity market prices, broker quotes, interest rates, credit ratings, default rates, market-based seasonality and basis differential factors. DTE Energy monitors the prices that are supplied by brokers and pricing services and may use a supplemental price source or change the primary price source of an index if prices become unavailable or another price source is determined to be more representative of fair value. DTE Energy has obtained an understanding of how these prices are derived. Additionally, DTE Energy selectively corroborates the fair value of its transactions by comparison of market-based price sources. Mathematical valuation models are used for derivatives for which external market data is not readily observable, such as contracts which extend beyond the actively traded reporting period.

Fair Value of Financial Instruments

The fair value of long-term debt is determined by using quoted market prices when available and a discounted cash flow analysis based upon estimated current borrowing rates when quoted market prices are not available. The table below shows the fair value relative to the carrying value for long-term debt securities. Certain other financial instruments, such as notes payable, customer deposits and notes receivable are not shown as carrying value approximates fair value. See Note 5 for further fair value information on financial and derivative instruments.

	December 31, 2009		December 31, 2008	
	Fair Value	Carrying Value	Fair Value	Carrying Value
Long-Term Debt	**$8.3 billion**	**$8.0 billion**	$7.7 billion	$8.0 billion

Nuclear Decommissioning Trust Funds

Detroit Edison has a legal obligation to decommission its nuclear power plants following the expiration of their operating licenses. This obligation is reflected as an asset retirement obligation on the Consolidated Statements of Financial Position. See Note 9 for additional information.

The NRC has jurisdiction over the decommissioning of nuclear power plants and requires decommissioning funding based upon a formula. The MPSC and FERC regulate the recovery of costs of decommissioning nuclear power plants and both require the use of external trust funds to finance the decommissioning of Fermi 2. Rates approved by the MPSC provide for the recovery of decommissioning costs of Fermi 2 and the disposal of low-level radioactive waste. Detroit Edison is continuing to fund FERC jurisdictional amounts for decommissioning even though explicit provisions are not included in FERC rates. The Company believes the MPSC and FERC collections will be adequate to fund the estimated cost of decommissioning using the NRC formula. The decommissioning assets, anticipated earnings thereon and future revenues from decommissioning collections will be used to decommission Fermi 2. The Company expects the liabilities to be reduced to zero at the conclusion of the decommissioning activities. If amounts remain in the trust funds for Fermi 2 following the completion of the decommissioning activities, those amounts will be disbursed based on rulings by the MPSC and FERC.

The decommissioning of Fermi 1 is funded by Detroit Edison. Contributions to the Fermi 1 trust are discretionary.

The following table summarizes the fair value of the nuclear decommissioning trust fund assets:

	December 31 2009	December 31 2008
	(in Millions)	
Fermi 2	**$ 790**	$ 649
Fermi 1	**3**	3
Low level radioactive waste	**24**	33
Total	**$ 817**	$ 685

At December 31, 2009, investments in the nuclear decommissioning trust funds consisted of approximately 51% in publicly traded equity securities, 48% in fixed debt instruments and 1% in cash equivalents. At December 31, 2008, investments in the nuclear decommissioning trust funds consisted of approximately 42% in publicly traded equity securities, 57% in fixed debt instruments and 1% in cash equivalents. The debt securities at both December 31, 2009 and December 31, 2008 had an average maturity of approximately 5 years.

The costs of securities sold are determined on the basis of specific identification. The following table sets forth the gains and losses and proceeds from the sale of securities by the nuclear decommissioning trust funds:

	Year Ended December 31		
	2009	2008	2007
	(in Millions)		
Realized gains	**$ 37**	$ 34	$ 25
Realized losses	**$ (55)**	$ (49)	$ (17)
Proceeds from sales of securities	**$295**	$232	$286

Realized gains and losses from the sale of securities for the Fermi 2 and the low level radioactive waste funds are recorded to the Asset retirement obligation, Regulatory asset and Nuclear decommissioning liability. The following table sets forth the fair value and unrealized gains for the nuclear decommissioning trust funds:

	Fair Value	Unrealized Gains
	(in Millions)	
As of December 31, 2009		
Equity securities	**$420**	**$ 135**
Debt securities	**388**	**17**
Cash and cash equivalents	**9**	**—**
	$817	**$ 152**
As of December 31, 2008		
Equity securities	$288	$ 65
Debt securities	388	17
Cash and cash equivalents	9	—
	$685	$ 82

Securities held in the nuclear decommissioning trust funds are classified as available-for-sale. As Detroit Edison does not have the ability to hold impaired investments for a period of time sufficient to allow for the anticipated recovery of market value, all unrealized losses are considered to be other than temporary impairments.

Impairment charges for unrealized losses incurred by the Fermi 2 trust are recognized as a regulatory asset. Detroit Edison recognized $48 million and $92 million of unrealized losses as regulatory assets at December 31, 2009 and 2008, respectively. Since the decommissioning of Fermi 1 is funded by Detroit Edison rather than through a regulatory recovery mechanism, there is no corresponding regulatory asset treatment. Therefore, impairment charges for unrealized losses incurred by the Fermi 1 trust are recognized in earnings immediately. There were no impairment charges in 2009 and 2008 for Fermi 1. Detroit Edison recognized impairment charges of $0.2 million for Fermi 1 in 2007.

Other Available — For — Sale Securities

The following table summarizes the fair value of the Company's investment in available-for-sale debt and equity securities, excluding nuclear decommissioning trust fund assets:

	December 31, 2009		December 31, 2008	
	Fair Value	Carrying value	Fair Value	Carrying Value
	(in Millions)			
Cash equivalents	**$106**	**$106**	$99	$99
Equity securities	**$ 11**	**$ 11**	$28	$28

At December 31, 2009 and 2008, these securities are comprised primarily of money-market and equity securities. During the year ended December 31, 2009, $3 million of unrealized losses on available-for-sale securities were reclassified out of other comprehensive income into earnings for the period. This reclassification includes an other than temporary impairment of equity securities of $4 million. Gains (losses) related to trading securities held at December 31, 2009, 2008, and 2007 were $8 million, $(14) million and $3 million respectively.

NOTE 5 — FINANCIAL AND OTHER DERIVATIVE INSTRUMENTS

The Company recognizes all derivatives on the Consolidated Statements of Financial Position at their fair value unless they qualify for certain scope exceptions, including the normal purchases and normal sales exception. Further, derivatives that qualify and are designated for hedge accounting are classified as either hedges of a forecasted transaction or the variability of cash flows to be received or paid related to a recognized asset or liability (cash flow hedge), or as hedges of the fair value of a recognized asset or liability or of an unrecognized firm commitment (fair value hedge). For cash flow hedges, the portion of the derivative gain or loss that is effective in offsetting the change in the value of the underlying exposure is deferred in Accumulated other comprehensive income and later reclassified into earnings when the underlying transaction occurs. For fair value hedges, changes in fair values for the derivative are recognized in earnings each period. Gains and losses from the ineffective portion of any hedge are recognized in earnings immediately. For derivatives that do not qualify or are not designated for hedge accounting, changes in the fair value are recognized in earnings each period.

The Company's primary market risk exposure is associated with commodity prices, credit, interest rates and foreign exchange. The Company has risk management policies to monitor and manage market risks. The Company uses derivative instruments to manage some of the exposure. The Company uses derivative instruments for trading purposes in its Energy Trading segment and the coal marketing activities of its Power and Industrial Projects segment. Contracts classified as derivative instruments include power, gas, oil and certain coal forwards, futures, options and swaps, and foreign exchange contracts. Items not classified as derivatives include proprietary gas inventory, gas storage and transportation arrangements, and gas and oil reserves. Derivatives are generally recorded at fair value and shown as Derivative assets or liabilities on the Consolidated Statements of Financial Position.

Electric Utility — Detroit Edison generates, purchases, distributes and sells electricity. Detroit Edison uses forward energy and capacity contracts to manage changes in the price of electricity and fuel. Substantially all of these contracts meet the normal purchases and sales exemption and are therefore accounted for under the accrual method. Other derivative contracts are recoverable through the PSCR mechanism when settled. This results in the deferral of unrealized gains and losses as Regulatory assets or liabilities, until realized.

Gas Utility — MichCon purchases, stores, transports and distributes natural gas and sells storage and transportation capacity. MichCon has fixed-priced contracts for portions of its expected gas supply requirements through 2013. These gas-supply contracts are designated and qualify for the normal purchases and sales exemption and are therefore accounted for under the accrual method. MichCon may also sell forward storage and transportation capacity contracts. Forward transportation and storage contracts are not derivatives and are therefore accounted for under the accrual method.

Gas Storage and Pipelines — This segment is primarily engaged in services related to the transportation and storage of natural gas. Fixed-priced contracts are used in the marketing and management of transportation and storage services. Generally these contracts are not derivatives and are therefore accounted for under the accrual method.

Unconventional Gas Production — The Unconventional Gas Production business is engaged in unconventional gas project development and production. The Company uses derivative contracts to manage changes in the price of natural gas. These derivatives are designated as cash flow hedges. Amounts recorded in Accumulated other comprehensive income will be reclassified to earnings as the related production affects earnings through 2010. In 2008 and 2007, $0.5 million of after-tax gains and $222 million of after-tax losses, respectively, were reclassified to earnings. The 2007 amounts principally related to the sale of the Antrim business. Management estimates reclassifying an after-tax gain of approximately $1 million to earnings within the next twelve months.

Power and Industrial Projects — Business units within this segment manage and operate onsite energy and pulverized coal projects, coke batteries, landfill gas recovery and power generation assets. These businesses utilize fixed-priced contracts in the marketing and management of their assets. These contracts are generally not derivatives and are therefore accounted for under the accrual method. The segment also engages in coal marketing which includes the marketing and trading of physical coal and coal financial instruments, and forward contracts for the purchase and sale of emissions allowances. Certain of these physical and financial coal contracts and contracts for the purchase and sale of emission allowances are derivatives and are accounted for by recording changes in fair value to earnings.

Energy Trading — Commodity Price Risk — Energy Trading markets and trades wholesale electricity and natural gas physical products and energy financial instruments, and provides risk management services utilizing energy commodity derivative instruments. Forwards, futures, options and swap agreements are used to manage exposure to the risk of market price and volume fluctuations in its operations. These derivatives are accounted for by recording changes in fair value to earnings unless certain hedge accounting criteria are met.

Energy Trading — Foreign Exchange Risk — Energy Trading has foreign exchange forward contracts to economically hedge fixed Canadian dollar commitments existing under power purchase and sale contracts and gas transportation contracts. The Company enters into these contracts to mitigate price volatility with respect to fluctuations of the Canadian dollar relative to the U.S. dollar. These derivatives are accounted for by recording changes in fair value to earnings unless certain hedge accounting criteria are met. In 2008 and 2007, $1 million and $7 million, respectively, of after-tax losses related to a foreign exchange hedge were reclassified to earnings. The foreign exchange hedge was fully realized as of December 31, 2008 and therefore, no further earnings impact is expected.

Corporate and Other — Interest Rate Risk — The Company uses interest rate swaps, treasury locks and other derivatives to hedge the risk associated with interest rate market volatility. In 2004 and 2000, the Company entered into a series of interest rate derivatives to limit its sensitivity to market interest rate risk associated with the issuance of long-term debt. Such instruments were designated as cash flow hedges. The

Company subsequently issued long-term debt and terminated these hedges at a cost that is included in other comprehensive loss. Amounts recorded in other comprehensive loss will be reclassified to interest expense through 2033. In 2010, the Company estimates reclassifying $3 million of losses to earnings.

Credit Risk — The utility and non-utility businesses are exposed to credit risk if customers or counterparties do not comply with their contractual obligations. The Company maintains credit policies that significantly minimize overall credit risk. These policies include an evaluation of potential customers' and counterparties' financial condition, credit rating, collateral requirements or other credit enhancements such as letters of credit or guarantees. The Company generally uses standardized agreements that allow the netting of positive and negative transactions associated with a single counterparty. The Company maintains a provision for credit losses based on factors surrounding the credit risk of its customers, historical trends, and other information. Based on the Company's credit policies and its December 31, 2009 provision for credit losses, the Company's exposure to counterparty nonperformance is not expected to result in material effects on the Company's financial statements.

Derivative Activities

The Company manages its MTM risk on a portfolio basis based upon the delivery period of its contracts and the individual components of the risks within each contract. Accordingly, it records and manages the energy purchase and sale obligations under its contracts in separate components based on the commodity (e.g. electricity or gas), the product (e.g. electricity for delivery during peak or off-peak hours), the delivery location (e.g. by region), the risk profile (e.g. forward or option), and the delivery period (e.g. by month and year). The following describe the four categories of activities represented by their operating characteristics and key risks:

- *Economic Hedges* — Represents derivative activity associated with assets owned and contracted by DTE Energy, including forward sales of gas production and trades associated with owned transportation and storage capacity. Changes in the value of derivatives in this category economically offset changes in the value of underlying non-derivative positions, which do not qualify for fair value accounting. The difference in accounting treatment of derivatives in this category and the underlying non-derivative positions can result in significant earnings volatility.
- *Structured Contracts* — Represents derivative activity transacted by originating substantially hedged positions with wholesale energy marketers, producers, end users, utilities, retail aggregators and alternative energy suppliers.
- *Proprietary Trading* — Represents derivative activity transacted with the intent of taking a view, capturing market price changes, or putting capital at risk. This activity is speculative in nature as opposed to hedging an existing exposure.
- *Other* — Includes derivative activity associated with our Unconventional Gas reserves. A portion of the price risk associated with anticipated production from the Barnett natural gas reserves has been mitigated through 2010. Changes in the value of the hedges are recorded as Derivative assets or liabilities, with an offset in Other comprehensive income to the extent that the hedges are deemed effective. The amounts shown in the following tables exclude the value of the underlying gas reserves including changes therein. Other also includes derivative activity at Detroit Edison related to FTRs and forward contracts related to emissions. Changes in the value of derivative contracts at Detroit Edison are recorded as Derivative assets or liabilities, with an offset to Regulatory assets or liabilities as the settlement value of these contracts will be included in the PSCR mechanism when realized.

The following represents the fair value of derivative instruments as of December 31, 2009:

	Balance Sheet Location	Fair Value	Balance Sheet Location	Fair Value
		(in Millions)		
Derivatives designated as hedging instruments:				
Commodity Contracts:				
Natural Gas	Derivative assets	$ 2	Derivative liabilities	$ —
Derivatives not designated as hedging instruments:				
Foreign exchange contracts	Derivative assets	$ 24	Derivative liabilities	$ (31)
Commodity Contracts:				
Natural Gas	Derivative assets	1,323	Derivative liabilities	(1,552)
Electricity	Derivative assets	1,304	Derivative liabilities	(1,241)
Coal	Derivative assets	11	Derivative liabilities	(18)
Oil	Derivative assets	4	Derivative liabilities	(1)
Emissions	Derivative assets	2	Derivative liabilities	(8)
FTR's	Derivative assets	2	Derivative liabilities	—
Total derivatives not designated as hedging instruments:		$ 2,670		$ (2,851)
Total derivatives:				
Current		$ 1,860		$ (1,951)
Noncurrent		812		(900)
Total derivatives		$ 2,672		$ (2,851)

	Current	Noncurrent	Current	Noncurrent
		(in Millions)		
Reconciliation of derivative instruments to Consolidated Statements of Financial Position:				
Total fair value of derivatives	$ 1,860	$ 812	$(1,951)	$ (900)
Counterparty netting	(1,644)	(669)	1,644	669
Collateral adjustment	(7)	(27)	87	33
Total derivatives as reported	$ 209	$ 116	$ (220)	$ (198)

For the effective portion of natural gas derivatives designated as cash flow hedges, the Company recognized an after-tax gain of $3 million in Other comprehensive income and reclassified an after-tax gain of $5 million from Accumulated other comprehensive income into Operating revenue for the year ended December 31, 2009. For the effective portion of interest swaps representing a discontinued cash flow hedge, the Company reclassified an after-tax loss of $3 million from Accumulated other comprehensive income into Interest expense for the year ended December 31, 2009.

The effect of derivative instruments on the Consolidated Statements of Operations for the year ended December 31, 2009 is as follows:

Derivatives Not Designated As Hedging Instruments	Location of Gain (Loss) Recognized in Income On Derivative	Gain (Loss) Recognized in Income on Derivative for Year Ended December 31, 2009
		(in Millions)
Foreign exchange contracts	Operating Revenue	$ (24)
Commodity Contracts:		
Electricity	Operating Revenue	19
Natural Gas	Operating Revenue	179
Natural Gas	Fuel, purchased power and gas	4
Oil	Operating Revenue	(3)
Coal	Operating Revenue	(9)
Coal	Operation and maintenance	6
Emissions	Operating Revenue	8
Total		$ 180

The effect of derivative instruments recoverable through the PSCR mechanism when realized on the Consolidated Statements of Financial Position is a $16 million loss related to Emissions, which represents a loss of $14 million and $2 million recognized in Regulatory assets and Regulatory liabilities, respectively, for the year ended December 31, 2009.

The following represents the cumulative gross volume of derivative contracts outstanding as of December 31, 2009:

Commodity	Number of Units
Electricity (MWh)	50,066,919
FTRs (MW)	61,927
Natural Gas (MMBtu)	421,963,381
Coal (Tons)	890,648
Foreign Exchange ($ CAD)	319,444,012
Emissions (Tons)	3,140,302

Various non-utility subsidiaries of the Company have entered into contracts which contain ratings triggers and are guaranteed by DTE Energy. These contracts contain provisions which allow the counterparties to request that the Company post cash or letters of credit as collateral in the event that DTE Energy's credit rating is downgraded below investment grade. Certain of these provisions (known as "hard triggers") state specific circumstances under which the Company can be asked to post collateral upon the occurrence of a credit downgrade, while other provisions (known as "soft triggers") are not as specific. For contracts with soft triggers, it is difficult to estimate the amount of collateral which may be requested by counterparties and/or which the Company may ultimately be required to post. The amount of such collateral which could be requested fluctuates based on commodity prices (primarily gas, power and coal) and the provisions and maturities of the underlying transactions. As of December 31, 2009, the value of the transactions for which the Company would have been exposed to collateral requests had DTE Energy's credit rating been below investment grade on such date under both hard trigger and soft trigger provisions was approximately $250 million. In circumstances where an entity is downgraded below investment grade and collateral requests are made as a result, the requesting parties often agree to accept less than the full amount of their exposure to the downgraded entity.

NOTE 6 — GOODWILL

The Company has goodwill resulting from purchase business combinations.

The change in the carrying amount of goodwill for the fiscal years ended December 31, 2009 and December 31, 2008 is as follows:

	2009	2008
	(in Millions)	
Balance as of January 1	**$2,037**	$2,037
Allocated goodwill attributable to sale of Gas Utility subsidiaries	**(13)**	—
Balance at December 31	**$2,024**	$2,037

In the period from October 1, 2008 to March 31, 2009, DTE Energy's stock price declined 31 percent and at March 31, 2009 was approximately 26 percent below its book value per share of $37.29. We deemed the duration and severity of the decline in DTE Energy's stock price to be a triggering event to test for potential goodwill impairment for the first quarter. In performing Step 1 of the impairment test, we compared the fair value of the reporting unit to its carrying value including goodwill. All reporting units passed Step 1 of the impairment test.

For the quarters ended June 30, 2009 and September 30, 2009, DTE Energy's closing stock price increased 16 percent and 27 percent, respectively, as compared to the closing stock price at March 31, 2009. Although DTE Energy was still trading at a discount to book value at the end of the third quarter, the discount improved to 7 percent at September 30, 2009 from 26 percent at March 31, 2009. In assessing whether the continuing discount to book value was an indication of impairment, we considered the following factors: (1) the severity of the decline in DTE Energy's share price experienced since the fourth quarter of 2008 had diminished and was continuing to recover; and (2) the assumptions incorporated in the first quarter impairment test had either improved or had not changed significantly during the second and third quarters such that they would change the results of Step 1. As a result of this assessment, we determined that the continuing discount to book value was not a triggering event for impairment testing purposes for the second and third quarters.

We did, however, identify a goodwill impairment test trigger for our Energy Services reporting unit related to the long-lived asset impairment tests that were performed during the second quarter of 2009 on certain automotive-related project companies. Accordingly, we performed an interim goodwill impairment test for Energy Services as of June 30, 2009. The fair value of the reporting unit exceeded its carrying value including goodwill. Therefore, the reporting unit passed Step 1 of the impairment test. No new trigger was identified during the third quarter of 2009.

We performed our annual goodwill impairment test as of October 1, 2009 and determined that the estimated fair value of each reporting unit exceeded its carrying value, and no impairment existed. We performed our valuations in accordance with the requirements for measuring nonrecurring, nonfinancial assets and liabilities.

DTE Energy's stock price continued to improve during the fourth quarter, and as of December 31, 2009, it closed in excess of its book value per share of $38.03 by 15 percent. No triggering events for impairment testing purposes were identified during the fourth quarter of 2009.

NOTE 7 — PROPERTY, PLANT AND EQUIPMENT

Summary of property by classification as of December 31:

	2009	2008
	(in Millions)	
Property, Plant and Equipment		
Electric Utility		
Generation	**$ 8,833**	$ 8,544
Distribution	**6,618**	6,433
Total Electric Utility	**15,451**	14,977
Gas Utility		
Distribution	**2,386**	2,327
Storage	**383**	378
Other	**1,013**	1,090
Total Gas Utility	**3,782**	3,795
Non-utility and other	**1,355**	1,293
Total	**20,588**	20,065
Less Accumulated Depreciation, Depletion and Amortization		
Electric Utility		
Generation	**(3,890)**	(3,690)
Distribution	**(2,243)**	(2,138)
Total Electric Utility	**(6,133)**	(5,828)
Gas Utility		
Distribution	**(972)**	(955)
Storage	**(113)**	(107)
Other	**(543)**	(603)
Total Gas Utility	**(1,628)**	(1,665)
Non-utility and other	**(396)**	(341)
Total	**(8,157)**	(7,834)
Net Property, Plant and Equipment	**$12,431**	$12,231

AFUDC capitalized during 2009 and 2008 was approximately $14 million and $50 million, respectively.

The composite depreciation rate for Detroit Edison was 3.3% in 2009, 2008 and 2007. The composite depreciation rate for MichCon was 3.1% in 2009, 3.2% in 2008 and 3.1% in 2007.

The average estimated useful life for each major class of utility property, plant and equipment as of December 31, 2009 follows:

	Estimated Useful Lives in Years		
Utility	**Generation**	**Distribution**	**Transmission**
Electric	40	37	N/A
Gas	N/A	40	37

The estimated useful lives for major classes of non-utility assets and facilities ranges from 3 to 55 years.

Capitalized software costs amortization expense was $66 million in 2009, $54 million in 2008 and $42 million in 2007. The gross carrying amount and accumulated amortization of capitalized software costs at December 31, 2009 were $613 million and $234 million, respectively. The gross carrying amount and accumulated amortization of capitalized software costs at December 31, 2008 were $576 million and $192 million, respectively. Amortization expense of capitalized software costs is estimated to be $60 million annually for 2010 through 2014.

Gross property under capital leases was $153 million at December 31, 2009 and December 31, 2008. Accumulated amortization of property under capital leases was $93 million and $85 million at December 31, 2009 and December 31, 2008, respectively.

NOTE 8 — JOINTLY OWNED UTILITY PLANT

Detroit Edison has joint ownership interest in two power plants, Belle River and Ludington Hydroelectric Pumped Storage. Detroit Edison's share of direct expenses of the jointly owned plants are included in Fuel, purchased power and gas and Operation and maintenance expenses in the Consolidated Statements of Operations. Ownership information of the two utility plants as of December 31, 2009 was as follows:

	Belle River	Ludington Hydroelectric Pumped Storage
In-service date	1984-1985	1973
Total plant capacity	1,260MW	1,872MW
Ownership interest	*	49%
Investment (in millions)	$ 1,626	$ 197
Accumulated depreciation (in millions)	$ 889	$ 128

* Detroit Edison's ownership interest is 63% in Unit No. 1, 81% of the facilities applicable to Belle River used jointly by the Belle River and St. Clair Power Plants and 75% in common facilities used at Unit No. 2.

Belle River

The Michigan Public Power Agency (MPPA) has an ownership interest in Belle River Unit No. 1 and other related facilities. The MPPA is entitled to 19% of the total capacity and energy of the plant and is responsible for the same percentage of the plant's operation, maintenance and capital improvement costs.

Ludington Hydroelectric Pumped Storage

Consumers Energy Company has an ownership interest in the Ludington Hydroelectric Pumped Storage Plant. Consumers Energy is entitled to 51% of the total capacity and energy of the plant and is responsible for the same percentage of the plant's operation, maintenance and capital improvement costs.

NOTE 9 — ASSET RETIREMENT OBLIGATIONS

The Company has a legal retirement obligation for the decommissioning costs for its Fermi 1 and Fermi 2 nuclear plants. To a lesser extent, the Company has legal retirement obligations for gas production facilities, gas gathering facilities and various other operations. The Company has conditional retirement obligations for gas pipeline retirement costs and disposal of asbestos at certain of its power plants. To a lesser extent, the Company has conditional retirement obligations at certain service centers, compressor and gate stations, and disposal costs for PCB contained within transformers and circuit breakers. The Company recognizes such obligations as liabilities at fair market value when they are incurred, which generally is at the time the associated assets are placed in service. Fair value is measured using expected future cash outflows discounted at our credit-adjusted risk-free rate. In its regulated operations, the Company defers timing differences that arise in the expense recognition of legal asset retirement costs that are currently recovered in rates.

No liability has been recorded with respect to lead-based paint, as the quantities of lead-based paint in the Company's facilities are unknown. In addition, there is no incremental cost to demolitions of lead-based paint facilities vs. non-lead-based paint facilities and no regulations currently exist requiring any type of special disposal of items containing lead-based paint.

The Ludington Hydroelectric Power Plant (a jointly owned plant) has an indeterminate life and no legal obligation currently exists to decommission the plant at some future date. Substations, manholes and certain other distribution assets within Detroit Edison have an indeterminate life. Therefore, no liability has been recorded for these assets.

A reconciliation of the asset retirement obligations for 2009 follows:

	(in Millions)
Asset retirement obligations at January 1, 2009	$ 1,361
Accretion	87
Liabilities incurred	1
Liabilities settled	(15)
Revision in estimated cash flows	5
Asset retirement obligations at December 31, 2009	1,439
Less amount included in current liabilities	(19)
	$ 1,420

Detroit Edison has a legal obligation to decommission its nuclear power plants following the expiration of their operating licenses. This obligation is reflected as an asset retirement obligation on the Consolidated Statements of Financial Position. Based on the actual or anticipated extended life of the nuclear plant, decommissioning expenditures for Fermi 2 are expected to be incurred primarily during the period of 2025 through 2050. It is estimated that the cost of decommissioning Fermi 2, when its license expires in 2025, will be $1.3 billion in 2009 dollars and $3.4 billion in 2025 dollars, using a 6% inflation rate. In 2001, Detroit Edison began the decommissioning of Fermi 1, with the goal of removing the radioactive material and terminating the Fermi 1 license. The decommissioning of Fermi 1 is expected to be completed by 2012. Approximately $1.2 billion of the asset retirement obligations represent nuclear decommissioning liabilities that are funded through a surcharge to electric customers over the life of the Fermi 2 nuclear plant.

The NRC has jurisdiction over the decommissioning of nuclear power plants and requires decommissioning funding based upon a formula. The MPSC and FERC regulate the recovery of costs of decommissioning nuclear power plants and both require the use of external trust funds to finance the decommissioning of Fermi 2. Rates approved by the MPSC provide for the recovery of decommissioning costs of Fermi 2 and the disposal of low-level radioactive waste. Detroit Edison is continuing to fund FERC jurisdictional amounts for decommissioning even though explicit provisions are not included in FERC rates. The Company believes the MPSC and FERC collections will be adequate to fund the estimated cost of decommissioning using the NRC formula. The decommissioning assets, anticipated earnings thereon and future revenues from decommissioning collections will be used to decommission Fermi 2. The Company expects the liabilities to be reduced to zero at the conclusion of the decommissioning activities. If amounts remain in the trust funds for Fermi 2 following the completion of the decommissioning activities, those amounts will be disbursed based on rulings by the MPSC and FERC.

A portion of the funds recovered through the Fermi 2 decommissioning surcharge and deposited in external trust accounts is designated for the removal of non-radioactive assets and the clean-up of the Fermi site. This removal and clean-up is not considered a legal liability. Therefore, it is not included in the asset retirement obligation, but is reflected as the nuclear decommissioning liability. The decommissioning of Fermi 1 is funded by Detroit Edison. Contributions to the Fermi 1 trust are discretionary. See Note 4 for additional discussion of Nuclear Decommissioning Trust Fund Assets.

NOTE 10 — DISPOSALS AND DISCONTINUED OPERATIONS

Sale of Gathering and Processing Assets

In 2009, the Company sold certain non-strategic gas gathering and processing assets in northern Michigan for gross proceeds of approximately $45 million, which approximated its carrying value, including allocated goodwill.

Sale of Interest in Barnett Shale Properties

In 2008, the Company sold a portion of its Barnett shale properties for gross proceeds of approximately $260 million. The Company recognized a gain of $128 million ($80 million after-tax) on the sale during 2008.

Sale of Antrim Shale Gas Exploration and Production Business

In 2007, the Company sold its Antrim shale gas exploration and production business (Antrim) for gross proceeds of $1.3 billion. The pre-tax gain recognized on this sale amounted to $900 million ($580 million after-tax) and is reported on the Consolidated Statements of Operations under the line item, "Gain on sale of non-utility business," and included in the Corporate & Other segment. Prior to the sale, the operating results of Antrim were reflected in the Unconventional Gas Production segment. The Antrim business is not presented as a discontinued operation due to continuation of cash flows related to the sale of a portion of Antrim's natural gas production to Energy Trading under the terms of natural gas sales contracts that expire in 2010 and 2012.

Prior to the sale, a substantial portion of the Company's price risk related to expected gas production from its Antrim shale business had been hedged through 2013. These financial contracts were accounted for as cash flow hedges, with changes in estimated fair value of the contracts reflected in other comprehensive income. Upon the sale of Antrim, the financial contracts no longer qualified as cash flow hedges. In conjunction with the Antrim sale, the Company reclassified amounts held in accumulated other comprehensive income and recorded the effective settlements, reducing operating revenues in 2007 by $323 million.

Plan to Sell Interest in Certain Power and Industrial Projects

During the third quarter of 2007, the Company announced its plans to sell a 50% interest in a portfolio of select Power and Industrial Projects. As a result, the assets and liabilities of the Projects were classified as held for sale at that time and the Company ceased recording depreciation and amortization expense related to these assets. During 2008, the Company's work on this planned monetization was discontinued. As of June 30, 2008, the assets and liabilities of the Projects were no longer classified as held for sale. Depreciation and amortization resumed in June 2008 when the assets were reclassified as held and used. During the second quarter of 2008, the Company recorded a loss of $19 million related to the valuation adjustment for the cumulative depreciation and amortization not recorded during the held for sale period.

Synthetic Fuel Business

The Company discontinued the operations of its synthetic fuel production facilities throughout the United States as of December 31, 2007. Synfuel plants chemically changed coal and waste coal into a synthetic fuel as determined under the Internal Revenue Code. Production tax credits were provided for the production and sale of solid synthetic fuel produced from coal and were available through December 31, 2007. The synthetic fuel business generated operating losses that were substantially offset by production tax credits.

The Company has provided certain guarantees and indemnities in conjunction with the sales of interests in its synfuel facilities. The guarantees cover potential commercial, environmental, oil price and tax-related obligations and will survive until 90 days after expiration of all applicable statutes of limitations. The Company estimates that its maximum potential liability under these guarantees at December 31, 2009 is $2.8 billion.

The Company has reported the business activity of the synthetic fuel business as a discontinued operation. The following amounts exclude general corporate overhead costs:

	2008	2007
	(in Millions)	
Operating Revenues	$ 7	$1,069
Operation and Maintenance	9	1,265
Depreciation and Amortization	(2)	(6)
Taxes other than Income	(1)	5
Asset (Gains) and Losses, Reserves and Impairments, Net(1)	(31)	(280)
Operating Income (Loss)	32	85
Other (Income) and Deductions	(2)	(9)
Income Taxes		
Provision	13	98
Production Tax Credits	(1)	(21)
	12	77
Net Income	22	17
Noncontrolling interests	2	(188)
Net Income Attributable to DTE Energy Company(1)	$ 20	$ 205

(1) Includes intercompany pre-tax gain of $32 million ($21 million after-tax) for 2007.

NOTE 11 — OTHER IMPAIRMENTS AND RESTRUCTURING

Other Impairments — Barnett Shale

Our Unconventional Gas Production segment recorded pre-tax impairment losses of $6 million, $8 million and $27 million in 2009, 2008 and 2007, respectively. The impairments related primarily to the write-off of leases that expired or will expire within the next twelve months that are not expected to be developed under current economic conditions.

Restructuring Costs

In 2005, the Company initiated a company-wide review of its operations called the Performance Excellence Process. Specifically, the Company began a series of focused improvement initiatives within Detroit Edison and MichCon, and associated corporate support functions. The Company incurred costs to achieve (CTA) restructuring expense for employee severance and other costs. Other costs include project management and consultant support. In September 2006, the MPSC issued an order approving a settlement agreement that allows Detroit Edison and MichCon, commencing in 2006, to defer the incremental CTA. Further, the order provides for Detroit Edison and MichCon to amortize the CTA deferrals over a ten-year period beginning with the year subsequent to the year the CTA was deferred. Detroit Edison deferred approximately $24 million and $54 million of CTA in 2008 and 2007 as a regulatory asset. The recovery of these costs was provided for by the MPSC in the order approving the settlement in the show cause proceeding and in the December 23, 2008

MPSC rate order. Amortization of prior year deferred CTA costs amounted to $18 million in 2009, $16 million in 2008 and $10 million in 2007. MichCon cannot defer CTA costs at this time because a regulatory recovery mechanism has not been established by the MPSC. MichCon is seeking a recovery mechanism in its rate case filed in June 2009.

Amounts expensed are recorded in Operation and maintenance expense on the Consolidated Statements of Operations. Deferred amounts are recorded in Regulatory assets on the Consolidated Statements of Financial Position. Costs incurred in 2008 and 2007 are as follows:

	Employee Severance Costs		Other Costs		Total Cost	
	2008	2007	2008	2007	2008	2007
	(in Millions)					
Costs incurred:						
Electric Utility	$—	$ 15	$ 26	$ 50	$ 26	$ 65
Gas Utility	—	3	7	6	7	9
Other	—	1	3	1	3	2
Total costs	—	19	36	57	36	76
Less amounts deferred or capitalized:						
Electric Utility	—	15	26	50	26	65
Amount expensed	$—	$ 4	10	$ 7	$ 10	$ 11

NOTE 12 — REGULATORY MATTERS

Regulation

Detroit Edison and MichCon are subject to the regulatory jurisdiction of the MPSC, which issues orders pertaining to rates, recovery of certain costs, including the costs of generating facilities and regulatory assets, conditions of service, accounting and operating-related matters. Detroit Edison is also regulated by the FERC with respect to financing authorization and wholesale electric activities. Regulation results in differences in the application of generally accepted accounting principles between regulated and non-regulated businesses.

Regulatory Assets and Liabilities

Detroit Edison and MichCon are required to record regulatory assets and liabilities for certain transactions that would have been treated as revenue or expense in non-regulated businesses. Continued applicability of regulatory accounting treatment requires that rates be designed to recover specific costs of providing regulated services and be charged to and collected from customers. Future regulatory changes or changes in the competitive environment could result in the discontinuance of this accounting treatment for regulatory assets and liabilities for some or all of our businesses and may require the write-off of the portion of any regulatory asset or liability that was no longer probable of recovery through regulated rates. Management believes that currently available facts support the continued use of regulatory assets and liabilities and that all regulatory assets and liabilities are recoverable or refundable in the current rate environment.

The following are balances and a brief description of the regulatory assets and liabilities at December 31:

	2009	2008
	(in Millions)	
Assets		
Recoverable pension and postretirement costs:		
Pension	**$1,670**	$1,505
Postretirement costs	**665**	787
Recoverable income taxes related to securitized regulatory assets	**476**	549
Asset retirement obligation	**415**	452
Deferred income taxes — Michigan Business Tax	**407**	394
Recoverable uncollectible expense	**138**	122
Cost to achieve Performance Excellence Process	**136**	154
Other recoverable income taxes	**89**	89
Unamortized loss on reacquired debt	**70**	73
Deferred environmental costs	**40**	43
Enterprise Business Systems costs	**24**	26
Recoverable costs under PA 141		
Excess capital expenditures	**—**	4
Deferred Clean Air Act expenditures	**—**	10
Midwest Independent System Operator charges	**—**	8
Electric Customer Choice implementation costs	**18**	37
Accrued PSCR/GCR revenue	**—**	22
Other	**15**	8
	4,163	4,283
Less amount included in current assets	**(53)**	(52)
	$4,110	$4,231
Securitized regulatory assets	**$ 870**	$1,001
Liabilities		
Asset removal costs	**$ 506**	$ 534
Deferred income taxes — Michigan Business Tax	**423**	388
Accrued pension:		
Negative pension offset	**133**	110
Pension equalization mechanism	**75**	72
Refundable income taxes	**88**	93
Accrued PSCR/GCR refund	**39**	11
Refundable costs under PA 141	**27**	16
Fermi 2 refueling outage	**13**	25
Renewable energy	**32**	—
Refundable self implemented rates	**27**	—
Refundable restoration expense	**15**	—
Other	**11**	5
	1,389	1,254
Less amount included in current liabilities	**(52)**	(52)
	$1,337	$1,202

As noted below, regulatory assets for which costs have been incurred have been included (or are expected to be included, for costs incurred subsequent to the most recently approved rate case) in Detroit Edison or MichCon's rate base, thereby providing a return on invested costs. Certain regulatory assets do not result from cash expenditures and therefore do not represent investments included in rate base or have offsetting liabilities that reduce rate base.

ASSETS

- *Recoverable pension and postretirement costs* — In 2007, the Company adopted ASC 715 (SFAS No. 158) which required, among other things, the recognition in other comprehensive income of the actuarial gains or losses and the prior service costs that arise during the period but that are not immediately recognized as components of net periodic benefit costs. Detroit Edison and MichCon record the charge related to the additional liability as a regulatory asset since the traditional rate setting process allows for the recovery of pension and postretirement costs. The asset will reverse as the deferred items are recognized as benefit expenses in net income. (1)
- *Recoverable income taxes related to securitized regulatory assets* — Receivable for the recovery of income taxes to be paid on the non-bypassable securitization bond surcharge. A non-bypassable securitization tax surcharge recovers the income tax over a fourteen-year period ending 2015.
- *Asset retirement obligation* — This obligation is primarily for Fermi 2 decommissioning costs. The asset captures the timing differences between expense recognition and current recovery in rates and will reverse over the remaining life of the related plant. (1)
- *Deferred income taxes — Michigan Business Tax (MBT)* — In July 2007, the MBT was enacted by the State of Michigan. State deferred tax liabilities were established for the Company's utilities, and offsetting regulatory assets were recorded as the impacts of the deferred tax liabilities will be reflected in rates as the related taxable temporary differences reverse and flow through current income tax expense. (1)
- *Recoverable uncollectible expense* — MichCon and Detroit Edison receivable for the MPSC approved uncollectible expense tracking mechanism that tracks the difference in the fluctuation in uncollectible accounts and amounts recognized pursuant to the MPSC authorization.
- *Cost to achieve Performance Excellence Process (PEP)* — The MPSC authorized the deferral of costs to implement the PEP. These costs consist of employee severance, project management and consultant support. These costs will be amortized over a ten-year period beginning with the year subsequent to the year the costs were deferred. (1)
- *Other recoverable income taxes* — Income taxes receivable from Detroit Edison's customers representing the difference in property-related deferred income taxes receivable and amounts previously reflected in Detroit Edison's rates. This asset will reverse over the remaining life of the related plant. (1)
- *Unamortized loss on reacquired debt* — The unamortized discount, premium and expense related to debt redeemed with a refinancing are deferred, amortized and recovered over the life of the replacement issue. (1)
- *Deferred environmental costs* — The MPSC approved the deferral and recovery of investigation and remediation costs associated with Gas Utility's former MGP sites. This asset is offset in working capital by an environmental liability reserve. The amortization of the regulatory asset is not included in MichCon's current rates because it is offset by the recognition of insurance proceeds. MichCon will request recovery of the remaining asset balance in future rate filings after the recognition of insurance proceeds is complete. (1)

- *Enterprise Business Systems (EBS) costs* — The MPSC approved the deferral and amortization over 10 years beginning in January 2009 of EBS costs that would otherwise be expensed. [(1)]
- *Excess capital expenditures* — PA 141 permits, after MPSC authorization, the recovery of and a return on capital expenditures that exceed a base level of depreciation expense.
- *Deferred Clean Air Act expenditures* — PA 141 permits, after MPSC authorization, the recovery of and a return on Clean Air Act expenditures.
- *Midwest Independent System Operator charges* — PA 141 permits, after MPSC authorization, the recovery of and a return on charges from a regional transmission operator such as the Midwest Independent System Operator.
- *Electric Customer Choice implementation costs* — PA 141 permits, after MPSC authorization, the recovery of and a return on costs incurred associated with the implementation of the electric Customer Choice program.
- *Accrued PSCR revenue* — Receivable for the temporary under-recovery of and a return on fuel and purchased power costs incurred by Detroit Edison which are recoverable through the PSCR mechanism.
- *Accrued GCR revenue* — Receivable for the temporary under-recovery of and a return on gas costs incurred by MichCon which are recoverable through the GCR mechanism.
- *Securitized regulatory assets* — The net book balance of the Fermi 2 nuclear plant was written off in 1998 and an equivalent regulatory asset was established. In 2001, the Fermi 2 regulatory asset and certain other regulatory assets were securitized pursuant to PA 142 and an MPSC order. A non-bypassable securitization bond surcharge recovers the securitized regulatory asset over a fourteen-year period ending in 2015.

---

(1) Regulatory assets not earning a return.

LIABILITIES

- *Asset removal costs* — The amount collected from customers for the funding of future asset removal activities.
- *Deferred income taxes — Michigan Business Tax* — In July 2007, the MBT was enacted by the State of Michigan. State deferred tax assets were established for the Company's utilities, and offsetting regulatory liabilities were recorded as the impacts of the deferred tax assets will be reflected in rates.
- *Pension equalization mechanism* — Pension expense refundable to customers representing the difference created from volatility in the pension obligation and amounts recognized pursuant to MPSC authorization.
- *Negative pension offset* — MichCon's negative pension costs are not included as a reduction to its authorized rates; therefore, the Company is accruing a regulatory liability to eliminate the impact on earnings of the negative pension expense accrued. This regulatory liability will reverse to the extent MichCon's pension expense is positive in future years.
- *Refundable income taxes* — Income taxes refundable to MichCon's customers representing the difference in property-related deferred income taxes payable and amounts recognized pursuant to MPSC authorization.
- *Accrued PSCR refund* — Liability for the temporary over-recovery of and a return on power supply costs and transmission costs incurred by Detroit Edison which are recoverable through the PSCR mechanism.

- *Accrued GCR refund* — Liability for the temporary over-recovery of and a return on gas costs incurred by MichCon which are recoverable through the GCR mechanism.
- *Refundable costs under PA 141* — Detroit Edison's 2007 Choice Incentive Mechanism (CIM) reconciliation and allocation resulted in the elimination of Regulatory Asset Recovery Surcharge (RARS) balances for commercial and industrial customers. RARS revenues received that exceed the regulatory asset balances are required to be refunded to the affected classes.
- *Fermi 2 refueling outage* — Accrued liability for refueling outage at Fermi 2 pursuant to MPSC authorization.
- *Renewable energy* — Amounts collected in rates in excess of renewable energy expenditures.
- *Refundable self implemented rates* — Amounts refundable to customers for base rates implemented from July 26, 2009 to December 31, 2009 in excess of amounts authorized in the January 2010 Detroit Edison MPSC order.
- *Refundable restoration expense* — Amounts refundable for the MPSC approved restoration expenses tracking mechanism that tracks the difference between actual restoration expense and the amount provided for in base rates, recognized pursuant to the MPSC authorization.

2009 Electric Rate Case Filing

On January 11, 2010, the MPSC issued an order in Detroit Edison's January 26, 2009 rate case filing. The MPSC approved an annual revenue increase of $217 million or a 4.8% increase in Detroit Edison's annual revenue requirement for 2010. Included in the approved increase in revenues was a return on equity of 11% on an expected 49% equity and 51% debt capital structure. Since the final rate relief ordered was less than the Company's self-implemented rate increase of $280 million effective on July 26, 2009, the MPSC ordered refunds for the period the self-implemented rates were in effect. Detroit Edison has recorded a refund liability of $27 million at December 31, 2009 representing the 2009 portion of the estimated refund due customers, including interest. The MPSC ordered Detroit Edison to file a refund plan by April 1, 2010.

Other key aspects of the MPSC order include the following:

- Continued progress toward correcting the existing rate structure to more accurately reflect the actual cost of providing service to business customers;
- Continued application of an adjustment mechanism for Electric Choice sales that reconciles actual customer choice sales with a base customer choice sales level of 1,586 GWh;
- Continued application of adjustment mechanisms to track expenses associated with restoration costs (storm and non-storm related expenses) and line clearance expenses. Annual reconciliations will be required using a base expense level of $117 million and $47 million, respectively. The change in base expense level was applied effective as of the July 26, 2009 self-implementation date;
- Implementation of a pilot Revenue Decoupling Mechanism, that will compare actual non-weather normalized sales per customer with the base sales per customer level established in this case for the period February 1, 2010 to January 31, 2011; and
- Implementation of an Uncollectible Expense Tracking Mechanism, based on a $66 million expense level, with an 80/20 percent sharing of the expenses above or below the base amount. The Uncollectible Expenses Tracking Mechanism was applied effective as of the July 26, 2009 self-implementation date.

Renewable Energy Plan

In March 2009, Detroit Edison filed its Renewable Energy Plan with the MPSC as required under 2008 PA 295. The Renewable Energy Plan application requests authority to recover approximately $35 million of additional revenue in 2009. The proposed revenue increase is necessary in order to properly implement Detroit Edison's 20-year renewable energy plan to address the provisions of 2008 PA 295, to deliver cleaner, renewable electric generation to its customers, to further diversify Detroit Edison's and the State of Michigan's sources of electric supply, and to address the state and national goals of increasing energy independence. An MPSC order was issued June 2, 2009 approving the renewable energy plan and customer surcharges. The Renewable Energy Plan surcharges became effective in September 2009.

Energy Optimization Plans

In March 2009, Detroit Edison and MichCon filed Energy Optimization Plans with the MPSC as required under 2008 PA 295. The Energy Optimization Plan applications are designed to help each customer class reduce their electric and gas usage by: (1) building customer awareness of energy efficiency options and (2) offering a diverse set of programs and participation options that result in energy savings for each customer class. Detroit Edison's Energy Optimization Plan application proposed energy optimization expenditures for the period 2009-2011 of $134 million and further requests approval of surcharges that are designed to recover these costs. MichCon's Energy Optimization Plan application proposed energy optimization expenditures for the period 2009-2011 of $55 million and further requests approval of surcharges that are designed to recover these costs. An MPSC order was issued June 2, 2009 approving the Energy Optimization Plans of $117 million and $48 million for Detroit Edison and MichCon, respectively. The surcharges to recover these costs were implemented effective June 3, 2009. An MPSC order was issued September 29, 2009 approving incentive mechanisms for both utilities. The mechanism allows a maximum payout of 15% of program expenditures when the utility meets or exceeds the savings target by 15%.

2009 Detroit Edison Depreciation Filing

In 2007, the MPSC ordered Michigan utilities to file depreciation studies using the current method, an approach that considers the time value of money and an inflation adjusted method proposed by the Company that removes excess escalation. In compliance with the MPSC order, Detroit Edison filed its ordered depreciation studies in November 2009. The various required depreciation studies indicate composite depreciation rates from 3.05% to 3.54%. The Company has proposed no change to its current composite depreciation rate of 3.33%. The Company expects an order in this proceeding in the fourth quarter of 2010.

Power Supply Cost Recovery Proceedings

The PSCR process is designed to allow us to recover all of our power supply costs if incurred under reasonable and prudent policies and practices. Our power supply costs include fuel costs, purchased and net interchange power costs, nitrogen oxide and sulfur dioxide emission allowances costs, transmission costs and MISO costs. The MPSC reviews these costs, policies and practices for prudence in annual plan and reconciliation filings.

2007 Plan Year — An MPSC order was issued on January 25, 2010 approving a 2007 PSCR under collection amount of $38 million inclusive of a $2.7 million outage disallowance and the recovery of this amount as part of the 2008 PSCR reconciliation. In addition, the order approved Detroit Edison's Pension Equalization Mechanism reconciliation and authorized the Company to refund the $21 million over recovery, including interest, to customers in February 2010.

The following table summarizes Detroit Edison's PSCR reconciliation filing currently pending with the MPSC:

PSCR Year	Date Filed	Net Over (Under)-recovery	PSCR Cost of Power Sold	Description of Net Under-recovery
2008	March 2009	$(15.6) million	$1.3 billion	The total amount reflects an under-recovery of $14.8 million, plus $0.8 million in accrued interest due from customers

2009 Plan Year — In September 2008, Detroit Edison submitted its 2009 PSCR plan filing to the MPSC. The plan includes the recovery of its 2008 PSCR under-collection from all customers and the refund of its 2005 PSCR reconciliation surcharge over-collection to commercial and industrial customers only. On June 29, 2009, the parties to this proceeding submitted a Settlement Agreement in this matter agreeing to maximum PSCR factors of 1.67 mills/kWh for residential customers and 1.35 mills/kWh for commercial and industrial customers and otherwise resolving this 2009 PSCR Plan case. An MPSC order was issued on January 25, 2010 approving the settlement.

2010 Plan Year — In September 2009, Detroit Edison submitted its 2010 PSCR plan case seeking approval of a levelized PSCR factor of 5.64 mills/kWh below the amount included in base rates for all PSCR customers. The filing supports a 2010 power supply expense forecast of $1.2 billion. Also included in the filing is a request for approval of the Company's expense associated with the use of urea in the selective catalytic reduction units at Monroe power plant as well as a request for approval of a contract for capacity and energy associated with a wind energy project. The Company has also requested authority to recover transfer prices for renewable energy, coke oven gas expense and other potential expenses.

2009 Gas Rate Case Filing

MichCon filed a general rate case on June 9, 2009 based on a 2008 historical test year. The filing with the MPSC requested a $193 million, or 11.5 percent average increase in MichCon's annual revenues for a 2010 projected test year. The requested $193 million increase in revenues is required to recover the increased costs associated with increased investments in net plant and working capital, the impact of high levels of uncollectible expense and the cost of natural gas theft primarily due to economic conditions in Michigan, sales reductions due to customer conservation and the trend of warmer weather on MichCon's market, and increasing operating costs, largely due to inflation.

In addition, MichCon's filing made, among other requests, the following proposals:

- Implementation of a Lost Gas and Company Use — Expense Tracking Mechanism;
- Continued application of an uncollectible expense tracking mechanism based on a $70 million expense level of uncollectible expenses; and,
- Implementation of a revenue decoupling mechanism. Revenue decoupling is an adjustment mechanism that would provide revenues consistent with the allowed revenue requirement with a periodic adjustment for changes in sales levels.

Pursuant to the October 2008 Michigan legislation, and the settlement in MichCon's last base gas sale case, MichCon self-implemented $170 million of its requested annual increase on January 1, 2010. This increase will remain in place until a final order is issued by the MPSC, which is expected in June 2010. If the final rate case order does not support the self-implemented rate increase, MichCon must refund the difference with interest.

2008 MichCon Depreciation Filing

In 2007, the MPSC ordered Michigan utilities to file depreciation studies using the current method, an approach that considers the time value of money and an inflation adjusted method proposed by the Company that removes excess escalation. In compliance with the MPSC order MichCon filed its ordered depreciation studies in November 2008. The various required depreciation studies indicate composite depreciation rates from 2.07% to 2.55%. The Company has proposed no change to its current composite depreciation rate of 2.97%. The Company expects an order in this proceeding in 2010.

Gas Cost Recovery Proceedings

The GCR process is designed to allow us to recover all of our gas supply costs if incurred under reasonable and prudent policies and practices. The MPSC reviews these costs, policies and practices for prudence in annual plan and reconciliation filings.

The following table summarizes MichCon's GCR reconciliation filing currently pending with the MPSC:

GCR Year	Date Filed	Net Over (Under)-recovery	GCR Cost of Gas Sold	Description of Net Over (Under) Recovery
2008-2009	June 2009	$5.4 million	$1.2 billion	The total amount reflects an overrecovery of $5.9 million, less $0.5 million in accrued interest due from customers

2009-2010 Plan Year — In December 2008, MichCon filed its GCR plan case for the 2009-2010 GCR plan year. The MPSC issued an order in this case on November 12, 2009 authorizing a base gas cost recovery factor of $8.46 per Mcf.

2010-2011 Plan Year — In December 2009, MichCon filed its GCR plan case for the 2010-2011 GCR plan year. MichCon filed for a maximum GCR factor of $7.06 per Mcf, adjustable by a contingent mechanism.

2009 Base Gas Sale — In July 2008, MichCon filed an application with the MPSC requesting permission to sell an additional 4 Bcf of base gas that will become available for sale as a result of better than expected operations at its storage fields. In February 2009, a settlement agreement was filed with the MPSC, which will allow MichCon to sell and retain the profits of 2 Bcf of base gas, with the remaining 2 Bcf to be used for the benefit of GCR customers as colder-than-normal weather protection. An MPSC order was issued March 5, 2009 approving the settlement. MichCon sold 2 Bcf of base gas in December 2009 at a pre-tax gain of $9 million.

2007-2008 Plan Year / Base Gas Sale Consolidated — In August 2006, MichCon filed an application with the MPSC requesting permission to sell base gas that would become accessible with storage facilities upgrades. In August 2007, a settlement agreement in this proceeding was reached by all intervening parties that provided for a sharing with customers of the proceeds from the sale of base gas. In addition, the agreement provided for a rate case filing moratorium until January 1, 2009, unless certain unanticipated changes occur that impact income by more than $5 million. The settlement agreement was approved by the MPSC in August 2007. Under the settlement terms, MichCon delivered 13.4 Bcf of this gas to its customers through 2007 at a savings to market-priced supplies of approximately $41 million. This settlement also provided for MichCon to retain the proceeds from the sale of 3.6 Bcf of base gas, of which MichCon sold

0.75 Bcf of base gas in 2007 at a pre-tax gain of $5 million and 2.84 Bcf in December 2008 at a pre-tax gain of $22 million.

Merger Control Premium Costs

In July 2007, the State of Michigan Court of Appeals published its decision with respect to an appeal by Detroit Edison and others of certain provisions of a November 2004 MPSC order, including reversing the MPSC's denial of recovery of merger control premium costs. In its published decision, the Court of Appeals held that Detroit Edison is entitled to recover its allocated share of the merger control premium and remanded this matter to the MPSC for further proceedings to establish the precise amount and timing of this recovery. In September 2007, the Court of Appeals remanded to the MPSC, for reconsideration, the MichCon recovery of merger control premium costs. Other parties filed requests for leave to appeal to the Michigan Supreme Court from the Court of Appeals decision and in September 2008, the Michigan Supreme Court granted the requests to address the merger control premium as well as the recovery of transmission costs through the PSCR. On May 1, 2009, the Michigan Supreme Court issued an order reversing the Court of Appeals decision with respect to recovery of the merger control premium, and reinstated the MPSC's decision excluding the control premium costs from Detroit Edison's general rates. The Court affirmed the lower court's decision upholding the right of Detroit Edison to recover electric transmission costs through the Company's PSCR clause. The Company requested rehearing of the Supreme Court order on the merger premium and the Michigan Attorney General requested rehearing of the transmission portion of the order. On June 26, 2009, the Michigan Supreme Court denied both requests for rehearing. On September 29, 2009, the MPSC granted MichCon's June 1, 2009 Motion for Commission's Decision and Remand for Control Premium Recovery but denied MichCon's requested rate relief by reaffirming the MPSC's denial of recovery of MichCon's portion of the control premium in MichCon's last rate case. The above actions did not have an impact on the Company's consolidated financial statements.

Other

The Company is unable to predict the outcome of the unresolved regulatory matters discussed herein. Resolution of these matters is dependent upon future MPSC orders and appeals, which may materially impact the financial position, results of operations and cash flows of the Company.

NOTE 13 — INCOME TAXES

Income Tax Summary

The Company files a consolidated federal income tax return. Total income tax expense varied from the statutory federal income tax rate for the following reasons:

	2009	2008	2007
		(in Millions)	
Income before income taxes	**$ 782**	$ 819	$1,155
Income tax expense at 35% statutory rate	**$ 274**	$ 287	$ 404
Production tax credits	**(12)**	(7)	(11)
Investment tax credits	**(7)**	(7)	(8)
Depreciation	**(4)**	(4)	(4)
Employee Stock Ownership Plan dividends	**(5)**	(4)	(5)
Medicare part D subsidy	**(6)**	(5)	(6)
Domestic production activities deduction	**(5)**	(2)	(2)
Goodwill attributed to the sale of Gas Utility subsidiaries	**4**	—	—
Settlement of Federal tax audit	**(11)**	—	—
State and local income taxes, net of federal benefit	**25**	23	2
Other, net	**(6)**	7	(6)
Income tax expense from continuing operations	**$ 247**	$ 288	$ 364
Effective income tax rate	**31.6%**	35.2%	31.5%

Components of income tax expense were as follows:

	2009	2008	2007
		(in Millions)	
Continuing operations			
Current income taxes			
Federal	**$ 25**	$130	$276
State and other income tax expense	**17**	17	1
Total current income taxes	**42**	147	277
Deferred income taxes			
Federal	**182**	121	85
State and other income tax expense	**23**	20	2
Total deferred income taxes	**205**	141	87
Total income taxes from continuing operations	**247**	288	364
Discontinued operations	**—**	12	66
Total	**$247**	$300	$430

Deferred tax assets and liabilities are recognized for the estimated future tax effect of temporary differences between the tax basis of assets or liabilities and the reported amounts in the financial statements. Deferred tax assets and liabilities are classified as current or noncurrent according to the classification of the related assets or liabilities. Deferred tax assets and liabilities not related to assets or liabilities are classified according to the expected reversal date of the temporary differences. Consistent with rate making treatment, deferred taxes are offset in the table below for temporary differences which have related regulatory assets and liabilities.

DTE ENERGY COMPANY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (CONTINUED)

Deferred tax assets (liabilities) were comprised of the following at December 31:

	2009	2008
	(in Millions)	
Property, plant and equipment	**$(1,932)**	$(1,734)
Securitized regulatory assets	**(474)**	(545)
Alternative minimum tax credit carry-forwards	**197**	224
Merger basis differences	**51**	51
Pension and benefits	**17**	33
Other comprehensive income	**75**	81
Derivative assets and liabilities	**59**	109
State net operating loss and credit carry-forwards	**43**	42
Other	**78**	50
	(1,886)	(1,689)
Less valuation allowance	**(43)**	(42)
	$(1,929)	$(1,731)
Current deferred income tax assets	**$ 167**	$ 227
Long-term deferred income tax liabilities	**(2,096)**	(1,958)
	$(1,929)	$(1,731)
Deferred income tax assets	**$ 1,462**	$ 1,406
Deferred income tax liabilities	**(3,391)**	(3,137)
	$(1,929)	$(1,731)

Production tax credits earned in prior years but not utilized totaled $197 million and are carried forward indefinitely as alternative minimum tax credits. The majority of the production tax credits earned, including all of those from our synfuel projects, were generated from projects that had received a private letter ruling (PLR) from the Internal Revenue Service (IRS). These PLRs provide assurance as to the appropriateness of using these credits to offset taxable income, however, these tax credits are subject to IRS audit and adjustment.

The above table excludes deferred tax liabilities associated with unamortized investment tax credits that are shown separately on the Consolidated Statements of Financial Position. Investment tax credits are deferred and amortized to income over the average life of the related property.

The Company has state deferred tax assets related to net operating loss and credit carry-forwards of $43 million and $42 million at December 31, 2009 and 2008, respectively. The state net operating loss and credit carry-forwards expire from 2010 through 2029. The Company has recorded valuation allowances at December 31, 2009 and 2008 of approximately $43 million and $42 million, respectively, a change of $1 million, with respect to these deferred tax assets. In assessing the realizability of deferred tax assets, the Company considers whether it is more likely than not that some portion or all of the deferred tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which those temporary differences become deductible. Based upon the level of historical taxable income and projections for future taxable income over the periods which the deferred tax assets are deductible, the Company believes it is more likely than not that it will realize the benefits of those deductible differences, net of the existing valuation allowance as of December 31, 2009.

Uncertain Tax Positions

A reconciliation of the beginning and ending amount of unrecognized tax benefits is as follows:

	2009	2008	2007
	(in Millions)		
Balance at January 1	**$ 72**	$ 22	$ 45
Additions for tax positions of prior years	**15**	12	4
Reductions for tax positions of prior years	**(5)**	(5)	(8)
Additions for tax positions related to the current year	**7**	47	—
Settlements	**(5)**	(1)	(15)
Lapse of statute of limitations	**(3)**	(3)	(4)
Balance at December 31	**$ 81**	$ 72	$ 22

The Company has $7 million of unrecognized tax benefits at December 31, 2009, that, if recognized, would favorably impact our effective tax rate. During the next twelve months, it is reasonably possible that the Company will settle certain state tax examinations and audits. Furthermore, during the next twelve months, statutes of limitations will expire for the Company's tax returns in various states. Therefore, as of December 31, 2009, the Company believes that it is reasonably possible that there will be a decrease in unrecognized tax benefits of up to $2 million within the next twelve months.

The Company recognizes interest and penalties pertaining to income taxes in Interest expense and Other expenses, respectively, on its Consolidated Statements of Operations. Accrued interest pertaining to income taxes totaled $6 million and $8 million at December 31, 2009 and December 31, 2008, respectively. The Company had no accrued penalties pertaining to income taxes. The Company recognized interest expense related to income taxes of $(2) million, $2 million and $1 million in 2009, 2008 and 2007, respectively.

In 2009, the Company settled a federal tax audit for the 2004 through 2006 tax years, which resulted in the recognition of $9 million of unrecognized tax benefits. The Company's U.S. federal income tax returns for years 2007 and subsequent years remain subject to examination by the IRS. The Company's Michigan Business Tax for the year 2008 is subject to examination by the State of Michigan. The Company also files tax returns in numerous state and local jurisdictions with varying statutes of limitation.

Michigan Business Tax

In July 2007, the Michigan Business Tax (MBT) was enacted by the State of Michigan to replace the Michigan Single Business Tax (MSBT) effective January 1, 2008. The MBT is comprised of an apportioned modified gross receipts tax of 0.8 percent; and an apportioned business income tax of 4.95 percent. The MBT provides credits for Michigan business investment, compensation, and research and development. Legislation was also enacted, in 2007, by the State of Michigan creating a deduction for businesses that realize an increase in their deferred tax liability due to the enactment of the MBT. The MBT is accounted for as an income tax.

The MBT consolidated deferred tax liability balance is $357 million as of December 31, 2009 and is reported net of the related federal tax benefit. The MBT deferred tax asset balance is $331 million as of December 31, 2009 and is reported net of the related federal deferred tax liability. The utilities' regulatory asset balance is $407 million and the regulatory liability balance is $423 million as of December 31, 2009 and is further discussed in Note 12.

NOTE 14 — COMMON STOCK

Common Stock

In May 2007, The DTE Energy Board of Directors authorized the repurchase of up to $850 million of common stock through 2009. During 2009, no repurchases of common stock were made under this authorization that expired on December 31, 2009.

Under the DTE Energy Company Long-Term Incentive Plan, the Company grants non-vested stock awards to key employees, primarily management. As a result of a stock award, a settlement of an award of performance shares, or by exercise of a participant's stock option, the Company may deliver common stock from the Company's authorized but unissued common stock and/or from outstanding common stock acquired by or on behalf of the Company in the name of the participant.

Dividends

Certain of the Company's credit facilities contain a provision requiring the Company to maintain a total funded debt to capitalization ratio, as defined in the agreements, of no more than 0.65 to 1, which has the effect of limiting the amount of dividends the Company can pay in order to maintain compliance with this provision. The effect of this provision as of December 31, 2009 was to restrict the payment of approximately $268 million of total retained earnings of approximately $3.2 billion. There are no other effective limitations with respect to the Company's ability to pay dividends.

NOTE 15 — EARNINGS PER SHARE

The Company reports both basic and diluted earnings per share. The calculation of diluted earnings per share assumes the issuance of potentially dilutive common shares outstanding during the period from the exercise of stock options. Effective January 1, 2009, the adoption of new accounting requirements clarifying the definition of participating securities to be included in the earnings per share calculation had the effect of reducing previously reported 2008 amounts for basic and diluted earnings per share by $.03 and $.02, respectively. The corresponding reduction in 2007 for basic and diluted earnings per share was $.03 and $.01, respectively. A reconciliation of both calculations is presented in the following table as of December 31:

	2009	2008	2007
	(in Millions, except per share amounts)		
Basic Earnings per Share			
Net income attributable to DTE Energy Company	**$ 532**	$ 546	$ 971
Average number of common shares outstanding	**164**	163	170
Weighted average net restricted shares outstanding	**1**	1	1
Dividends declared — common shares	**$ 347**	$ 344	$ 356
Dividends declared — net restricted shares	**$ 2**	$ 2	$ 2
Total distributed earnings	**$ 349**	$ 346	$ 358
Net income less distributed earnings	**$ 183**	$ 200	$ 613
Distributed (dividends per common share)	**$2.12**	$2.12	$2.12
Undistributed	**1.12**	1.22	3.58
Total Basic Earnings per Common Share	**$3.24**	$3.34	$5.70
Diluted Earnings per Share			
Net income attributable to DTE Energy Company	**$ 532**	$ 546	$ 971
Average number of common shares outstanding	**164**	163	170
Average incremental shares from assumed exercise of options	**—**	—	1
Common shares for dilutive calculation	**164**	163	171
Weighted average net restricted shares outstanding	**1**	1	1
Dividends declared — common shares	**$ 347**	$ 344	$ 356
Dividends declared — net restricted shares	**$ 2**	$ 2	$ 2
Total distributed earnings	**$ 349**	$ 346	$ 358
Net income less distributed earnings	**$ 183**	$ 200	$ 613
Distributed (dividends per common share)	**$2.12**	$2.12	$2.12
Undistributed	**1.12**	1.22	3.57
Total Diluted Earnings per Common Share	**$3.24**	$3.34	$5.69

Options to purchase approximately 4 million shares, 5 million shares and 2,100 shares of common stock in 2009, 2008 and 2007, respectively, were not included in the computation of diluted earnings per share because the options' exercise price was greater than the average market price of the common shares, thus making these options anti-dilutive.

NOTE 16 — LONG-TERM DEBT

Long-Term Debt

The Company's long-term debt outstanding and weighted average interest rates (1) of debt outstanding at December 31 were:

	2009	2008
	(in Millions)	
Mortgage bonds, notes, and other		
DTE Energy Debt, Unsecured		
6.7% due 2010 to 2033	**$1,597**	$1,497
Detroit Edison Taxable Debt, Principally Secured		
5.9% due 2010 to 2038	**2,829**	2,841
Detroit Edison Tax-Exempt Revenue Bonds(2)		
5.5% due 2011 to 2036	**1,263**	1,263
MichCon Taxable Debt, Principally Secured		
6.1% due 2012 to 2033	**889**	889
Other Long-Term Debt, Including Non-Recourse Debt	**180**	188
	6,758	6,678
Less amount due within one year	**(521)**	(220)
	$6,237	$6,458
Securitization bonds		
6.4% due 2010 to 2015	**$ 933**	$1,064
Less amount due within one year	**(140)**	(132)
	$ 793	$ 932
Trust preferred-linked securities		
7.8% due 2032	**$ 186**	$ 186
7.5% due 2044	**103**	103
	$ 289	$ 289

(1) Weighted average interest rates as of December 31, 2009 are shown below the description of each category of debt.

(2) Detroit Edison Tax-Exempt Revenue Bonds are issued by a public body that loans the proceeds to Detroit Edison on terms substantially mirroring the Revenue Bonds.

Debt Issuances

In 2009, the Company issued or remarketed the following long-term debt:

Company	Month Issued	Type	Interest Rate	Maturity	Amount (in Millions)
Detroit Edison	April	Tax-Exempt Revenue Bonds(1)	6.00%	2036	$ 69
DTE Energy	May	Senior Notes(2)	7.625%	2014	300
Detroit Edison	June	Tax-Exempt Revenue Bonds(3)	5.625%	2020	32
Detroit Edison	June	Tax-Exempt Revenue Bonds(4)	5.25%	2029	60
Detroit Edison	June	Tax-Exempt Revenue Bonds(5)	5.50%	2029	59
Detroit Edison	November	Tax-Exempt Revenue Bonds(6)	3.05%	2024	65
					$ 585

(1) Proceeds were used to refund existing Tax-Exempt Revenue Bonds.

(2) Proceeds were used to repay short-term borrowings.

(3) These Tax-Exempt Revenue Bonds were converted from a variable rate mode and remarketed in a fixed rate mode to maturity.

(4) These Tax-Exempt Revenue Bonds were converted from a variable rate mode and remarketed in a fixed rate mode with a five-year mandatory put.

(5) These Tax-Exempt Revenue Bonds were converted from a variable rate mode and remarketed in a fixed rate mode with a seven-year mandatory put.

(6) These Tax-Exempt Revenue Bonds were issued in a fixed rate mode with a three-year mandatory put. Proceeds were used to refund existing Tax-Exempt Revenue Bonds.

Debt Retirements and Redemptions

In 2009, the following debt was retired, through optional redemption or payment at maturity:

Company	Month Retired	Type	Interest Rate	Maturity	Amount (in Millions)
Detroit Edison	April	Tax-Exempt Revenue Bonds(1)	Variable	2036	$ 69
DTE Energy	April	Senior Notes	6.65%	2009	200
Detroit Edison	December	Tax-Exempt Revenue Bonds(1)	6.40%	2024	65
					$ 334

(1) These Tax-Exempt Revenue Bonds were redeemed with the proceeds from the issuance of new Detroit Edison Tax-Exempt Revenue Bonds.

The following table shows the scheduled debt maturities, excluding any unamortized discount or premium on debt:

	2010	2011	2012	2013	2014	2015 and Thereafter	Total
				(in Millions)			
Amount to mature	$661	$914	$517	$560	$927	$4,409	$7,988

Trust Preferred-Linked Securities

DTE Energy has interests in various unconsolidated trusts that were formed for the sole purpose of issuing preferred securities and lending the gross proceeds to the Company. The sole assets of the trusts are debt securities of DTE Energy with terms similar to those of the related preferred securities. Payments the Company makes are used by the trusts to make cash distributions on the preferred securities it has issued.

The Company has the right to extend interest payment periods on the debt securities. Should the Company exercise this right, it cannot declare or pay dividends on, or redeem, purchase or acquire, any of its capital stock during the deferral period.

DTE Energy has issued certain guarantees with respect to payments on the preferred securities. These guarantees, when taken together with the Company's obligations under the debt securities and related indenture, provide full and unconditional guarantees of the trusts' obligations under the preferred securities.

Financing costs for these issuances were paid for and deferred by DTE Energy. These costs are being amortized using the straight-line method over the estimated lives of the related securities.

Cross Default Provisions

Substantially all of the net utility properties of Detroit Edison and MichCon are subject to the lien of mortgages. Should Detroit Edison or MichCon fail to timely pay their indebtedness under these mortgages, such failure may create cross defaults in the indebtedness of DTE Energy.

NOTE 17 — PREFERRED AND PREFERENCE SECURITIES

As of December 31, 2009, the amount of authorized and unissued stock is as follows:

Company	Type of Stock	Par Value	Shares Authorized
DTE Energy	Preferred	None	5,000,000
Detroit Edison	Preferred	$ 100	6,747,484
Detroit Edison	Preference	$ 1	30,000,000
MichCon	Preferred	$ 1	7,000,000
MichCon	Preference	$ 1	4,000,000

NOTE 18 — SHORT-TERM CREDIT ARRANGEMENTS AND BORROWINGS

DTE Energy and its wholly-owned subsidiaries, Detroit Edison and MichCon, have entered into revolving credit facilities with similar terms. The five-year and two-year revolving credit facilities are with a syndicate of 22 banks and may be used for general corporate borrowings, but are intended to provide liquidity support for each of the companies' commercial paper programs. No one bank provides more than 8.5% of the commitment in any facility. Borrowings under the facilities are available at prevailing short-term interest rates. Additionally, DTE Energy has other facilities to support letter of credit issuance. The above agreements require the Company to maintain a total funded debt to capitalization ratio, as defined in the agreements, of no more than 0.65 to 1. At December 31, 2009, the debt to total capitalization ratios for DTE Energy, Detroit Edison and MichCon are 0.51 to 1, 0.52 to 1 and 0.49 to 1, respectively, and are in compliance with this financial covenant. The availability under these combined facilities at December 31, 2009 is shown in the following table:

	DTE Energy	Detroit Edison	MichCon	Total
	(in Millions)			
Five-year unsecured revolving facility, expiring October 2010	$ 675	$ 69	$ 181	$ 925
Two-year unsecured revolving facility, expiring April 2011	538	212	250	1,000
One-year unsecured letter of credit facility, expiring in June 2010	70	—	—	70
Two-year unsecured letter of credit facility, expiring in May 2011	50	—	—	50
Total credit facilities at December 31, 2009	1,333	281	431	2,045
Amounts outstanding at December 31, 2009:				
Commercial paper issuances	—	—	327	327
Letters of credit	206	—	—	206
	206	—	327	533
Net availability at December 31, 2009	$1,127	$ 281	$ 104	$1,512

The Company has other outstanding letters of credit which are not included in the above described facilities totaling approximately $16 million which are used for various corporate purposes.

The weighted average interest rate for short-term borrowings was 0.7% and 3.9% at December 31, 2009 and 2008, respectively.

In April 2009, the Company completed an early renewal of $975 million of its syndicated revolving credit facilities before their scheduled expiration in October 2009. The new $1 billion two-year facility will expire in April 2011 and has similar covenants to the prior facility. A new two-year $50 million credit facility was completed in May 2009 and a new one-year $70 million facility was completed in June 2009.

In conjunction with maintaining certain exchange traded risk management positions, the Company may be required to post cash collateral with its clearing agent. The Company has a demand financing agreement for up to $120 million with its clearing agent which was increased from $50 million in June 2009. The amount outstanding under this agreement was $1 million and $26 million at December 31, 2009 and 2008, respectively.

NOTE 19 — CAPITAL AND OPERATING LEASES

Lessee — The Company leases various assets under capital and operating leases, including coal railcars, office buildings, a warehouse, computers, vehicles and other equipment. The lease arrangements expire at various dates through 2031. Future minimum lease payments under non-cancelable leases at December 31, 2009 were:

	Capital Leases	Operating Leases
	(in Millions)	
2010	$ 14	$ 33
2011	12	29
2012	9	25
2013	9	21
2014	9	17
Thereafter	23	83
Total minimum lease payments	76	$ 208
Less imputed interest	15	
Present value of net minimum lease payments	61	
Less current portion	10	
Non-current portion	$ 51	

Rental expense for operating leases was $58 million in 2009, $49 million in 2008, and $60 million in 2007.

Lessor — MichCon leases a portion of its pipeline system to the Vector Pipeline through a capital lease contract that expires in 2020, with renewal options extending for five years. We own a 40% interest in the Vector Pipeline. The components of the net investment in the capital lease at December 31, 2009, were as follows:

	(in Millions)
2010	$ 9
2011	9
2012	9
2013	9
2014	9
Thereafter	53
Total minimum future lease receipts	98
Residual value of leased pipeline	40
Less unearned income	63
Net investment in capital lease	75
Less current portion	2
	$ 73

NOTE 20 — COMMITMENTS AND CONTINGENCIES

Environmental

Electric Utility

Air — Detroit Edison is subject to EPA ozone transport and acid rain regulations that limit power plant emissions of sulfur dioxide and nitrogen oxides. Since 2005, EPA and the State of Michigan have issued additional emission reduction regulations relating to ozone, fine particulate, regional haze and mercury air pollution. The new rules will lead to additional controls on fossil-fueled power plants to reduce nitrogen oxide, sulfur dioxide and mercury emissions. To comply with these requirements, Detroit Edison has spent approximately $1.5 billion through 2009. The Company estimates Detroit Edison will make future undiscounted capital expenditures of up to $73 million in 2010 and up to $2.2 billion of additional capital expenditures through 2019 based on current regulations. Further, additional rulemakings are expected over the next few years which could require additional controls for sulfur dioxide, nitrogen oxides and hazardous air pollutants. It is not possible to quantify the impact of those expected rulemakings at this time.

In July 2009, DTE Energy received a Notice of Violation/Finding of Violation (NOV/FOV) from the EPA alleging, among other things, that five Detroit Edison power plants violated New Source Performance standards, Prevention of Significant Deterioration requirements, and Title V operating permit requirements under the Clean Air Act. We believe that the plants identified by the EPA have complied with applicable regulations. Depending upon the outcome of our discussions with the EPA regarding the NOV/FOV, the EPA could bring legal action against Detroit Edison. We could also be required to install additional pollution control equipment at some or all of the power plants in question, engage in Supplemental Environmental Programs, and/or pay fines. We cannot predict the financial impact or outcome of this matter, or the timing of its resolution.

Water — In response to an EPA regulation, Detroit Edison is required to examine alternatives for reducing the environmental impacts of the cooling water intake structures at several of its facilities. Based on the results of completed studies and expected future studies, Detroit Edison may be required to install additional control technologies to reduce the impacts of the water intakes. Initially, it was estimated that Detroit Edison could incur up to approximately $55 million over the four to six years subsequent to 2008 in additional capital expenditures to comply with these requirements. However, a January 2007 circuit court decision remanded back to the EPA several provisions of the federal regulation that may result in a delay in compliance dates. The decision also raised the possibility that Detroit Edison may have to install cooling towers at some facilities at a cost substantially greater than was initially estimated for other mitigative technologies. In 2008, the Supreme Court agreed to review the remanded cost-benefit analysis provision of the rule and in April 2009 upheld EPA's use of this provision in determining best technology available for reducing environmental impacts. Concurrently, the EPA continues to develop a revised rule, a draft of which is expected to be published by summer 2010. The EPA has also proposed an information collection request to begin a review of steam electric effluent guidelines. It is not possible at this time to quantify the impacts of these developing requirements.

Contaminated Sites — Detroit Edison conducted remedial investigations at contaminated sites, including three former manufactured gas plant (MGP) sites. The investigations have revealed contamination related to the by-products of gas manufacturing at each site. In addition to the MGP sites, the Company is also in the process of cleaning up other contaminated sites, including the area surrounding an ash landfill, electrical distribution substations, and underground and aboveground storage tank locations. The findings of these investigations indicated that the estimated cost to remediate these sites is expected to be incurred over the next several years. At December 31, 2009 and 2008, the Company had $9 million and $12 million, respectively, accrued for remediation.

Landfill — Detroit Edison owns and operates a permitted engineered ash storage facility at the Monroe Power Plant to dispose of fly ash from the coal fired power plant. Detroit Edison performed an engineering analysis in 2009 and identified the need for embankment side slope repairs and reconstruction.

Gas Utility

Contaminated Sites — Prior to the construction of major interstate natural gas pipelines, gas for heating and other uses was manufactured locally from processes involving coal, coke or oil. Gas Utility owns, or previously owned, 15 such former MGP sites. Investigations have revealed contamination related to the by-products of gas manufacturing at each site. In addition to the MGP sites, the Company is also in the process of cleaning up other contaminated sites. Cleanup activities associated with these sites will be conducted over the next several years.

The MPSC has established a cost deferral and rate recovery mechanism for investigation and remediation costs incurred at former MGP sites. Accordingly, Gas Utility recognizes a liability and corresponding regulatory asset for estimated investigation and remediation costs at former MGP sites. During 2009, the Company spent approximately $1 million investigating and remediating these former MGP sites. As of December 31, 2009 and 2008, the Company had $36 million and $38 million, respectively, accrued for remediation.

Any significant change in assumptions, such as remediation techniques, nature and extent of contamination and regulatory requirements, could impact the estimate of remedial action costs for the sites and affect the Company's financial position and cash flows. However, the Company anticipates the cost deferral and rate recovery mechanism approved by the MPSC will prevent environmental costs from having a material adverse impact on our results of operations.

Non-Utility

The Company's non-utility affiliates are subject to a number of environmental laws and regulations dealing with the protection of the environment from various pollutants. The Michigan coke battery facility received and responded to information requests from the EPA resulting in the issuance of a notice of violation regarding potential maximum achievable control technologies and new source review violations. The EPA is in the process of reviewing the Company's position of demonstrated compliance and has not initiated escalated enforcement. At this time, the Company cannot predict the impact of this issue. Furthermore, the Company is in the process of settling historical air violations at its coke battery facility located in Pennsylvania. At this time, we cannot predict the impact of this settlement. The Company is investigating wastewater treatment technology upgrades for the coke battery facility located in Pennsylvania. This investigation may result in capital expenditures to meet regulatory requirements. The Company's non-utility affiliates are substantially in compliance with all environmental requirements, other than as noted above.

Other

In February 2008, DTE Energy was named as one of approximately 24 defendant oil, power and coal companies in a lawsuit filed in a United States District Court. DTE Energy was served with process in March 2008. The plaintiffs, the Native Village of Kivalina and City of Kivalina, which are home to approximately 400 people in Alaska, claim that the defendants' business activities have contributed to global warming and, as a result, higher temperatures are damaging the local economy and leaving the island more vulnerable to storm activity in the fall and winter. As a result, the plaintiffs are seeking damages of up to $400 million for relocation costs associated with moving the village to a safer location, as well as unspecified attorney's fees and expenses. On October 15, 2009, the U.S. District Court granted defendants' motions dismissing all of plaintiffs' federal claims in the case on two independent grounds: (1) the court lacks subject matter jurisdiction to hear the claims because of the political question doctrine; and (2) plaintiffs lack standing to bring their claims. The court also dismissed plaintiffs' state law claims because the court lacked supplemental jurisdiction over them after it dismissed the federal claims; the dismissal of the state law claims was without prejudice. The plaintiffs have appealed to the U.S. Court of Appeals for the Ninth Circuit.

Nuclear Operations

Property Insurance

Detroit Edison maintains several different types of property insurance policies specifically for the Fermi 2 plant. These policies cover such items as replacement power and property damage. The Nuclear Electric Insurance Limited (NEIL) is the primary supplier of the insurance policies.

Detroit Edison maintains a policy for extra expenses, including replacement power costs necessitated by Fermi 2's unavailability due to an insured event. This policy has a 12-week waiting period and provides an aggregate $490 million of coverage over a three-year period.

Detroit Edison has $500 million in primary coverage and $2.25 billion of excess coverage for stabilization, decontamination, debris removal, repair and/or replacement of property and decommissioning. The combined coverage limit for total property damage is $2.75 billion.

In 2007, the Terrorism Risk Insurance Extension Act of 2005 (TRIA) was extended through December 31, 2014. A major change in the extension is the inclusion of "domestic" acts of terrorism in the definition of covered or "certified" acts. For multiple terrorism losses caused by acts of terrorism not covered under the TRIA occurring within one year after the first loss from terrorism, the NEIL policies would make available to all insured entities up to $3.2 billion, plus any amounts recovered from reinsurance, government indemnity, or other sources to cover losses.

Under the NEIL policies, Detroit Edison could be liable for maximum assessments of up to approximately $28 million per event if the loss associated with any one event at any nuclear plant in the United States should exceed the accumulated funds available to NEIL.

Public Liability Insurance

As of January 1, 2010, as required by federal law, Detroit Edison maintains $375 million of public liability insurance for a nuclear incident. For liabilities arising from a terrorist act outside the scope of TRIA, the policy is subject to one industry aggregate limit of $300 million. Further, under the Price-Anderson Amendments Act of 2005, deferred premium charges up to $117.5 million could be levied against each licensed nuclear facility, but not more than $17.5 million per year per facility. Thus, deferred premium charges could be levied against all owners of licensed nuclear facilities in the event of a nuclear incident at any of these facilities.

Nuclear Fuel Disposal Costs

In accordance with the Federal Nuclear Waste Policy Act of 1982, Detroit Edison has a contract with the U.S. Department of Energy (DOE) for the future storage and disposal of spent nuclear fuel from Fermi 2. Detroit Edison is obligated to pay the DOE a fee of 1 mill per kWh of Fermi 2 electricity generated and sold. The fee is a component of nuclear fuel expense. Delays have occurred in the DOE's program for the acceptance and disposal of spent nuclear fuel at a permanent repository and the proposed fiscal year 2011 federal budget recommends termination of funding for completion of the government's long-term storage facility. Detroit Edison is a party in the litigation against the DOE for both past and future costs associated with the DOE's failure to accept spent nuclear fuel under the timetable set forth in the Federal Nuclear Waste Policy Act of 1982. Detroit Edison currently employs a spent nuclear fuel storage strategy utilizing a fuel pool. We have begun work on an on-site dry cask storage facility which is expected to provide sufficient storage capability for the life of the plant as defined by the original operating license. Issues relating to long-term waste disposal policy and to the disposition of funds contributed by Detroit Edison ratepayers to the federal waste fund await future governmental action.

Guarantees

In certain limited circumstances, the Company enters into contractual guarantees. The Company may guarantee another entity's obligation in the event it fails to perform. The Company may provide guarantees in certain indemnification agreements. Finally, the Company may provide indirect guarantees for the indebtedness of others. Below are the details of specific material guarantees the Company currently provides.

Millennium Pipeline Project Guarantee

The Company owns a 26 percent equity interest in the Millennium Pipeline Project (Millennium). Millennium is accounted for under the equity method. Millennium began commercial operations in December 2008. In August 29, 2007, Millennium entered into a borrowing facility to finance the construction costs of the project. The total facility amounts to $800 million and is guaranteed by the project partners, based upon their respective ownership percentages. The facility expires on August 29, 2010 and was fully drawn as of December 31, 2009. Millennium anticipates refinancing its $800 million borrowing facility with a long-term financing non-recourse to the Company. The Company expects to make an additional equity contribution to Millennium in conjunction with the refinancing. The actual amount of the Company's equity contribution will depend on the amount of the net proceeds from the long-term financing.

The Company has agreed to guarantee 26 percent of the borrowing facility and in the event of default by Millennium the maximum potential amount of future payments under this guarantee is approximately $210 million. The guarantee includes DTE Energy's revolving credit facility's covenant and default provisions by reference. Related to this facility, the Company has also agreed to guarantee 26 percent of Millennium's forward-starting interest rate swaps with a notional amount of $420 million. The Company's exposure on the forward-starting interest rate swaps varies with changes in Treasury rates and credit swap spreads and was approximately $10 million at December 31, 2009. Because the Company is unable to accurately anticipate changes in Treasury rates and credit swap spreads, it is unable to estimate its maximum exposure under its share of Millennium's forward-starting interest rate swaps. An incremental 0.25 percent decrease in the forward interest rate swap rates will increase its exposure by approximately $3 million. There are no recourse provisions or collateral that would enable the Company to recover any amounts paid under the guarantees, other than its share of project assets.

Other Guarantees

Detroit Edison has guaranteed a bank term loan of $11 million related to the sale of its steam heating business to Thermal Ventures II, L.P. At December 31, 2009, the Company has reserves for the entire amount of the bank loan guarantee.

The Company's other guarantees are not individually material with maximum potential payments totaling $10 million at December 31, 2009.

The Company is periodically required to obtain performance surety bonds in support of obligations to various governmental entities and other companies in connection with its operations. As of December 31, 2009, the Company had approximately $12 million of performance bonds outstanding. In the event that such bonds are called for nonperformance, the Company would be obligated to reimburse the issuer of the performance bond. The Company is released from the performance bonds as the contractual performance is completed and does not believe that a material amount of any currently outstanding performance bonds will be called.

Labor Contracts

There are several bargaining units for the Company's union employees. The majority of our union employees are under contracts that expire in June and October 2010 and August 2012.

Purchase Commitments

As of December 31, 2009, the Company was party to numerous long-term purchase commitments relating to a variety of goods and services required for the Company's business. These agreements primarily consist of fuel supply commitments and energy trading contracts. The Company estimates that these commitments will be approximately $5 billion from 2010 through 2051. The Company also estimates that 2010 capital expenditures will be approximately $1.4 billion. The Company has made certain commitments in connection with expected capital expenditures.

Bankruptcies

The Company purchases and sells electricity, gas, coal, coke and other energy products from and to numerous companies operating in the steel, automotive, energy, retail, financial and other industries. Certain of its customers have filed for bankruptcy protection under Chapter 11 of the U.S. Bankruptcy Code. The Company regularly reviews contingent matters relating to these customers and its purchase and sale contracts and records provisions for amounts considered at risk of probable loss. The Company believes its accrued amounts are adequate for probable loss. The final resolution of these matters may have a material effect on its consolidated financial statements.

The Company's utilities and certain non-utility businesses provide services to the domestic automotive industry, including General Motors Corporation (GM), Ford Motor Company (Ford) and Chrysler LLC (Chrysler) and many of their vendors and suppliers. Chrysler filed for bankruptcy protection on April 30, 2009. We have reserved approximately $9 million of pre-petition accounts receivable related to Chrysler as of December 31, 2009. GM filed for bankruptcy protection on June 1, 2009. We have reserved or written off approximately $5 million of pre-petition accounts and notes receivable related to GM as of December 31, 2009.

Other Contingencies

The Company is involved in certain other legal, regulatory, administrative and environmental proceedings before various courts, arbitration panels and governmental agencies concerning claims arising in the ordinary course of business. These proceedings include certain contract disputes, additional environmental reviews and investigations, audits, inquiries from various regulators, and pending judicial matters. The Company cannot predict the final disposition of such proceedings. The Company regularly reviews legal matters and records provisions for claims that it can estimate and are considered probable of loss. The resolution of these pending proceedings is not expected to have a material effect on the Company's operations or financial statements in the periods they are resolved.

See Notes 5 and 12 for a discussion of contingencies related to derivatives and regulatory matters.

NOTE 21 — RETIREMENT BENEFITS AND TRUSTEED ASSETS

Measurement Date

In 2008, we changed the measurement date of our pension and postretirement benefit plans from November 30 to December 31. As a result, we recognized adjustments of $17 million ($9 million after-tax) and $4 million to retained earnings and regulatory liabilities, respectively, which represents approximately one month of pension and other postretirement benefit costs for the period from December 1, 2007 to December 31, 2008. All amounts and balances reported in the following tables as of December 31, 2009 and December 31, 2008 are based on measurement dates of December 31, 2009 and December 31, 2008, respectively.

Pension Plan Benefits

The Company has qualified defined benefit retirement plans for eligible represented and non-represented employees. The plans are noncontributory and cover substantially all employees. The plans provide traditional retirement benefits based on the employees' years of benefit service, average final compensation and age at retirement. In addition, certain represented and non-represented employees are covered under cash balance provisions that determine benefits on annual employer contributions and interest credits. The Company also maintains supplemental nonqualified, noncontributory, retirement benefit plans for selected management employees. These plans provide for benefits that supplement those provided by DTE Energy's other retirement plans.

The Company's policy is to fund pension costs by contributing amounts consistent with the Pension Protection Act of 2006 provisions and additional amounts when it deems appropriate. The Company anticipates making up to a $200 million contribution to its pension plans in 2010.

Net pension cost includes the following components:

	Pension Plans		
	2009	2008	2007
		(in Millions)	
Service cost	**$ 52**	$ 55	$ 62
Interest cost	**203**	190	178
Expected return on plan assets	**(255)**	(259)	(237)
Amortization of:			
Net actuarial loss	**52**	32	59
Prior service cost	**6**	6	6
Special termination benefits	**—**	—	8
Net pension cost	**$ 58**	$ 24	$ 76

Special termination benefits in the above tables represent costs associated with our Performance Excellence Process.

	Pension Plans	
	2009	2008
	(in Millions)	
Other changes in plan assets and benefit obligations recognized in other comprehensive income and regulatory assets		
Net actuarial loss	**$216**	$1,061
Amortization of net actuarial loss	**(52)**	(32)
Prior service cost	—	13
Amortization of prior service cost	**(6)**	(6)
Total recognized in other comprehensive income and regulatory assets	**$158**	$1,036
Total recognized in net periodic pension cost, Other comprehensive income and regulatory assets	**$216**	$1,060
Estimated amounts to be amortized from accumulated other comprehensive income and regulatory assets into net periodic benefit cost during next fiscal year		
Net actuarial loss	**$100**	$ 52
Prior service cost	**4**	5

The following table reconciles the obligations, assets and funded status of the plans as well as the amounts recognized as prepaid pension cost or pension liability in the Consolidated Statements of Financial Position at December 31:

	Pension Plans	
	2009	2008
	(in Millions)	
Accumulated benefit obligation, end of year	**$3,193**	$2,828
Change in projected benefit obligation		
Projected benefit obligation, beginning of year	**$3,032**	$3,050
December 2007 benefit payments	—	(19)
Service cost	**52**	55
Interest cost	**203**	191
Actuarial (gain) loss	**351**	(79)
Benefits paid	**(202)**	(201)
Measurement date change	—	22
Plan amendments	—	13
Projected benefit obligation, end of year	**$3,436**	$3,032
Change in plan assets		
Plan assets at fair value, beginning of year	**$2,155**	$2,980
December 2007 contributions	—	150
December 2007 payments	—	(18)
Actual return on plan assets	**390**	(884)
Company contributions	**206**	106
Measurement date change	—	22
Benefits paid	**(202)**	(201)
Plan assets at fair value, end of year	**$2,549**	$2,155
Funded status of the plans	**$ (887)**	$ (877)
Amount recorded as:		
Current liabilities	**$ (6)**	$ (6)
Noncurrent liabilities	**(881)**	(871)
	$ (887)	$ (877)
Amounts recognized in Accumulated other comprehensive loss, pre-tax		
Net actuarial loss	**$ 196**	$ 204
Prior service (credit)	**(5)**	(6)
	$ 191	$ 198
Amounts recognized in regulatory assets (see Note 12)		
Net actuarial loss	**$1,653**	$1,482
Prior service cost	**17**	23
	$1,670	$1,505

Assumptions used in determining the projected benefit obligation and net pension costs are listed below:

	2009	2008	2007
Projected benefit obligation			
Discount rate	**5.90%**	6.90%	6.50%
Rate of compensation increase	**4.00%**	4.00%	4.00%
Net pension costs			
Discount rate	**6.90%**	6.50%	5.70%
Rate of compensation increase	**4.00%**	4.00%	4.00%
Expected long-term rate of return on plan assets	**8.75%**	8.75%	8.75%

The Company employs a formal process in determining the long-term rate of return for various asset classes. Management reviews historic financial market risks and returns and long-term historic relationships between the asset classes of equities, fixed income and other assets, consistent with the widely accepted capital market principle that asset classes with higher volatility generate a greater return over the long-term. Current market factors such as inflation, interest rates, asset class risks and asset class returns are evaluated and considered before long-term capital market assumptions are determined. The long-term portfolio return is also established employing a consistent formal process, with due consideration of diversification, active investment management and rebalancing. Peer data is reviewed to check for reasonableness.

At December 31, 2009, the benefits related to the Company's qualified and nonqualified pension plans expected be paid in each of the next five years and in the aggregate for the five fiscal years thereafter are as follows:

	(in Millions)
2010	**$ 205**
2011	**210**
2012	**214**
2013	**222**
2014	**228**
2015 - 2019	**1,250**
	$ 2,329

The Company employs a total return investment approach whereby a mix of equities, fixed income and other investments are used to maximize the long-term return on plan assets consistent with prudent levels of risk, with consideration given to the liquidity needs of the plan. The intent of this strategy is to minimize plan expenses over the long-term. Risk tolerance is established through consideration of future plan cash flows, plan funded status, and corporate financial considerations. The investment portfolio contains a diversified blend of equity, fixed income and other investments. Furthermore, equity investments are diversified across U.S. and non-U.S. stocks, growth and value investment styles, and large and small market capitalizations. Fixed income securities generally include corporate bonds of companies from diversified industries, mortgage-backed securities, and U.S. Treasuries. Other assets such as private equity and hedge funds are used to enhance long-term returns while improving portfolio diversification. Derivatives may be utilized in a risk controlled manner, to potentially increase the portfolio beyond the market value of invested assets and reduce portfolio investment risk. Investment risk is measured and monitored on an ongoing basis through annual liability measurements, periodic asset/liability studies, and quarterly investment portfolio reviews.

Target allocations for plan assets as of December 31, 2009 are listed below:

U.S. Large Cap Equity Securities	**25%**
U.S. Small Cap and Mid Cap Equity Securities	**6**
Non U.S. Equity Securities	**14**
Fixed Income Securities	**26**
Hedge Funds and Similar Investments	**20**
Private Equity and Other	**6**
Short-Term Investments	**3**
	100%

Fair Value Measurements at December 31, 2009

	Level 1	Level 2	Level 3	Balance at December 31, 2009
		(in Millions)(a)		
Asset Category:				
Short-term investments(b)	$ —	$ 63	$ —	$ 63
Equity securities				
U.S. Large Cap(c)	659	30	—	689
U.S. Small/Mid Cap(d)	153	3	—	156
Non U.S(e)	231	120	—	351
Fixed income securities(f)	47	599	—	646
Other types of investments				
Hedge Funds and Similar Investments(g)	—	—	484	484
Private Equity and Other(h)	—	—	160	160
Total	$1,090	$ 815	$ 644	$ 2,549

(a) See Note 4 — Fair Value for a description of levels within the fair value hierarchy.

(b) This category predominantly represents certain short-term fixed income securities and money market investments that are managed in separate accounts or commingled funds. Pricing for investments in this category are obtained from quoted prices in actively traded markets or valuations from brokers or pricing services.

(c) This category comprises both actively and not actively managed portfolios that track the S&P 500 low cost equity index funds. Investments in this category are exchange-traded securities whereby unadjusted quote prices can be obtained. Exchange-traded securities held in a commingled fund are classified as Level 2 assets.

(d) This category represents portfolios of small and medium mid capitalization domestic equities. Investments in this category are exchange-traded securities whereby unadjusted quote prices can be obtained. Exchange-traded securities held in a commingled fund are classified as Level 2 assets.

(e) This category primarily consists of portfolios of non-U.S. developed and emerging market equities. Investments in this category are exchange-traded securities whereby unadjusted quote prices can be obtained. Exchange-traded securities held in a commingled fund are classified as Level 2 assets.

(f) This category includes corporate bonds from diversified industries, U.S. Treasuries, and mortgage backed securities. Pricing for investments in this category is obtained from quoted prices in actively traded markets and quotations from broker or pricing services. Non-exchange traded securities and exchange-traded securities held in commingled funds are classified as Level 2 assets.

(g) This category includes a diversified group of funds and strategies that attempt to capture financial market inefficiencies. Pricing for investments in this category is based on limited observable inputs as there is little, if any, publicly available pricing. Valuations for assets in this category may be based on relative publicly-traded securities, derivatives, and privately-traded securities.

(h) This category includes a diversified group of funds and strategies that primarily invests in private equity partnerships. This category also includes investments in timber and private mezzanine debt. Pricing for investments in this category is based on limited observable inputs as there is little, if any, publicly available pricing. Valuations for assets in this category may be based on discounted cash flow analyses, relative publicly-traded comparables and comparable transactions.

The pension trust holds debt and equity securities directly and indirectly through commingled funds and institutional mutual funds. Exchange-traded debt and equity securities held directly are valued using quoted market prices in actively traded markets. The commingled funds and institutional mutual funds which hold exchange-traded equity or debt securities are valued based on underlying securities, using quoted prices in actively traded markets. Non-exchange traded fixed income securities are valued by the trustee based upon quotations available from brokers or pricing services. A primary price source is identified by asset type, class or issue for each security. The trustees monitor prices supplied by pricing services and may use a supplemental price source or change the primary price source of a given security if the trustees challenge an assigned price and determine that another price source is considered to be preferable. DTE Energy has obtained an understanding of how these prices are derived, including the nature and observability of the inputs used in deriving such prices. Additionally, DTE Energy selectively corroborates the fair values of securities by comparison of market-based price sources.

Fair Value Measurements Using Significant Unobservable Inputs (Level 3):

	Hedge Funds and Similar Investments	Private Equity and Other	Total
	(in Millions)		
Beginning Balance at January 1, 2009	$ 468	$ 159	$627
Total realized/unrealized gains (losses)	31	(11)	20
Purchases, sales and settlements	(15)	12	(3)
Ending Balance at December 31, 2009	$ 484	$ 160	$644
The amount of total gains (losses) for the period attributable to the change in unrealized gains or losses related to assets still held at the end of the period	$ 34	$ (10)	$ 24

The Company also sponsors defined contribution retirement savings plans. Participation in one of these plans is available to substantially all represented and non-represented employees. The Company matches employee contributions up to certain predefined limits based upon eligible compensation, the employee’s contribution rate and, in some cases, years of credited service. The cost of these plans was $33 million, $33 million, and $29 million in each of the years 2009, 2008, and 2007, respectively.

Other Postretirement Benefits

The Company provides certain postretirement health care and life insurance benefits for employees who are eligible for these benefits. The Company’s policy is to fund certain trusts to meet its postretirement benefit obligations. Separate qualified Voluntary Employees Beneficiary Association (VEBA) and 401(h) trusts exist for represented and non-represented employees. At the discretion of management, the Company may make up to an additional $130 million contribution to its VEBA trusts in 2010.

Net postretirement cost includes the following components:

	2009	2008	2007
		(in Millions)	
Service cost	**$ 59**	$ 62	$ 62
Interest cost	**133**	121	118
Expected return on plan assets	**(55)**	(75)	(67)
Amortization of			
Net loss	**72**	38	69
Prior service (credit)	**(6)**	(6)	(3)
Net transition obligation	**2**	2	7
Special termination benefits	**—**	—	2
Net postretirement cost	**$205**	$142	$188

Special termination benefits in the above tables represent costs associated with our Performance Excellence Process.

	2009	2008
	(in Millions)	
Other changes in plan assets and APBO recognized in other comprehensive income and regulatory assets		
Net actuarial loss (gain)	**$ (59)**	$334
Amortization of net actuarial loss	**(73)**	(39)
Prior service (credit)	**—**	(1)
Amortization of prior service credit	**7**	6
Amortization of transition (asset)	**(2)**	(2)
Total recognized in other comprehensive income and regulatory assets	**$(127)**	$298
Total recognized in net periodic pension cost, other comprehensive income and regulatory assets	**$ 78**	$440

	(in Millions)	
Estimated amounts to be amortized from accumulated other comprehensive income and regulatory assets into net periodic benefit cost during next fiscal year		
Net actuarial loss	**$53**	$69
Prior service (credit)	**$ (3)**	$ (6)
Net transition obligation	**$ 2**	$ 2

The following table reconciles the obligations, assets and funded status of the plans including amounts recorded as accrued postretirement cost in the Consolidated Statements of Financial Position at December 31:

	2009	2008
	(in Millions)	
Change in accumulated postretirement benefit obligation		
Accumulated postretirement benefit obligation, beginning of year	**$ 2,032**	$ 1,922
December 2007 cash flow	**—**	(6)
Service cost	**59**	62
Interest cost	**133**	121
Actuarial loss	**22**	10
Plan amendments	**—**	(1)
Medicare Part D subsidy	**6**	7
Measurement date change	**—**	15
Benefits paid	**(101)**	(98)
Accumulated postretirement benefit obligation, end of year	**$ 2,151**	$ 2,032
Change in plan assets		
Plan assets at fair value, beginning of year	**$ 598**	$ 835
December 2007 VEBA cash flow	**—**	(13)
Actual return on plan assets	**135**	(251)
Measurement date change	**—**	6
Company contributions	**205**	116
Benefits paid	**(74)**	(95)
Plan assets at fair value, end of year	**$ 864**	$ 598
Funded status, end of year	**$(1,287)**	$(1,434)
Amount recorded as:		
Noncurrent liabilities	**$(1,287)**	$(1,434)
Amounts recognized in Accumulated other comprehensive loss, pre-tax		
Net actuarial loss	**$ 51**	$ 68
Prior service (credit)	**(27)**	(36)
Net transition (asset)	**(12)**	(15)
	$ 12	$ 17
Amounts recognized in regulatory assets (See Note 12)		
Net actuarial loss	**$ 646**	$ 760
Prior service cost	**1**	3
Net transition obligation	**18**	24
	$ 665	$ 787

Assumptions used in determining the projected benefit obligation and net benefit costs are listed below:

	2009	2008	2007
Projected benefit obligation			
Discount rate	**5.90%**	6.90%	6.50%
Net benefit costs			
Discount rate	**6.90%**	6.50%	5.70%
Expected long-term rate of return on plan assets	**8.75%**	8.75%	8.75%
Health care trend rate pre-65	**7.00%**	7.00%	8.00%
Health care trend rate post-65	**7.00%**	6.00%	7.00%
Ultimate health care trend rate	**5.00%**	5.00%	5.00%
Year in which ultimate reached	**2016**	2011	2011

A one percentage point increase in health care cost trend rates would have increased the total service cost and interest cost components of benefit costs by $30 million and increased the accumulated benefit obligation by $265 million at December 31, 2009. A one percentage point decrease in the health care cost trend rates would have decreased the total service and interest cost components of benefit costs by $27 million and would have decreased the accumulated benefit obligation by $261 million at December 31, 2009.

At December 31, 2009, the benefits expected to be paid, including prescription drug benefits, in each of the next five years and in the aggregate for the five fiscal years thereafter are as follows:

	(in Millions)
2010	**$ 120**
2011	**126**
2012	**130**
2013	**135**
2014	**140**
2015 - 2019	**789**
	$ 1,440

In December 2003, the Medicare Act was signed into law which provides for a non-taxable federal subsidy to sponsors of retiree health care benefit plans that provide a benefit that is at least “actuarially equivalent” to the benefit established by law. The effects of the subsidy reduced net periodic postretirement benefit costs by $20 million in 2009, $14 million in 2008, and $16 million in 2007.

At December 31, 2009, the gross amount of federal subsidies expected to be received in each of the next five years and in the aggregate for the five fiscal years thereafter was as follows:

	(in Millions)
2010	**$ 7**
2011	**8**
2012	**7**
2013	**8**
2014	**9**
2015 - 2019	**50**
Total	**$ 89**

The process used in determining the long-term rate of return for assets and the investment approach for the Company's other postretirement benefits plans is similar to those previously described for its pension plans.

Target allocations for plan assets as of December 31, 2009 are listed below:

U.S. Large Cap Equity Securities	**20%**
U.S. Small Cap and Mid Cap Equity Securities	**5**
Non U.S. Equity Securities	**20**
Fixed Income Securities	**25**
Hedge Funds and Similar Investments	**20**
Private Equity and Other	**10**
Short-Term Investments	**0**
	100%

Fair Value Measurements at December 31, 2009

	Level 1	Level 2	Level 3	Balance at December 31, 2009
			(in Millions)(a)	
Asset Category:				
Short-term investments(b)	$ —	$ 18	$ —	$ 18
Equity securities				
U.S. Large Cap(c)	148	80	—	228
U.S. Small/Mid Cap(d)	46	50	—	96
Non U.S(e)	73	69	—	142
Fixed income securities(f)	8	234	—	242
Other types of investments				
Hedge Funds and Similar Investments(g)	—	—	92	92
Private Equity and Other(h)	—	—	46	46
Total	$ 275	$ 451	$ 138	$ 864

(a) See Note 4 — Fair Value for a description of levels within the fair value hierarchy.

(b) This category predominantly represents certain short-term fixed income securities and money market investments that are managed in separate accounts or commingled funds. Pricing for investments in this category are obtained from quoted prices in actively traded markets or valuations from brokers or pricing services.

(c) This category comprises both actively and not actively managed portfolios that track the S&P 500 low cost equity index funds. Investments in this category are exchange-traded securities whereby unadjusted quote prices can be obtained. Exchange-traded securities held in a commingled fund are classified as Level 2 assets.

(d) This category represents portfolios of small and medium mid capitalization domestic equities. Investments in this category are exchange-traded securities whereby unadjusted quote prices can be obtained. Exchange-traded securities held in a commingled fund are classified as Level 2 assets.

(e) This category primarily consists of portfolios of non-U.S. developed and emerging market equities. Investments in this category are exchange-traded securities whereby unadjusted quote prices can be obtained. Exchange-traded securities held in a commingled fund are classified as Level 2 assets.

(f) This category includes corporate bonds from diversified industries, U.S. Treasuries, and mortgage backed securities. Pricing for investments in this category is obtained from quoted prices in actively traded markets and quotations from broker or pricing services. Non-exchange traded securities and exchange-traded securities held in commingled funds are classified as Level 2 assets.

(g) This category includes a diversified group of funds and strategies that attempt to capture financial market inefficiencies. Pricing for investments in this category is based on limited observable inputs as there is little, if any, publicly available pricing. Valuations for assets in this category may be based on relative publicly-traded securities, derivatives, and privately-traded securities.

(h) This category includes a diversified group of funds and strategies that primarily invests in private equity partnerships. This category also includes investments in timber and private mezzanine debt. Pricing for investments in this category is based on limited observable inputs as there is little, if any, publicly available pricing. Valuations for assets in this category may be based on discounted cash flow analyses, relative publicly-traded comparables and comparable transactions.

The VEBA trusts hold debt and equity securities directly and indirectly through commingled funds and institutional mutual funds. Exchange-traded debt and equity securities held directly are valued using quoted market prices in actively traded markets. The commingled funds and institutional mutual funds which hold exchange-traded equity or debt securities are valued based on underlying securities, using quoted prices in actively traded markets. Non-exchange traded fixed income securities are valued by the trustee based upon quotations available from brokers or pricing services. A primary price source is identified by asset type, class or issue for each security. The trustees monitor prices supplied by pricing services and may use a supplemental price source or change the primary price source of a given security if the trustees challenge an assigned price and determine that another price source is considered to be preferable. DTE Energy has obtained an understanding of how these prices are derived, including the nature and observability of the inputs used in deriving such prices. Additionally, DTE Energy selectively corroborates the fair values of securities by comparison of market-based price sources.

Fair Value Measurements Using Significant Unobservable Inputs (Level 3):

	Hedge Funds and Similar Investments	Private Equity and Other	Total
		(in Millions)	
Beginning Balance at January 1, 2009	$ 76	$ 38	$114
Total realized/unrealized gains (losses)	6	5	11
Purchases, sales and settlements	10	3	13
Ending Balance at December 31, 2009	$ 92	$ 46	$138
The amount of total gains (losses) for the period attributable to the change in unrealized gains or losses related to assets still held at the end of the period	$ 7	$ 2	$ 9

Grantor Trust

MichCon maintains a Grantor Trust to fund other postretirement benefit obligations that invests in life insurance contracts and income securities. Employees and retirees have no right, title or interest in the assets of the Grantor Trust, and MichCon can revoke the trust subject to providing the MPSC with prior notification. The Company accounts for its investment at fair value with unrealized gains and losses recorded to earnings.

NOTE 22 — STOCK-BASED COMPENSATION

The Company's stock incentive program permits the grant of incentive stock options, non-qualifying stock options, stock awards, performance shares and performance units to employees and members of its Board of Directors. Key provisions of the stock incentive program are:

- Authorized limit is 9,000,000 shares of common stock;
- Prohibits the grant of a stock option with an exercise price that is less than the fair market value of the Company's stock on the date of the grant; and
- Imposes the following award limits to a single participant in a single calendar year, (1) options for more than 500,000 shares of common stock; (2) stock awards for more than 150,000 shares of common stock; (3) performance share awards for more than 300,000 shares of common stock (based on the maximum payout under the award); or (4) more than 1,000,000 performance units, which have a face amount of $1.00 each.

The Company records compensation expense at fair value over the vesting period for all awards it grants. In addition, the Company is required to record compensation expense at fair value (as previous awards continue to vest) for the unvested portion of previously granted stock option awards that were outstanding as of January 1, 2006. As of December 31, 2008, all such awards have been fully expensed.

Stock-based compensation for the reporting periods is as follows:

	2009	2008	2007
	(in Millions)		
Stock-based compensation	**$ 56**	$ 38	$ 28
Tax benefit of compensation	**$ 22**	$ 13	$ 10

Approximately $3.3 million, $1.6 million, and $1.4 million of compensation cost was capitalized as part of fixed assets during 2009, 2008, and 2007, respectively.

Options

Options are exercisable according to the terms of the individual stock option award agreements and expire 10 years after the date of the grant. The option exercise price equals the fair value of the stock on the date that the option was granted. Stock options vest ratably over a three-year period.

Stock option activity was as follows:

	Number of Options	Weighted Average Exercise Price	Aggregate Intrinsic Value (in Millions)
Options outstanding at January 1, 2009	5,013,699	$ 42.45	
Granted	812,500	$ 27.75	
Exercised	(83,845)	$ 32.08	
Forfeited or expired	(148,962)	$ 40.52	
Options outstanding at December 31, 2009	5,593,392	$ 40.50	$ 10
Options exercisable at December 31, 2009	4,128,877	$ 42.60	$ 1

As of December 31, 2009, the weighted average remaining contractual life for the exercisable shares is 4.17 years. As of December 31, 2009, 1,464,515 options were non-vested. During 2009, 588,105 options vested.

The weighted average grant date fair value of options granted during 2009, 2008, and 2007 was $4.41, $4.76, and $6.46, respectively. The intrinsic value of options exercised for the years ended December 31, 2009, 2008 and 2007 was $3 million, $1 million, and $16 million, respectively. Total option expense recognized during 2009, 2008 and 2007 was $3 million, $3 million and $4 million, respectively.

The number, weighted average exercise price and weighted average remaining contractual life of options outstanding were as follows:

Range of Exercise Prices	Number of Options	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life (Years)
$27.00-$38.00	840,089	$ 27.91	8.82
$38.01-$42.00	2,626,876	$ 40.96	4.56
$42.01-$45.00	1,382,208	$ 43.91	4.99
$45.01-$50.00	744,219	$ 46.75	4.69
	5,593,392	$ 40.50	5.33

The Company determined the fair value for these options at the date of grant using a Black-Scholes based option pricing model and the following assumptions:

	December 31 2009	2008	2007
Risk-free interest rate	2.04%	3.05%	4.71%
Dividend yield	4.98%	5.20%	4.38%
Expected volatility	27.88%	20.45%	17.99%
Expected life	6 years	6 years	6 years

The Company includes both historical and implied share-price volatility in option volatility. Implied volatility is derived from exchange traded options on DTE Energy common stock. The Company’s expected life estimate is based on industry standards.

Stock Awards

Stock awards granted under the plan are restricted for varying periods, generally for three years. Participants have all rights of a shareholder with respect to a stock award, including the right to receive dividends and vote the shares. Prior to vesting in stock awards, the participant: (i) may not sell, transfer, pledge, exchange or otherwise dispose of shares; (ii) shall not retain custody of the share certificates; and (iii) will deliver to the Company a stock power with respect to each stock award.

The stock awards are recorded at cost that approximates fair value on the date of grant. The cost is amortized to compensation expense over the vesting period.

Stock award activity for the periods ended December 31 was:

	2009	2008	2007
Fair value of awards vested (in Millions)	**$ 18**	$ 18	$ 10
Restricted common shares awarded	**523,660**	389,055	620,125
Weighted average market price of shares awarded	**$ 28.73**	$ 41.96	$ 49.48
Compensation cost charged against income (in Millions)	**$ 18**	$ 20	$ 16

The following table summarizes the Company's stock awards activity for the period ended December 31, 2009:

	Restricted Stock	Weighted Average Grant Date Fair Value
Balance at January 1, 2009	931,722	$ 45.31
Grants	523,660	$ 28.73
Forfeitures	(27,656)	$ 38.69
Vested	(402,961)	$ 45.09
Balance at December 31, 2009	1,024,765	$ 37.11

Performance Share Awards

Performance shares awarded under the plan are for a specified number of shares of common stock that entitle the holder to receive a cash payment, shares of common stock or a combination thereof. The final value of the award is determined by the achievement of certain performance objectives and market conditions. The awards vest at the end of a specified period, usually three years. The Company accounts for performance share awards by accruing compensation expense over the vesting period based on: (i) the number of shares expected to be paid which is based on the probable achievement of performance objectives; and (ii) the closing stock price market value. The settlement of the award is at based on the closing price at the settlement date.

The Company recorded compensation expense as follows:

	2009	2008	2007
	(in Millions)		
Compensation expense	**$ 35**	$ 15	$ 7
Cash settlements(1)	**$ 1**	$ 3	$ 5
Stock settlements(1)	**$ 8**	$ —	$ —

(1) Sum of cash and stock settlements approximates the intrinsic value of the liability.

During the vesting period, the recipient of a performance share award has no shareholder rights. However, for performance shares granted in or before 2009, recipients will be paid an amount equal to the dividend equivalent on such shares. Performance shares granted in 2010 or later will not be entitled to dividend equivalent payments before the performance shares granted are earned and vested. Performance share awards are nontransferable and are subject to risk of forfeiture.

The following table summarizes the Company's performance share activity for the period ended December 31, 2009:

	Performance Shares
Balance at January 1, 2009	1,321,501
Grants	564,340
Forfeitures	(40,143)
Payouts	(390,656)
Balance at December 31, 2009	1,455,042

Unrecognized Compensation Costs

As of December 31, 2009, there was $41 million of total unrecognized compensation cost related to non-vested stock incentive plan arrangements. That cost is expected to be recognized over a weighted-average period of 1.36 years.

	Unrecognized Compensation Cost (in Millions)	Weighted Average to be Recognized (In Years)
Stock awards	$ 12	.98
Performance shares	26	1.51
Options	3	1.60
	$ 41	1.36

NOTE 23 — SUPPLEMENTAL CASH FLOW INFORMATION

A detailed analysis of the changes in assets and liabilities that are reported in the Consolidated Statements of Cash Flows follows:

	2009	2008 (in Millions)	2007
Changes in Assets and Liabilities, Exclusive of Changes Shown Separately			
Accounts receivable, net	**$ 167**	$ 328	$(163)
Accrued GCR revenue	**27**	(71)	(10)
Inventories	**28**	96	80
Recoverable pension and postretirement costs	**(19)**	(1,324)	738
Accrued/prepaid pensions	**11**	944	(401)
Accounts payable	**(162)**	(286)	5
Accrued PSCR refund	**7**	82	41
Income taxes payable	**43**	(22)	(19)
Derivative assets and liabilities	**(81)**	(178)	222
Postretirement obligation	**(147)**	340	(320)
Other assets	**36**	(51)	(430)
Other liabilities	**159**	50	449
	$ 69	$ (92)	$ 192

Supplementary cash and non-cash information for the years ended December 31, were as follows:

	2009	2008 (in Millions)	2007
Cash paid (received) for:			
Interest (net of interest capitalized)	**$550**	$496	$537
Income taxes	**$ 18**	$ (59)	$326
Noncash financing activities:			
Common stock issued for employee benefit plans	**$ 47**	$ 15	$ 6

NOTE 24 — SEGMENT AND RELATED INFORMATION

The Company sets strategic goals, allocates resources and evaluates performance based on the following structure:

Electric Utility segment consists of Detroit Edison, which is engaged in the generation, purchase, distribution and sale of electricity to approximately 2.1 million residential, commercial and industrial customers in southeastern Michigan.

Gas Utility segment consists of MichCon and Citizens. MichCon is engaged in the purchase, storage, transmission, gathering, distribution and sale of natural gas to approximately 1.2 million residential, commercial and industrial customers throughout Michigan. Citizens distributes natural gas in Adrian, Michigan to approximately 17,000 customers.

Gas Storage and Pipelines consists of natural gas pipelines and storage businesses.

Unconventional Gas Production is engaged in unconventional gas 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, power generation and coal transportation and marketing.

Energy Trading consists of energy marketing and trading operations.

Corporate & Other, includes various holding company activities, holds certain non-utility debt and energy-related investments.

The federal income tax provisions or benefits of DTE Energy’s subsidiaries are determined on an individual company basis and recognize the tax benefit of production tax credits and net operating losses if applicable. The Michigan Business Tax provision of the utility subsidiaries is determined on an individual company basis and recognizes the tax benefit of various tax credits and net operating losses if applicable. The subsidiaries record federal and state income taxes payable to or receivable from DTE Energy based on the federal and state tax provisions of each company.

Inter-segment billing for goods and services exchanged between segments is based upon tariffed or market-based prices of the provider and primarily consists of power sales, gas sales and coal transportation services in the following segments:

	2009	2008	2007
		(in Millions)	
Electric Utility	**$ 28**	$ 16	$ 36
Gas Utility	**2**	7	5
Gas Storage and Pipelines	**5**	10	17
Unconventional Gas Production	**—**	—	64
Power and Industrial Projects	**11**	80	197
Energy Trading	**93**	145	7
Corporate & Other	**(74)**	(80)	(35)
	$ 65	$178	$291

DTE ENERGY COMPANY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (CONTINUED)

Financial data of the business segments follows:

	Operating Revenue	Depreciation, Depletion & Amortization	Interest Income	Interest Expense	Income Taxes	Net Income Attributable To DTE Energy Company	Total Assets	Goodwill	Capital Expenditures
					(in Millions)				
2009									
Electric Utility	$ 4,714	$ 844	$ (1)	$ 324	$ 228	$ 376	$15,879	$ 1,206	$ 794
Gas Utility	1,788	107	(8)	68	39	80	3,832	759	166
Gas Storage and Pipelines	82	5	(1)	10	33	49	367	9	2
Unconventional Gas Production (1)	31	16	—	6	(4)	(9)	309	2	26
Power and Industrial Projects	661	40	(3)	30	(7)	31	1,118	31	45
Energy Trading	804	5	(1)	10	37	75	552	17	2
Corporate & Other	—	3	(55)	147	(79)	(70)	2,138	—	—
Reconciliation and Eliminations	(66)	—	50	(50)	—	—	—	—	—
Total	$ 8,014	$ 1,020	$ (19)	$ 545	$ 247	$ 532	$24,195	$ 2,024	$ 1,035

	Operating Revenue	Depreciation, Depletion & Amortization	Interest Income	Interest Expense	Income Taxes	Net Income Attributable To DTE Energy Company	Total Assets	Goodwill	Capital Expenditures
					(in Millions)				
2008									
Electric Utility	$ 4,874	$ 743	$ (6)	$ 293	$ 186	$ 331	$15,798	$ 1,206	$ 944
Gas Utility	2,152	102	(8)	66	41	85	3,884	772	239
Gas Storage and Pipelines	71	5	(1)	7	24	38	316	9	19
Unconventional Gas Production (1)	48	12	—	2	47	84	314	2	101
Power and Industrial Projects	987	34	(7)	20	11	40	1,126	31	65
Energy Trading	1,388	5	(5)	10	31	42	787	17	5
Corporate & Other	(13)	—	(41)	154	(52)	(94)	2,365	—	—
Reconciliation and Eliminations	(178)	—	49	(49)	—	—	—	—	—
Total from Continuing Operations	$ 9,329	$ 901	$ (19)	$ 503	$ 288	526	24,590	2,037	1,373
Discontinued Operations (Note 10)						20	—	—	—
Total						$ 546	$24,590	$ 2,037	$ 1,373

DTE ENERGY COMPANY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (CONTINUED)

	Operating Revenue	Depreciation, Depletion & Amortization	Interest Income	Interest Expense	Income Taxes	Net Income Attributable To DTE Energy Company	Total Assets	Goodwill	Capital Expenditures
					(in Millions)				
2007									
Electric Utility	$ 4,900	$ 764	$ (7)	$ 294	$ 149	$ 317	$14,854	$ 1,206	$ 809
Gas Utility	1,875	93	(10)	61	23	70	3,266	772	226
Gas Storage and Pipelines	66	6	(2)	11	18	34	258	9	35
Unconventional Gas Production(1)	(228)	22	—	13	(117)	(217)	355	2	161
Power and Industrial Projects	1,244	41	(9)	28	7	49	753	31	66
Energy Trading	924	5	(5)	11	17	32	1,113	17	2
Corporate & Other(1)	(15)	1	(51)	174	267	502	2,369	—	—
Reconciliation and Eliminations	(291)	—	59	(59)	—	—	—	—	—
Total from Continuing Operations	$ 8,475	$ 932	$ (25)	$ 533	$ 364	787	22,968	2,037	1,299
Discontinued Operations (Note 10)						205	774	—	—
Reconciliation and Eliminations						(21)	—	—	—
Total from Discontinued Operations						184	774	—	—
Total						$ 971	$23,742	$ 2,037	$ 1,299

(1) Net income attributable to DTE Energy Company of the Unconventional Gas Production segment in 2008 reflects the gain recognized on the sale of Barnett shale properties. Operating revenues and net loss attributable to DTE Energy Company of the Unconventional Gas Production segment in 2007 reflect the recognition of losses on hedge contracts associated with the Antrim sale transaction. Net income attributable to DTE Energy Company of the Corporate & Other segment in 2007 results principally from the gain recognized on the Antrim sale transaction. See Note 10.

NOTE 25 — SUPPLEMENTARY QUARTERLY FINANCIAL INFORMATION (UNAUDITED)

Quarterly earnings per share may not total for the years, since quarterly computations are based on weighted average common shares outstanding during each quarter.

	First Quarter	Second Quarter	Third Quarter(1)	Fourth Quarter	Year
	(in Millions, except per share amounts)				
2009					
Operating Revenues	**$2,255**	**$1,688**	**$ 1,950**	**$2,121**	**$8,014**
Operating Income	**$ 395**	**$ 215**	**$ 332**	**$ 307**	**$1,249**
Net Income Attributable to DTE Energy Company From Continuing Operations	**$ 178**	**$ 83**	**$ 151**	**$ 120**	**$ 532**
Net Income Attributable to DTE Energy Company	**$ 178**	**$ 83**	**$ 151**	**$ 120**	**$ 532**
Basic Earnings per Share					
Continuing Operations	**$ 1.09**	**$ .51**	**$ .92**	**$ .72**	**$ 3.24**
Total	**$ 1.09**	**$ .51**	**$ .92**	**$ .72**	**$ 3.24**
Diluted Earnings per Share					
Continuing Operations	**$ 1.09**	**$ .51**	**$ .92**	**$ .72**	**$ 3.24**
Total	**$ 1.09**	**$ .51**	**$ .92**	**$ .72**	**$ 3.24**

(1) The 2009 Third Quarter results were adjusted for the effect of the January 2010 Detroit Edison MPSC rate order that required the refund of a portion of the self implemented rate increase effective on July 26, 2009. The adjustments resulted in a reduction of Operating Revenues of $11 million, Operating Income of $11 million, Net Income Attributable to DTE Energy From Continuing Operations and Net Income Attributable to DTE Energy Company of $7 million, and Basic and Diluted Earnings per Share of $0.04.

	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Year
2008					
Operating Revenues	$2,570	$2,251	$ 2,338	$2,170	$9,329
Operating Income	$ 429	$ 157	$ 375	$ 302	$1,263
Net Income Attributable to DTE Energy Company From					
Continuing Operations	$ 200	$ 28	$ 169	$ 129	$ 526
Discontinued Operations	12	—	8	—	20
Net Income Attributable to DTE Energy Company	$ 212	$ 28	$ 177	$ 129	$ 546
Basic Earnings per Share					
Continuing Operations	$ 1.22	$ .18	$ 1.03	$ .79	$ 3.22
Discontinued Operations	.08	—	.05	—	.12
Total	$ 1.30	$ .18	$ 1.08	$ .79	$ 3.34
Diluted Earnings (Loss) per Share					
Continuing Operations	$ 1.22	$ .18	$ 1.03	$ .79	$ 3.22
Discontinued Operations	.07	—	.05	—	.12
Total	$ 1.29	$ .18	$ 1.08	$ .79	$ 3.34

Item 9. ***Changes in and Disagreements with Accountants on Accounting and Financial Disclosure***

None.

Item 9A. ***Controls and Procedures***

See Item 8. Financial Statements and Supplementary Data for management's evaluation of disclosure controls and procedures, its report on internal control over financial reporting, and its conclusion on changes in internal control over financial reporting.

Item 9B. ***Other Information***

Part III

Item 10. ***Directors, Executive Officers and Corporate Governance***

Item 11. ***Executive Compensation***

Item 12. ***Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters***

Item 13. ***Certain Relationships and Related Transactions, and Director Independence***

Item 14. ***Principal Accountant Fees and Services***

Other than the information provided under Executive Officers of DTE Energy in Part I, information required by Part III (Items 10, 11, 12, 13 and 14) of this Form 10-K is incorporated by reference from DTE Energy's definitive Proxy Statement for its 2010 Annual Meeting of Common Shareholders to be held May 6, 2010. The Proxy Statement will be filed with the Securities and Exchange Commission, pursuant to Regulation 14A, not later than 120 days after the end of our fiscal year covered by this report on Form 10-K, all of which information is hereby incorporated by reference in, and made part of, this Form 10-K, except that the information required by Item 10 with respect to executive officers of the Registrant is included in Part I of this Report.

Part IV

Item 15. ***Exhibits and Financial Statement Schedules***

(a) The following documents are filed as part of this Annual Report on Form 10-K.
(1) Consolidated financial statements. See "Item 8 — Financial Statements and Supplementary Data."
(2) Financial statement schedules. See "Item 8 — Financial Statements and Supplementary Data."
(3) Exhibits.

(i) Exhibits filed herewith.

12-45	Computation of Ratio of Earnings to Fixed Charges.
21-5	Subsidiaries of the Company.
23-22	Consent of PricewaterhouseCoopers LLP.
23-23	Consent of Deloitte & Touche LLP.
31-55	Chief Executive Officer Section 302 Form 10-K Certification of Periodic Report.
31-56	Chief Financial Officer Section 302 Form 10-K Certification of Periodic Report.
99-49	Twenty-first Amendment, dated as of January 24, 2009 to Master Trust.
99-50	Twenty-second Amendment, dated as of April 1, 2009 to Master Trust.
99-51	Twenty-third Amendment, dated as of May 1, 2009 to Master Trust.
99-52	Twenty-fourth Amendment, dated as of June 1, 2009 to Master Trust.

99-53	Twenty-fifth Amendment, dated as of June 10, 2009 to Master Trust.
	(ii) Exhibits incorporated herein by reference.
3(a)	Amended and Restated Articles of Incorporation of DTE Energy Company, dated December 13, 1995 (Exhibit 3-5 to Form 10-Q for the quarter ended September 30, 1997).
3(b)	Certificate of Designation of Series A Junior Participating Preferred Stock of DTE Energy Company, dated September 23, 1997 (Exhibit 3-6 to Form 10-Q for the quarter ended September 30, 1997).
3(c)	Bylaws of DTE Energy Company, as amended through February 24, 2005 (Exhibit 3.1 to Form 8-K dated February 24, 2005).
4(a)	Amended and Restated Indenture, dated as of April 9, 2001, between DTE Energy Company and Bank of New York, as trustee (Exhibit 4.1 to Registration Statement on Form S-3 (File No. 333-58834)).
	Supplemental Indenture, dated as of May 30, 2001, between DTE Energy Company and Bank of New York, as trustee (Exhibit 4-226 to Form 10-Q for the quarter ended June 30, 2001). (7.05% Senior Notes due 2011).
	Supplemental Indenture, dated as of April 5, 2002 between DTE Energy Company and Bank of New York, as trustee (Exhibit 4-230 to Form 10-Q for the quarter ended March 31, 2002). (2002 Series A 6.65% Senior Notes due 2009).
	Supplemental Indenture, dated as of April 1, 2003, between DTE Energy Company and Bank of New York, as trustee, creating 2003 Series A 6 $^3/_8$% Senior Notes due 2033 (Exhibit 4(o) to Form 10-Q for the quarter ended March 31, 2003). (2003 Series A 6 $^3/_8$% Senior Notes due 2033).
	Supplemental Indenture, dated as of May 15, 2006, between DTE Energy Company and Bank of New York, as trustee (Exhibit 4-239 to Form 10-Q for the quarter ended June 30, 2006). (2006 Series B 6.35% Senior Notes due 2016).
4(b)	Amended and Restated Trust Agreement of DTE Energy Trust I, dated as of January 15, 2002 (Exhibit 4-229 to Form 10-K for the year ended December 31, 2001).
4(c)	Amended and Restated Trust Agreement of DTE Energy Trust II, dated as of June 1, 2004 (Exhibit 4 (q) to Form 10-Q for the quarter ended June 30, 2004).
4(d)	Trust Agreement of DTE Energy Trust III (Exhibit 4-21 to Registration Statement on Form S-3 (File No. 333-99955).
4(e)	Mortgage and Deed of Trust, dated as of October 1, 1924, between The Detroit Edison Company and The Bank of New York Mellon Trust Company, N.A., as successor trustee (Exhibit B-1 to Detroit Edison's Registration Statement on Form A-2 (File No. 2-1630)) and indentures supplemental thereto, dated as of dates indicated below, and filed as exhibits to the filings set forth below:
	Supplemental Indenture, dated as of December 1, 1940, to the Mortgage and Deed of Trust, dated as of October 1, 1924, between The Detroit Edison Company and The Bank of New York Mellon Trust Company, N.A., as successor trustee (Exhibit B-14 to Detroit Edison's Registration Statement on Form A-2 (File No. 2-4609)). (amendment)
	Supplemental Indenture, dated as of September 1, 1947, to the Mortgage and Deed of Trust, dated as of October 1, 1924, between The Detroit Edison Company and The Bank of New York Mellon Trust Company, N.A., as successor trustee (Exhibit B-20 to Detroit Edison's Registration Statement on Form S-1 (File No. 2-7136)). (amendment)
	Supplemental Indenture, dated as of March 1, 1950, to the Mortgage and Deed of Trust, dated as of October 1, 1924, between The Detroit Edison Company and The Bank of New York Mellon Trust Company, N.A., as successor trustee (Exhibit B-22 to Detroit Edison's Registration Statement on Form S-1 (File No. 2-8290)). (amendment)

Supplemental Indenture, dated as of November 15, 1951, to the Mortgage and Deed of Trust, dated as of October 1, 1924, between The Detroit Edison Company and The Bank of New York Mellon Trust Company, N.A., as successor trustee (Exhibit B-23 to Detroit Edison's Registration Statement on Form S-1 (File No. 2-9226)). (amendment)
Supplemental Indenture, dated as of August 15, 1957, to the Mortgage and Deed of Trust, dated as of October 1, 1924, between The Detroit Edison Company and The Bank of New York Mellon Trust Company, N.A., as successor trustee (Exhibit 3-B-30 to Detroit Edison's Form 8-K dated September 11, 1957). (amendment)
Supplemental Indenture, dated as of December 1, 1966, to the Mortgage and Deed of Trust, dated as of October 1, 1924, between The Detroit Edison Company and The Bank of New York Mellon Trust Company, N.A., as successor trustee (Exhibit 2-B-32 to Detroit Edison's Registration Statement on Form S-9 (File No. 2-25664)). (amendment)
Supplemental Indenture, dated as of February 15, 1990, to the Mortgage and Deed of Trust, dated as of October 1, 1924, between The Detroit Edison Company and The Bank of New York Mellon Trust Company, N.A., as successor trustee (Exhibit 4-212 to Detroit Edison's Form 10-K for the year ended December 31, 2000). (1990 Series B, C, E and F)
Supplemental Indenture, dated as of May 1, 1991, to the Mortgage and Deed of Trust, dated as of October 1, 1924, between The Detroit Edison Company and The Bank of New York Mellon Trust Company, N.A., as successor trustee (Exhibit 4-178 to Detroit Edison's Form 10-K for the year ended December 31, 1996). (1991 Series BP and CP)
Supplemental Indenture, dated as of May 15, 1991, to the Mortgage and Deed of Trust, dated as of October 1, 1924, between The Detroit Edison Company and The Bank of New York Mellon Trust Company, N.A., as successor trustee (Exhibit 4-179 to Detroit Edison's Form 10-K for the year ended December 31, 1996). (1991 Series DP)
Supplemental Indenture, dated as of February 29, 1992, to the Mortgage and Deed of Trust, dated as of October 1, 1924, between The Detroit Edison Company and The Bank of New York Mellon Trust Company, N.A., as successor trustee (Exhibit 4-187 to Detroit Edison's Form 10-Q for the quarter ended March 31, 1998). (1992 Series AP)
Supplemental Indenture, dated as of April 26, 1993, to the Mortgage and Deed of Trust, dated as of October 1, 1924, between The Detroit Edison Company and The Bank of New York Mellon Trust Company, N.A., as successor trustee (Exhibit 4-215 to Detroit Edison's Form 10-K for the year ended December 31, 2000). (amendment)
Supplemental Indenture, dated as of August 1, 1999, to the Mortgage and Deed of Trust, dated as of October 1, 1924, between The Detroit Edison Company and The Bank of New York Mellon Trust Company, N.A., as successor trustee (Exhibit 4-204 to Detroit Edison's Form 10-Q for the quarter ended September 30, 1999). (1999 Series AP, BP and CP)
Supplemental Indenture, dated as of August 1, 2000, to the Mortgage and Deed of Trust, dated as of October 1, 1924, between The Detroit Edison Company and The Bank of New York Mellon Trust Company, N.A., as successor trustee (Exhibit 4-210 to Detroit Edison's Form 10-Q for the quarter ended September 30, 2000). (2000 Series BP)
Supplemental Indenture, dated as of March 15, 2001, to the Mortgage and Deed of Trust, dated as of October 1, 1924, between The Detroit Edison Company and The Bank of New York Mellon Trust Company, N.A., as successor trustee (Exhibit 4-222 to Detroit Edison's Form 10-Q for the quarter ended March 31, 2001). (2001 Series AP)
Supplemental Indenture, dated as of May 1, 2001, to the Mortgage and Deed of Trust, dated as of October 1, 1924, between Detroit Edison and The Bank of New York Mellon Trust Company, N.A., as successor trustee (Exhibit 4-226 to Detroit Edison's Form 10-Q for the quarter ended June 30, 2001). (2001 Series BP)

Supplemental Indenture, dated as of August 15, 2001, to the Mortgage and Deed of Trust, dated as of October 1, 1924, between The Detroit Edison Company and The Bank of New York Mellon Trust Company, N.A., as successor trustee (Exhibit 4-227 to Detroit Edison's Form 10-Q for the quarter ended September 30, 2001). (2001 Series CP)

Supplemental Indenture, dated as of September 15, 2001, to the Mortgage and Deed of Trust, dated as of October 1, 1924, between The Detroit Edison Company and The Bank of New York Mellon Trust Company, N.A., as successor trustee (Exhibit 4-228 to Detroit Edison's Form 10-Q for the quarter ended September 30, 2001). (2001 Series D and E)

Supplemental Indenture, dated as of September 17, 2002, to the Mortgage and Deed of Trust, dated as of October 1, 1924, between The Detroit Edison Company and The Bank of New York Mellon Trust Company, N.A., as successor trustee (Exhibit 4.1 to Detroit Edison's Registration Statement on Form S-3 (File No. 333-100000)). (amendment and successor trustee)

Supplemental Indenture, dated as of October 15, 2002, to the Mortgage and Deed of Trust, dated as of October 1, 1924, between The Detroit Edison Company and The Bank of New York Mellon Trust Company, N.A., as successor trustee (Exhibit 4-230 to Detroit Edison's Form 10-Q for the quarter ended September 30, 2002). (2002 Series A and B)

Supplemental Indenture, dated as of December 1, 2002, to the Mortgage and Deed of Trust, dated as of October 1, 1924, between The Detroit Edison Company and The Bank of New York Mellon Trust Company, N.A., as successor trustee (Exhibit 4-232 to Detroit Edison's Form 10-K for the year ended December 31, 2002). (2002 Series C and D)

Supplemental Indenture, dated as of August 1, 2003, to the Mortgage and Deed of Trust, dated as of October 1, 1924, between The Detroit Edison Company and The Bank of New York Mellon Trust Company, N.A., as successor trustee (Exhibit 4-235 to Detroit Edison's Form 10-Q for the quarter ended September 30, 2003). (2003 Series A)

Supplemental Indenture, dated as of March 15, 2004, to the Mortgage and Deed of Trust, dated as of October 1, 1924, between The Detroit Edison Company and The Bank of New York Mellon Trust Company, N.A., as successor trustee (Exhibit 4-238 to Detroit Edison's Form 10-Q for the quarter ended March 31, 2004). (2004 Series A and B)

Supplemental Indenture, dated as of July 1, 2004, to the Mortgage and Deed of Trust, dated as of October 1, 1924, between The Detroit Edison Company and The Bank of New York Mellon Trust Company, N.A., as successor trustee (Exhibit 4-240 to Detroit Edison's Form 10-Q for the quarter ended June 30, 2004). (2004 Series D)

Supplemental Indenture, dated as of April 1, 2005, to the Mortgage and Deed of Trust, dated as of October 1, 1924, between Detroit Edison and The Bank of New York Mellon Trust Company, N.A., as successor trustee (Exhibit 4.3 to Detroit Edison's Registration Statement on Form S-4 (File No. 333-123926)). (2005 Series AR and BR)

Supplemental Indenture, dated as of September 15, 2005, to the Mortgage and Deed of Trust, dated as of October 1, 1924, between The Detroit Edison Company and The Bank of New York Mellon Trust Company, N.A., as successor trustee (Exhibit 4.2 to Detroit Edison's Form 8-K dated September 29, 2005). (2005 Series C)

Supplemental Indenture, dated as of September 30, 2005, to the Mortgage and Deed of Trust, dated as of October 1, 1924, between Detroit Edison and The Bank of New York Mellon Trust Company, N.A., as successor trustee (Exhibit 4-248 to Detroit Edison's Form 10-Q for the quarter ended September 30, 2005). (2005 Series E)

Supplemental Indenture, dated as of May 15, 2006, to the Mortgage and Deed of Trust, dated as of October 1, 1924, between The Detroit Edison Company and The Bank of New York Mellon Trust Company, N.A., as successor trustee (Exhibit 4-250 to Detroit Edison's Form 10-Q for the quarter ended June 30, 2006). (2006 Series A)

Supplemental Indenture, dated as of April 1, 2008 to Mortgage and Deed of Trust dated as of October 1, 1924 between the Detroit Edison Company and The Bank of New York Mellon Trust Company, N.A., as successor trustee (Exhibit 4-251 to the Detroit Edison's Form 10-Q for the quarter ended March 31, 2008). (2008 Series DT)

Supplemental Indenture, dated as of May 1, 2008 to Mortgage and Deed of Trust dated as of October 1, 1924 between The Detroit Edison Company and The Bank of New York Mellon Trust Company, N.A., as successor trustee (Exhibit 4-253 to Detroit Edison's Form 10-Q for the quarter ended June 30, 2008). (2008 Series ET)

Supplemental Indenture, dated as of June 1, 2008 to Mortgage and Deed of Trust dated as of October 1, 1924 between The Detroit Edison Company and The Bank of New York Mellon Trust Company, N.A., as successor trustee (Exhibit 4-255 to Detroit Edison's Form 10-Q for the quarter ended June 30, 2008). (2008 Series G)

Supplemental Indenture, dated as of July 1, 2008 to Mortgage and Deed of Trust dated as of October 1, 1924 between The Detroit Edison Company and The Bank of New York Mellon Trust Company, N.A., as successor trustee (Exhibit 4-257 to Detroit Edison's Form 10-Q for the quarter ended June 30, 2008). (2008 Series KT)

Supplemental Indenture, dated as of October 1, 2008 to Mortgage and Deed of Trust dated as of October 1, 1924 between The Detroit Edison Company and The Bank of New York Mellon Trust Company N.A. as successor trustee (Exhibit 4-259 to Detroit Edison's Form 10-Q for the quarter ended September 30, 2008). (2008 Series J)

Supplemental Indenture, dated as of December 1, 2008 to Mortgage and Deed of Trust dated as of October 1, 1924 between The Detroit Edison Company and The Bank of New York Mellon Trust Company N.A., as successor trustee (Exhibit 4-261 to Detroit Edison's Form 10-K for the year ended December 31, 2008). (2008 Series LT)

Supplemental Indenture, dated as of March 15, 2009 to Mortgage and Deed of Trust dated as of October 1, 1924 between The Detroit Edison Company and The Bank of New York Mellon Trust Company N.A., as successor trustee (Exhibit 4-263 to Detroit Edison's Form 10-Q for the quarter ended March 31, 2009). (2009 Series BT)

Supplemental Indenture, dated as of November 1, 2009 to Mortgage and Deed of Trust dated as of October 1, 1924 between The Detroit Edison Company and The Bank of New York Mellon Trust Company N.A., as successor trustee (Exhibit 4-267 to Detroit Edison's Form 10-K for the year ended December 31, 2009). (2009 Series CT)

4(f) Collateral Trust Indenture, dated as of June 30, 1993, between The Detroit Edison Company and The Bank of New York Mellon Trust Company, N.A., as successor trustee (Exhibit 4-152 to Detroit Edison's Registration Statement (File No. 33-50325)) and indentures supplemental thereto, dated as of dates indicated below, and filed as exhibits to the filings set forth below:

Ninth Supplemental Indenture, dated as of October 10, 2001, to the Collateral Trust Indenture, dated as of June 30, 1993, between The Detroit Edison Company and The Bank of New York Mellon Trust Company, N.A.,as successor trustee (Exhibit 4-229 to Detroit Edison's Form 10-Q for the quarter ended September 30, 2001). (6.125% Senior Notes due 2010)

Tenth Supplemental Indenture, dated as of October 23, 2002, to the Collateral Trust Indenture, dated as of June 30, 1993, between The Detroit Edison Company and The Bank of New York Mellon Trust Company, N.A.,as successor trustee (Exhibit 4-231 to Detroit Edison's Form 10-Q for the quarter ended September 30, 2002). (5.20% Senior Notes due 2012 and 6.35% Senior Notes due 2032)

Eleventh Supplemental Indenture, dated as of December 1, 2002, to the Collateral Trust Indenture, dated as of June 30, 1993, between The Detroit Edison Company and The Bank of New York Mellon Trust Company, N.A., as successor trustee (Exhibit 4-233 to Detroit Edison's Form 10-Q for the quarter ended March 31, 2003). (5.45% Senior Notes due 2032 and 5.25% Senior Notes due 2032)

Twelfth Supplemental Indenture, dated as of August 1, 2003, to the Collateral Trust Indenture, dated as of June 30, 1993, between The Detroit Edison Company and The Bank of New York Mellon Trust Company, N.A., as successor trustee (Exhibit 4-236 to Detroit Edison's Form 10-Q for the quarter ended September 30, 2003). (5 1/2% Senior Notes due 2030)

Thirteenth Supplemental Indenture, dated as of April 1, 2004, to the Collateral Trust Indenture, dated as of June 30, 1993, between The Detroit Edison Company and The Bank of New York Mellon Trust Company, N.A., as successor trustee (Exhibit 4-237 to Detroit Edison's Form 10-Q for the quarter ended March 31, 2004). (4.875% Senior Notes Due 2029 and 4.65% Senior Notes due 2028)

Fourteenth Supplemental Indenture, dated as of July 15, 2004, to the Collateral Trust Indenture, dated as of June 30, 1993, between The Detroit Edison Company and The Bank of New York Mellon Trust Company, N.A., as successor trustee (Exhibit 4-239 to Detroit Edison's Form 10-Q for the quarter ended June 30, 2004). (2004 Series D 5.40% Senior Notes due 2014)

Sixteenth Supplemental Indenture, dated as of April 1, 2005, to the Collateral Trust Indenture, dated as of June 30, 1993, between The Detroit Edison Company and The Bank of New York Mellon Trust Company, N.A., as successor trustee (Exhibit 4.1 to Detroit Edison's Registration Statement on Form S-4 (File No. 333-123926)). (2005 Series AR 4.80% Senior Notes due 2015 and 2005 Series BR 5.45% Senior Notes due 2035)

Eighteenth Supplemental Indenture, dated as of September 15, 2005, to the Collateral Trust Indenture, dated as of June 30, 1993, between The Detroit Edison Company and The Bank of New York Mellon Trust Company, N.A., as successor trustee (Exhibit 4.1 to Detroit Edison's Form 8-K dated September 29, 2005). (2005 Series C 5.19% Senior Notes due October 1, 2023)

Nineteenth Supplemental Indenture, dated as of September 30, 2005, to the Collateral Trust Indenture, dated as of June 30, 1993, between The Detroit Edison Company and The Bank of New York Mellon Trust Company, N.A., as successor trustee (Exhibit 4-247 to Detroit Edison's Form 10-Q for the quarter ended September 30, 2005). (2005 Series E 5.70% Senior Notes due 2037)

Twentieth Supplemental Indenture, dated as of May 15, 2006, to the Collateral Trust Indenture dated as of June 30, 1993, between The Detroit Edison Company and The Bank of New York Mellon Trust Company, N.A., as successor trustee (Exhibit 4-249 to Detroit Edison's Form 10-Q for the quarter ended June 30, 2006). (2006 Series A Senior Notes due 2036)

Twenty-second Supplemental Indenture, dated as of December 1, 2007, to the Collateral Trust Indenture, dated as of June 30, 1993, between The Detroit Edison Company and The Bank of New York Mellon Trust Company, N.A., as successor trustee (Exhibit 4.1 to Detroit Edison's dated December 18, 2007). (2007 Series A Senior Notes due 2038)

Twenty-fourth Supplemental Indenture, dated as of May 1, 2008 to the Collateral Trust Indenture, dated as of June 30, 1993 between The Detroit Edison Company and The Bank of New York Mellon Trust Company, N.A. as successor trustee (Exhibit 4-254 to Detroit Edison's Form 10-Q for the quarter ended June 30, 2008). (2008 Series ET Variable Rate Senior Notes due 2029)

Amendment dated June 1, 2009 to the Twenty-fourth Supplemental Indenture, dated as of May 1, 2008 to the Collateral Trust Indenture, dated as of June 30, 1993 between The Detroit Edison Company and The Bank of New York Mellon Trust Company, N.A. as successor trustee (2008 Series ET Variable Rate Senior Notes due 2029) (Exhibit 4-265 to Detroit Edison's Form 10-Q for the quarter ended June 30, 2009)

Twenty-fifth Supplemental Indenture, dated as of June 1, 2008 to the Collateral Trust Indenture, dated as of June 30, 1993 between The Detroit Edison Company and The Bank of New York Mellon Trust Company, N.A., as successor trustee (Exhibit 4-256 to Detroit Edison's Form 10-Q for the quarter ended June 30, 2008). (2008 Series G 5.60% Senior Notes due 2018)

	Twenty-sixth Supplemental Indenture, dated as of July 1, 2008 to the Collateral Trust Indenture, dated as of June 30, 1993 between The Detroit Edison Company and The Bank of New York Mellon Trust Company, N.A., as successor trustee (Exhibit 4-258 to Detroit Edison's Form 10-Q for the quarter ended June 30, 2008). (2008 Series KT Variable Rate Senior Notes due 2020)
	Amendment dated June 1, 2009 to the Twenty-sixth Supplemental Indenture, dated as of July 1, 2008 to the Collateral Trust Indenture, dated as of June 30, 1993 between The Detroit Edison Company and The Bank of New York Mellon Trust Company, N.A., as successor trustee (2008 Series KT Variable Rate Senior Notes due 2020) (Exhibit 4-266 to Detroit Edison's Form 10-Q for the quarter ended June 30, 2009)
	Twenty-seventh Supplemental Indenture, dated as of October 1, 2008 to the Collateral Trust Indenture, dated as of June 30, 1993 between The Detroit Edison Company and The Bank of New York Mellon Trust Company, N.A., as successor trustee (Exhibit 4-260 to Detroit Edison's Form 10-Q for the quarter ended September 30, 2008). (2008 Series J 6.40% Senior Notes due 2013)
	Twenty-eighth Supplemental Indenture, dated as of December 1, 2008 to the Collateral Trust Indenture, dated as of June 30, 1993 between The Detroit Edison Company and The Bank of New York Mellon Trust Company, N.A., as successor trustee (Exhibit 4-262 to Detroit Edison's Form 10-K for the year ended December 31, 2008). (2008 Series LT 6.75% Senior Notes due 2038)
	Twenty-ninth Supplemental Indenture, dated as of March 15, 2009, to the Collateral Trust Indenture, dated as of June 30, 1993 between The Detroit Edison Company and The Bank of New York Mellon Trust Company, N.A., as successor trustee (Exhibit 4-264 to Detroit Edison's Form 10-Q for the quarter ended March 31, 2009). (2009 Series BT 6.00% Senior Notes due 2036)
	Thirtieth Supplemental Indenture, dated as of November 1, 2009, to the Collateral Trust Indenture, dated as of June 30, 1993 between The Detroit Edison Company and The Bank of New York Mellon Trust Company, N.A., as successor trustee (Exhibit 4-268 to Detroit Edison's Form 10-K for the year ended December 31, 2009). (2009 Series CT Variable Rate Notes due 2024)
4(g)	Trust Agreement of Detroit Edison Trust I. (Exhibit 4.9 to Registration Statement on Form S-3 (File No. 333-100000))
4(h)	Trust Agreement of Detroit Edison Trust II. (Exhibit 4.10 to Registration Statement on Form S-3 (File No. 333-100000))
4(i)	Indenture dated as of June 1, 1998 between Michigan Consolidated Gas Company and Citibank, N.A., as trustee, related to Senior Debt Securities (Exhibit 4-1 to Michigan Consolidated Gas Company Registration Statement on Form S-3 (File No. 333-63370)) and indentures supplemental thereto, dated as of dates indicated below, and filed as exhibits to the filings set forth below:
	Fourth Supplemental Indenture dated as of February 15, 2003, to the Indenture dated as of June 1, 1998 between Michigan Consolidated Gas Company and Citibank, N.A., trustee (Exhibit 4-3 to Michigan Consolidated Gas Company Form 10-Q for the quarter ended March 31, 2003). (5.70% Senior Notes, 2003 Series A due 2033)
	Fifth Supplemental Indenture dated as of October 1, 2004, to the Indenture dated as of June 1, 1998 between Michigan Consolidated Gas Company and Citibank, N.A., trustee (Exhibit 4-6 to Michigan Consolidated Gas Company Form 10-Q for the quarter ended September 31, 2004). (5.00% Senior Notes, 2004 Series E due 2019)
	Sixth Supplemental Indenture dated as of April 1, 2008, to the Indenture dated as of June 1, 1998 between Michigan Consolidated Gas Company and Citibank, N.A., trustee (Exhibit 4-241 to Form 10-Q for the quarter ended March 31, 2008). (5.26% Senior Notes, 2008 Series 'A' due 2013, 6.04% Senior Notes, 2008 Series 'B' due 2018 and 6.44% Senior Notes, 2008 Series 'C' due 2023)

Seventh Supplemental Indenture, dated as of June 1, 2008 to Indenture dated as of June 1, 1998 between Michigan Consolidated Gas Company and Citibank, N.A., trustee (Exhibit 4-243 to Form 10-Q for the quarter ended June 30, 2008). (6.78% Senior Notes, 2008 Series F due 2028)

Eighth Supplemental Indenture, dated as of August 1, 2008 to Indenture dated as of June 1, 1998 between Michigan Consolidated Gas Company and Citibank, N.A., trustee (Exhibit 4-251 to Form 10-Q for the quarter ended September 30, 2008). (5.94% Senior Notes, 2008 Series H due 2015 and 6.36% Senior Notes, 2008 Series I due 2020)

Ninth Supplemental Indenture, dated as of December 1, 2008 to Indenture dated as of June 1, 1998 between Michigan Consolidated Gas Company and Citibank, N.A., Trustee. (Exhibit 4-252 to Form 10-K for the year ended December 31, 2008). (Floating Rate Senior Notes, 2008 Series M due 2009)

4(j) Indenture of Mortgage and Deed of Trust dated as of March 1, 1944 (Exhibit 7-D to Michigan Consolidated Gas Company Registration Statement No. 2-5252) and indentures supplemental thereto, dated as of dates indicated below, and filed as exhibits to the filings set forth below:

Twenty-ninth Supplemental Indenture dated as of July 15, 1989, among Michigan Consolidated Gas Company and Citibank, N.A. and Robert T. Kirchner, as trustees, creating an issue of first mortgage bonds and providing for the modification and restatement of the Indenture of Mortgage and Deed of Trust dated as of March 1, 1944 (Exhibit 4-2 to Michigan Consolidated Gas Company Registration Statement on Form S-3 (File No. 333-63370))

Thirty-second Supplemental Indenture dated as of January 5, 1993 to Indenture of Mortgage and Deed of Trust dated as of March 1, 1944 between Michigan Consolidated Gas Company and Citibank, N.A., trustee (Exhibit 4-1 to Michigan Consolidated Gas Company Form 10-K for the year ended December 31, 1992). (First Mortgage Bonds Designated Secured Term Notes, Series B)

Thirty-third Supplemental Indenture dated as of May 1, 1995 to Indenture of Mortgage and Deed of Trust dated as of March 1, 1944 between Michigan Consolidated Gas Company and Citibank, N.A., trustee (Exhibit 4-2 to Michigan Consolidated Gas Company Registration Statement on Form S-3 (File No. 33-59093)). (First Mortgage Bonds Designated Secured Medium Term Notes, Series B)

Thirty-fourth Supplemental Indenture dated as of November 1, 1996 to Indenture of Mortgage and Deed of Trust dated as of March 1, 1944 between Michigan Consolidated Gas Company and Citibank, N.A., trustee (Exhibit 4-2 to Michigan Consolidated Gas Company Registration Statement on (File No. 333-16285)). (First Mortgage Bonds Designated Secured Medium Term Notes, Series C)

Thirty-fifth Supplemental Indenture dated as of June 18, 1998 to Indenture of Mortgage and Deed of Trust dated as of March 1, 1944 between Michigan Consolidated Gas Company and Citibank, N.A., trustee, creating an issue of first mortgage bonds designated as collateral bonds (Exhibit 4-2 to Michigan Consolidated Gas Company Form 8-K dated June 18, 1998)

Thirty-seventh Supplemental Indenture dated as of February 15, 2003 to Indenture of Mortgage and Deed of Trust dated as of March 1, 1944 between Michigan Consolidated Gas Company and Citibank, N.A., trustee (Exhibit 4-4 to Michigan Consolidated Gas Company Form 10-Q for the quarter ended March 31, 2003). (5.70% collateral bonds due 2033)

Thirty-eighth Supplemental Indenture dated as of October 1, 2004 to Indenture of Mortgage and Deed of Trust dated as of March 1, 1944 between Michigan Consolidated Gas Company and Citibank, N.A., trustee (Exhibit 4-5 to Michigan Consolidated Gas Company Form 10-Q for the quarter ended September 31, 2004). (2004 Series E collateral bonds)

Thirty-ninth Supplemental Indenture, dated as of April 1, 2008 to Indenture of Mortgage and Deed of Trust dated as of March 1, 1944 between Michigan Consolidated Gas Company and Citibank, N.A., trustee (Exhibit 4-240 to Form 10-Q for the quarter ended March 31, 2008). (2008 Series A, B and C Collateral Bonds)

	Fortieth Supplemental Indenture, dated as of June 1, 2008 to Indenture of Mortgage and Deed of Trust dated as of March 1, 1944 between Michigan Consolidated Gas Company and Citibank, N.A., trustee (Exhibit 4-242 to Form 10-Q for the quarter ended June 30, 2008). (2008 Series F Collateral Bonds)
	Forty-first Supplemental Indenture, dated as of August 1, 2008 to Indenture of Mortgage and Deed of Trust dated as of March 1, 1944 between Michigan Consolidated Gas Company and Citibank, N.A., trustee (Exhibit 4-250 to Form 10-Q for the quarter ended September 30, 2008). (2008 Series H and I Collateral Bonds)
	Forty-second Supplemental Indenture, dated as of December 1, 2008 to Indenture of Mortgage and Deed of Trust dated as of March 1, 1944 between Michigan Consolidated Gas Company and Citibank, N.A., Trustee (Exhibit 4-253 to Form 10-K for the year ending December 31, 2008) (2008 Series M Collateral Bonds).
10(a)	Form of Indemnification Agreement between DTE Energy Company and each of Anthony F. Earley, Jr., Gerard M. Anderson, Robert J. Buckler, David E. Meador, Gerardo Norcia, Bruce D. Peterson, and non-employee Directors. (Exhibit 10-1 to Form 8-K dated December 6, 2007).
10(b)	Certain arrangements pertaining to the employment of Anthony F. Earley, Jr. with The Detroit Edison Company, dated April 25, 1994 (Exhibit 10-53 to The Detroit Edison Company's Form 10-Q for the quarter ended March 31, 1994).
10(c)	Certain arrangements pertaining to the employment of Gerard M. Anderson with The Detroit Edison Company, dated October 6, 1993 (Exhibit 10-48 to The Detroit Edison Company's Form 10-K for the year ended December 31, 1993).
10(d)	Certain arrangements pertaining to the employment of David E. Meador with The Detroit Edison Company, dated January 14, 1997 (Exhibit 10-5 to Form 10-K for the year ended December 31, 1996).
10(e)	Certain arrangements pertaining to the employment of Bruce D. Peterson, dated May 22, 2002 (Exhibit 10-48 to Form 10-Q for the quarter ended June 30, 2002).
10(f)	Amended and Restated Post-Employment Income Agreement, dated March 23, 1998, between The Detroit Edison Company and Anthony F. Earley, Jr. (Exhibit 10-21 to Form 10-Q for the quarter ended March 31, 1998).
10(g)	DTE Energy Company Annual Incentive Plan (Exhibit 10-44 to Form 10-Q for the quarter ended March 31, 2001).
10(h)	DTE Energy Company 2006 Long-Term Incentive Plan (Annex A to DTE Energy's Definitive Proxy Statement dated March 24, 2006).
	First Amendment, dated February 8, 2007 to the DTE Energy Company 2006 Long-Term Incentive Plan. (Exhibit 10-73 to Form 10-K for the year ended December 31, 2007).
	Second Amendment, dated March 8, 2007 to the DTE Energy Company 2006 Long-Term Incentive Plan. (Exhibit 10-74 to Form 10-K for the year ended December 31, 2007).
10(i)	DTE Energy Company Retirement Plan for Non-Employee Directors' Fees (as amended and restated effective as of December 31, 1998) (Exhibit 10-31 to Form 10-K for the year ended December 31, 1998).
10(j)	The Detroit Edison Company Supplemental Long-Term Disability Plan, dated January 27, 1997 (Exhibit 10-4 to Form 10-K for the year ended December 31, 1996).
10(k)	Description of Executive Life Insurance Plan (Exhibit 10-47 to Form 10-Q for the quarter ended June 30, 2002).
10(l)	DTE Energy Affiliates Nonqualified Plans Master Trust, effective as of May 1, 2003 (Exhibit 10-49 to Form 10-Q for the quarter ended March 31, 2003).
10(m)	Form of Director Restricted Stock Agreement (Exhibit 10.1 to Form 8-K dated June 23, 2005).

10(n)	Form of Director Restricted Stock Agreement pursuant to the DTE Energy Company Long-Term Incentive Plan (Exhibit 10.1 to Form 8-K dated June 29, 2006).
10(o)	DTE Energy Company Executive Supplemental Retirement Plan as Amended and Restated, effective as of January 1, 2005. (Exhibit 10.75 to Form 10-K for year ended December 31, 2008). First Amendment to the DTE Energy Company Executive Supplemental Retirement Plan (Amended and Restated Effective January 1, 2005) dated as of December 2, 2009. (Exhibit 10.1 to Form 8-K dated December 8, 2009)
10(p)	DTE Energy Company Supplemental Retirement Plan as Amended and Restated, effective as of January 1, 2005. (Exhibit 10.76 to Form 10-K for year ended December 31, 2008).
10(q)	DTE Energy Company Supplemental Savings Plan as Amended and Restated, effective as of January 1, 2005. (Exhibit 10.77 to Form 10-K for year ended December 31, 2008).
10(r)	DTE Energy Company Executive Deferred Compensation Plan as Amended and Restated, effective as of January 1, 2005. (Exhibit 10.78 to Form 10-K for year ended December 31, 2008).
10(s)	DTE Energy Company Plan for Deferring the Payment of Directors' Fees as Amended and Restated, effective as of January 1, 2005. (Exhibit 10.79 to Form 10-K for year ended December 31, 2008).
10(t)	DTE Energy Company Deferred Stock Compensation Plan for Non-Employee Directors as Amended and Restated, effective January 1, 2005. (Exhibit 10.80 to Form 10-K for year ended December 31, 2008).
10(u)	Form of DTE Energy Five-Year Credit Agreement, dated as of October 17, 2005, by and among DTE Energy, the lenders party thereto, Citibank, N.A., as Administrative Agent, and Barclays Bank PLC and JPMorgan Chase Bank, N.A., as Co-Syndication Agents (Exhibit 10.1 to Form 8-K dated October 17, 2005).
10(v)	Form of Five-Year Credit Agreement dated as of October 17, 2005, by and among Michigan Consolidated Gas Company, the lenders party thereto, JPMorgan Chase Bank, N.A., as Administrative Agent, and Barclays Bank PLC and Citibank, N.A., as Co-Syndication Agents (Exhibit 10.1 to Form 8-K dated October 17, 2005).
10(w)	Form of The Detroit Edison Company's Five-Year Credit Agreement, dated as of October 17, 2005, by and among The Detroit Edison Company, the lenders party thereto, Barclays Bank PLC, as Administrative Agent, and Citibank, N.A. and JPMorgan Chase Bank, N.A., as Co-Syndication Agents (Exhibit 10.1 to Form 8-K dated October 17, 2005).
10(x)	Form of DTE Energy Two-Year Credit Agreement, dated as of April 29, 2009, by and among DTE Energy, the lenders party thereto, Citibank, as Administrative Agent, and Barclays, BNS and JPMorgan, as Co-Syndication Agents. (Exhibit 10.1 to Form 8-K filed May 5, 2009)
10(y)	Form of MichCon Two-Year Credit Agreement, dated as of April 29, 2009, by and among MichCon, the lenders party thereto, JPMorgan, as Administrative Agent, and Barclays, Citibank and Bank of America, as Co-Syndication Agents. (Exhibit 10.2 to Form 8-K filed May 5, 2009)
10(z)	Form of Detroit Edison Two-Year Credit Agreement, dated as of April 29, 2009, by and among Detroit Edison, the lenders party thereto, Barclays, as Administrative Agent, and Citibank, JPMorgan and RBS, as Co-Syndication Agents. (Exhibit 10.1 to Form 8-K filed May 5, 2009)
99(a)	Master Trust Agreement ("Master Trust"), dated as of June 30, 1994, between DTE Energy Company, as successor, and Fidelity Management Trust Company relating to the Savings and Investment Plans (Exhibit 4-167 to Form 10-Q for the quarter ended June 30, 1994). First Amendment, dated as of February 1, 1995, to Master Trust (Exhibit 4-10 to Registration No. 333-00023). Second Amendment, dated as of February 1, 1995, to Master Trust (Exhibit 4-11 to Registration No. 333-00023).

Third Amendment, effective January 1, 1996, to Master Trust (Exhibit 4-12 to Registration No. 333-00023).
Fourth Amendment, dated as of August 1, 1996, to Master Trust (Exhibit 4-185 to Form 10-K for the year ended December 31, 1997).
Fifth Amendment, dated as of January 1, 1998, to Master Trust (Exhibit 4-186 to Form 10-K for the year ended December 31, 1997).
Sixth Amendment, dated as of September 1, 1998, to Master Trust (Exhibit 99-15 to Form 10-K for the year ended December 31, 2004).
Seventh Amendment, dated as of December 15, 1999, to Master Trust (Exhibit 99-16 to Form 10-K for the year ended December 31, 2004).
Eighth Amendment, dated as of February 1, 2000, to Master Trust (Exhibit 99-17 to Form 10-K for the year ended December 31, 2004).
Ninth Amendment, dated as of April 1, 2000, to Master Trust (Exhibit 99-18 to Form 10-K for the year ended December 31, 2004).
Tenth Amendment, dated as of May 1, 2000, to Master Trust (Exhibit 99-19 to Form 10-K for the year ended December 31, 2004).
Eleventh Amendment, dated as of July 1, 2000, to Master Trust (Exhibit 99-20 to Form 10-K for the year ended December 31, 2004).
Twelfth Amendment, dated as of August 1, 2000, to Master Trust (Exhibit 99-21 to Form 10-K for the year ended December 31, 2004).
Thirteenth Amendment, dated as of December 21, 2001, to Master Trust (Exhibit 99-22 to Form 10-K for the year ended December 31, 2004).
Fourteenth Amendment, dated as of March 1, 2002, to Master Trust (Exhibit 99-23 to Form 10-K for the year ended December 31, 2004).
Fifteenth Amendment, dated as of January 1, 2002, to Master Trust (Exhibit 99-24 to Form 10-K for the year ended December 31, 2004).
Sixteenth Amendment, dated as of July 30, 2004, to Master Trust (Exhibit 99-25 to Form 10-K for the year ended December 31, 2007).
Eighteenth Amendment, dated as of June 1, 2006, to Master Trust (Exhibit 99-26 to Form 10-K for the year ended December 31, 2007).
Nineteenth Amendment, dated as of July 31, 2007, to Master Trust (Exhibit 99-27 to Form 10-K for the year ended December 31, 2007).
Twentieth Amendment, dated as of April 30, 2008, to Master Trust (Exhibit 99-48 to Form 10-K for the year ended December 31, 2008).

(iii) Exhibits furnished herewith:

32-55 Chief Executive Officer Section 906 Form 10-K Certification of Periodic Report.
32-56 Chief Financial Officer Section 906 Form 10-K Certification of Periodic Report.

DTE Energy Company

Schedule II — Valuation and Qualifying Accounts

	Year Ending December 31, 2009	2008	2007
		(in Millions)	
Allowance for Doubtful Accounts (shown as deduction from Accounts Receivable in the Consolidated Statements of Financial Position)			
Balance at Beginning of Period	**$ 265**	$ 182	$ 170
Additions:			
Charged to costs and expenses	**155**	198	133
Charged to other accounts(1)	**17**	18	12
Deductions(2)	**(175)**	(133)	(133)
Balance at End of Period	**$ 262**	$ 265	$ 182

(1) Collection of accounts previously written off and, in 2008, balances previously held for sale of $4 million.

(2) Uncollectible accounts written off.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

DTE ENERGY COMPANY
(Registrant)

By /s/ ANTHONY F. EARLEY, JR.
Anthony F. Earley, Jr.
Chairman of the Board and
Chief Executive Officer

Date: February 23, 2010

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the date indicated.

By	/s/ ANTHONY F. EARLEY, JR. Anthony F. Earley, Jr. Chairman of the Board and Chief Executive Officer	By	/s/ DAVID E. MEADOR David E. Meador Executive Vice President and Chief Financial Officer
By	/s/ PETER B. OLEKSIAK Peter B. Oleksiak Vice President, Controller and Investor Relations, and Chief Accounting Officer	By	/s/ GERARD M. ANDERSON Gerard M. Anderson President, Chief Operating Officer and Director
By	/s/ LILLIAN BAUDER Lillian Bauder, Director	By	/s/ EUGENE A. MILLER Eugene A. Miller, Director
By	/s/ W. FRANK FOUNTAIN, JR. W. Frank Fountain, Jr., Director	By	/s/ MARK A. MURRAY Mark A. Murray, Director
By	/s/ ALLAN D. GILMOUR Allan D. Gilmour, Director	By	/s/ CHARLES W. PRYOR, JR. Charles W. Pryor, Jr., Director
By	/s/ FRANK M. HENNESSEY Frank M. Hennessey, Director	By	/s/ JOSUE ROBLES, JR. Josue Robles, Jr., Director
By	/s/ JOHN E. LOBBIA John E. Lobbia, Director	By	/s/ RUTH G. SHAW Ruth G. Shaw, Director
By	/s/ GAIL J. MCGOVERN Gail J. McGovern, Director	By	/s/ JAMES H. VANDENBERGHE James H. Vandenberghe, Director

Date: February 23, 2010

Exhibit 12-45

DTE ENERGY COMPANY
COMPUTATION OF RATIO OF EARNINGS TO FIXED CHARGES

(Millions of Dollars)	Twelve Months Ended December 31				
	2009	2008	2007	2006	2005
Earnings:					
Pretax earnings	$ 782	$ 819	$ 1,155	$ 536	$ 415
Adjustments	4	(3)	(4)	(4)	5
Fixed charges	572	540	562	558	546
Net earnings	$ 1,358	$ 1,356	$ 1,713	$ 1,090	$ 966
Fixed charges:					
Interest expense	$ 545	$ 503	$ 533	$ 525	$ 518
Adjustments	27	37	29	33	28
Fixed charges	$ 572	$ 540	$ 562	$ 558	$ 546
Ratio of earnings to fixed charges	2.37	2.51	3.05	1.95	1.77

Exhibit 21-5

SUBSIDIARIES OF DTE ENERGY COMPANY

DTE Energy Company's principal subsidiaries as of December 31, 2009 are listed below. All other subsidiaries, if considered in the aggregate as a single subsidiary, would not constitute a significant subsidiary.

Subsidiary	State of Incorporation
1. The Detroit Edison Company	Michigan
2. DTE Enterprises, Inc.	Michigan
3. DTE Energy Resources, Inc.	Michigan
4. Michigan Consolidated Gas Company	Michigan

Exhibit 23-22

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We hereby consent to the incorporation by reference in the Registration Statements on Form S-3 (Nos. 333-161489, 333-161489-01 and 333-157769) and Form S-8 (Nos. 333-157768, 333-133645, 333-109623, 333-61992 and 333-47247) of DTE Energy Company of our report dated February 23, 2010 relating to the financial statements, financial statement schedule and the effectiveness of internal control over financial reporting, which appears in this Form 10-K.

/S/ PricewaterhouseCoopers LLP

Detroit, Michigan
February 23, 2010

Exhibit 23-23

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference of our report dated February 27, 2009 (August 20, 2009, as to the effects of the retrospective adoption of Accounting Standards Codification ("ASC") 810-10 and ASC 260-10 as described in Note 3 to the consolidated financial statements) relating to the consolidated financial statements and financial statement schedules of DTE Energy Company and subsidiaries appearing in this Annual Report on Form 10-K of DTE Energy Company for the year ended December 31, 2009, in the following registration statements:

Form	Registration Number
Form S-3	333-161489
Form S-3	333-157769
Form S-8	333-157768
Form S-8	333-47247
Form S-8	333-133645
Form S-8	333-61992
Form S-8	333-109623

/S/ DELOITTE & TOUCHE LLP

Detroit, Michigan
February 23, 2010

Exhibit 31-55

FORM 10-K CERTIFICATION

I, Anthony F. Earley, Jr., certify that:

1. I have reviewed this Annual Report on Form 10-K of DTE Energy Company;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant’s other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
    a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
    b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
    c. Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
    d. Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and
5. The registrant’s other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):
    a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and
    b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

/S/ ANTHONY F. EARLEY, JR. Date: February 23, 2010

Anthony F. Earley, Jr.
Chairman of the Board
and Chief Executive Officer of DTE Energy Company

Exhibit 31-56

FORM 10-K CERTIFICATION

I, David E. Meador, certify that:

1. I have reviewed this Annual Report on Form 10-K of DTE Energy Company;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
   a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/S/ DAVID E. MEADOR   Date: February 23, 2010

David E. Meador
Executive Vice President and
Chief Financial Officer of DTE Energy Company

Exhibit 32-55

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Annual Report on Form 10-K of DTE Energy Company (the "Company") for the year ended December 31, 2009, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Anthony F. Earley, Jr., certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge and belief:

(1) the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: February 23, 2010

/S/ ANTHONY F. EARLEY, JR.
Anthony F. Earley, Jr.
Chairman of the Board and Chief Executive
Officer of DTE Energy Company

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit 32-56

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Annual Report on Form 10-K of DTE Energy Company (the “Company”) for the year ended December 31, 2009, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, David E. Meador, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge and belief:

(1) the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: February 23, 2010

/S/ DAVID E. MEADOR
David E. Meador
Executive Vice President and Chief Financial Officer of DTE Energy Company

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit 99-49

**TWENTY-FIRST AMENDMENT TO TRUST AGREEMENT BETWEEN
FIDELITY MANAGEMENT TRUST COMPANY AND
DTE ENERGY COMPANY**

This **TWENTY-FIRST AMENDMENT** , dated as of the 24 th day of January, 2009, by and between Fidelity Management Trust Company (the “Trustee”) and DTE Energy Company (the “Sponsor”);

WITNESSETH:

WHEREAS, the Trustee and Sponsor heretofore entered into a Master Trust Agreement dated June 30, 1994, with regard to DTE Energy Company Savings and Stock Ownership Plan, The Detroit Edison Savings & Investment Plan for Employees Represented by Local 17 of the International Brotherhood of Electrical Workers, The Detroit Edison Savings & Investment Plan for Employees Represented by Local 223 of the Utility Workers Union of America, and the MichCon Investment and Stock Ownership Plan (collectively and individually, the “Plan”); and

WHEREAS, the Named Fiduciary desires to appoint an independent fiduciary as the investment manager with respect to the assets of the Stock Fund (the “Independent Fiduciary”), such investment manager to have powers to take certain actions as outlined herein and as may be specified and communicated to the Trustee in writing; and

WHEREAS, the Trustee and the Sponsor now desire to further amend such Trust Agreement as provided for in Section 14 thereof;

NOW, THEREFORE, in consideration of the above premises, the Trustee and the Sponsor hereby amend the Trust Agreement by:

1. Restating clause (A) of subsection (ii), Fiduciary Duty , of Section 5(e), Sponsor Stock , in its entirety, as follows:

   (A) The Independent Fiduciary (or the Named Fiduciary at any time an Independent Fiduciary is not appointed) shall be responsible to monitor the appropriateness of the Trust acquiring and holding Sponsor Stock under the fiduciary rules of section 404(a) of ERISA. The Trustee shall not be liable for any loss or expense which arises from the directions of the Independent Fiduciary (or the Named Fiduciary at any time an Independent Fiduciary is not appointed) with respect to the acquisition and holding of Sponsor Stock, unless it is clear on their face that the actions to be taken under those directions would be prohibited by the foregoing fiduciary duty rules or would be contrary to the terms of this Agreement.

2. Restating the first sentence of subsection (vii), Voting and Tender Offers , of Section 5(e), Sponsor Stock , in its entirety, as follows:

   Notwithstanding any provision of this Agreement other than subsection (x) of this Section 5(e), this provision of this subsection (vii) shall govern the voting and tendering of Sponsor Stock.

3. Amending Section 5(e), Sponsor Stock , by inserting new subsection (x), Independent Fiduciary , as follows:

(x) Independent Fiduciary

The Sponsor may appoint an independent fiduciary, a “named fiduciary” within the meaning of Section 402(a) of ERISA (“Independent Fiduciary”), as the investment manager of the Stock Fund, as described in an engagement letter entered into with the Independent Fiduciary (the “Engagement Letter”). The authority of the Independent Fiduciary shall not begin until the Trustee receives written notice from the Sponsor that the Independent Fiduciary has been appointed and that the Independent Fiduciary has acknowledged in writing that the Independent Fiduciary is a fiduciary within the meaning of ERISA with respect to the Stock Fund. Except as provided herein, the Trustee shall have no responsibility to determine whether any directions of the Independent Fiduciary are consistent with ERISA, the Engagement Letter, or other applicable law.

(A) Any directions by the Independent Fiduciary to the Trustee must be timely communicated to the Trustee reasonably in advance to allow the Trustee to take the appropriate action as directed. The Trustee shall not be liable for any loss or expense arising from the direction if the direction is contained in a writing provided by any individual whose name has been submitted (and not withdrawn) in writing to the Trustee by the Named Fiduciary, unless it is clear on the direction’s face that the actions to be taken under the direction would be prohibited by the fiduciary duty rules of Section 404(a) of ERISA or would be contrary to the terms of this Agreement. Such direction may be made via letter of direction or such other means set forth in Schedule “M”, attached hereto. If the Independent Fiduciary has failed to provide the Trustee with the necessary direction, the Trustee shall notify the Sponsor and seek instructions from the Sponsor as to how to proceed.

(B) If the Independent Fiduciary resigns or is removed, the Named Fiduciary may appoint a successor Independent Fiduciary. The Named Fiduciary shall notify the Trustee as soon as administratively feasible of any such resignation or removal and the appointment of a successor Independent Fiduciary. Unless and until the Named Fiduciary has appointed a successor Independent Fiduciary and all necessary documentation required by the Trustee has been executed, the Trustee shall not take any action with respect to the Stock Fund absent instructions from the Named Fiduciary.

(C) The Trustee shall accept direction from the Independent Fiduciary only with regard to the Stock Fund. In addition, the Trustee shall follow the directions of such Independent Fiduciary to execute trades outside the parameters set forth in its standard trading guidelines. The Independent Fiduciary may determine, pursuant to the Plan and the Engagement Letter, to impose further limitations or restriction on the investment of Participants accounts in the Stock Fund. In addition **,** the Independent Fiduciary may determine that the Sponsor

Stock Fund shall no longer be available as an investment option under the Plan and shall make such decisions as are necessary to implement this determination. Such decisions shall include determining the manner and timing of termination of the Stock Fund and the orderly liquidation and reinvestment of its assets. The Trustee shall have no responsibility for such decisions except to comply with the direction of the Independent Fiduciary to the extent reasonably feasible.

The Independent Fiduciary has no authority to direct the Trustee regarding the voting of proxies with respect to shares of the Stock Fund for which no Participant direction is received. In the event no direction is received, the passthrough provisions of Section 5(e) (vii) of this Agreement shall apply.

4. Amending Section 8(e), Indemnification , to add the following paragraph:

The Sponsor shall indemnify the Trustee against, and hold the Trustee harmless from any and all loss, damage, penalty, liability, cost and expense, including without limitation, reasonable attorney's fees and disbursements ("Losses"), that may be incurred by, imposed upon, or asserted against the Trustee by reason of any claim, regulatory proceeding, or litigation arising from any act done or omitted to be done by the Independent Fiduciary with regard to the Stock Fund, excepting only any and all Losses arising primarily from the Trustee's negligence, gross negligence, willful misconduct or bad faith.

5. Adding Schedule "M" as attached hereto.

IN WITNESS WHEREOF, the Trustee and the Sponsor have caused this Twenty-First Amendment to be executed by their duly authorized officers effective as of the day and year first above written.

DTE ENERGY COMPANY

By: /s/ Elizabeth A. Pochini
Authorized Signatory

Date: 2-24-09

FIDELITY MANAGEMENT TRUST COMPANY

By: /s/ Rebecca Ethier
FMTC Authorized Signatory

Date: 2-26-09

Schedule "M" — Directions From Independent Fiduciary

XXX, X , 2009

Ms. Rebecca Ethier
Fidelity Investments
300 Puritan Way — MM1M
Marlborough, MA 01752-3078

Re: DTE Energy Company Savings and Stock Ownership Plan
The Detroit Edison Savings & Investment Plan for Employees Represented by Local 17 of the International Brotherhood of Electrical Workers
The Detroit Edison Savings & Investment Plan for Employees Represented by Local 223 of the Utility Workers Union of America
The MichCon Investment and Stock Ownership Plan

Dear Ms. Ethier:

Pursuant to DTE Energy Company's appointment of Fiduciary Counselors, Inc. ("Independent Fiduciary") as the investment manager with regard to the DTE Energy Common Stock Fund as an investment option in the above referenced plans, via an engagement agreement dated XXX XX, 2008, this letter identifies the individuals authorized to give direction to Fidelity Management Trust Company ("Fidelity") with regard to the DTE Energy Company Stock Fund, and the method by which Fidelity will accept such direction.

I hereby designate xxx, xxx, and xxx as the individuals who may provide directions on behalf of the Independent Fiduciary, and upon which Fidelity may rely. Only one such individual need provide any direction. The signature of each designated individual is set forth below and certified to be such.

You may rely upon each designation and certification set forth in this letter until we deliver to you written notice of the termination of authority of a designated individual.

Fidelity will accept direction via a written instruction executed by one of the individuals designated herein, which may be delivered via fax. Fidelity will also accept oral and email direction, provided that such direction is immediately confirmed in a properly executed writing, which may be delivered by fax.

Very truly yours,

xxx
Title

____
xxx

____
xxx

Exhibit 99-50

TWENTY-SECOND AMENDMENT TO TRUST AGREEMENT BETWEEN FIDELITY MANAGEMENT TRUST COMPANY AND DTE ENERGY COMPANY

THIS TWENTY-SECOND AMENDMENT , dated as of the first day of April, 2009, and effective on such date except as otherwise set forth herein, by and between Fidelity Management Trust Company (the “Trustee”) and DTE Energy Company (the “Sponsor”);

WITNESSETH:

WHEREAS , the Trustee and Sponsor heretofore entered into a Master Trust Agreement dated June 30, 1994, as amended (the “Trust Agreement”), with regard to DTE Energy Company Savings and Stock Ownership Plan, The Detroit Edison Savings & Investment Plan for Employees Represented by Local 17 of the International Brotherhood of Electrical Workers, The Detroit Edison Savings & Investment Plan for Employees Represented by Local 223 of the Utility Workers Union of America, and the MichCon Investment and Stock Ownership Plan (collectively and individually, the “Plan”); and

WHEREAS , the Trustee and the Sponsor now desire to amend said Trust Agreement as provided for in Section 14 thereof;

NOW THEREFORE , in consideration of the above premises, the Trustee and the Sponsor hereby amend the Trust Agreement by:

(1) Amending subsection (iii), Purchases and Sales of Sponsor Stock for Batch Activity, of Section 5(e), Sponsor Stock , to add the following new clause (B):

(B) Purchases and Sales from or to Sponsor . If directed by the Sponsor in writing prior to the trading date, the Trustee may purchase or sell Sponsor Stock from or to the Sponsor if the purchase or sale is for adequate consideration (within the meaning of section 3(18) of ERISA) and no commission is charged. If Sponsor contributions (employer) or contributions made by the Sponsor on behalf of the Participants (employee) under the Plan are to be invested in Sponsor Stock, the Sponsor may transfer Sponsor Stock in lieu of cash to the Trust.

IN WITNESS WHEREOF , the Trustee and the Sponsor have caused this Twenty-Second Amendment to be executed by their duly authorized officers effective as of the day and year first above written.

DTE ENERGY COMPANY		**FIDELITY MANAGEMENT TRUST COMPANY**	
By: /s/ Elizabeth A. Pochini	3/9/09	By: /s/ Stephanie Nick	5/20/09
Authorized Signatory	Date	FMTC Authorized Signatory	Date

Exhibit 99-51

TWENTY-THIRD AMENDMENT TO TRUST AGREEMENT BETWEEN FIDELITY MANAGEMENT TRUST COMPANY AND DTE ENERGY COMPANY

THIS TWENTY-THIRD AMENDMENT, dated as of the first day of May, 2009, and effective as otherwise set forth herein, by and between Fidelity Management Trust Company (the “Trustee”) and DTE Energy Company (the “Sponsor”);

WITNESSETH:

WHEREAS, the Trustee and the Sponsor heretofore entered into a Master Trust Agreement dated June 30, 1994, as amended (the “Trust Agreement”), with regard to DTE Energy Company Savings and Stock Ownership Plan, The Detroit Edison Savings & Investment Plan for Employees Represented by Local 17 of the International Brotherhood of Electrical Workers, The Detroit Edison Savings & Investment Plan for Employees Represented by Local 223 of the Utility Workers Union of America, and the MichCon Investment and Stock Ownership Plan (collectively and individually, the “Plan”); and

WHEREAS, the Sponsor has informed the Trustee that effective January 1, 2002, the names of the Plans have changed from “The Detroit Edison Savings & Investment Plan for Employees Represented by Local 17 of the International Brotherhood of Electrical Workers” and “The Detroit Edison Savings & Investment Plan for Employees Represented by Local 223 of the Utility Workers Union of America” to “Detroit Edison Company Savings & Stock Ownership Plan for Employees Represented by Local 17 of the International Brotherhood of Electrical Workers” and “Detroit Edison Company Savings & Stock Ownership Plan for Employees Represented by Local 223 of the Utility Workers Union of America” respectively, and all references thereto should be changed accordingly; and

WHEREAS, the Trustee and the Sponsor now desire to amend said Trust Agreement as provided in Section 14 thereof;

NOW THEREFORE, in consideration of the above premises, the Trustee and the Sponsor hereby amend the Trust Agreement by:

(1) Effective January 1, 2002, replacing all references to “The Detroit Edison Savings & Investment Plan for Employees Represented by Local 17 of the International Brotherhood of Electrical Workers” and “The Detroit Edison Savings & Investment Plan for Employees Represented by Local 223 of the Utility Workers Union of America” as the Plan with “Detroit Edison Company Savings & Stock Ownership Plan for Employees Represented by Local 17 of the International Brotherhood of Electrical Workers” and “Detroit Edison Company Savings & Stock Ownership Plan for Employees Represented by Local 223 of the Utility Workers Union of America” respectively.

(2) Effective March 1, 2009, deleting the last sentence of Section 5(e)(vii)(A)(2) which currently reads, “Except as otherwise required by law, the Trustee shall not vote shares of Sponsor Stock credited to a Participant’s account for which it has received no directions from the Participant” and inserting in lieu thereof the following new sentences:

With respect to 1) the subset of Participants of the DTE Energy Company Savings and Stock Ownership Plan as identified by the Sponsor via a separate letter of direction, and 2) the subset of Participants of the MichCon Investment and Stock Ownership Plan as identified by the Sponsor via a separate letter of direction, the Trustee shall vote shares of Sponsor Stock credited to a

Participant's account for which it has received no direction from the Participant in the same proportion on each issue as it votes those shares credited to Participants' accounts for which it received voting directions from Participants, except as otherwise required by law.

With respect to 1) Detroit Edison Company Savings & Stock Ownership Plan for Employees Represented by Local 17 of the International Brotherhood of Electrical Workers, 2) Detroit Edison Company Savings & Stock Ownership Plan for Employees Represented by Local 223 of the Utility Workers Union of America, 3) the subset of Participants of the DTE Energy Company Savings and Stock Ownership Plan as identified by the Sponsor via a separate letter of direction, and 4) the subset of Participants of the MichCon Investment and Stock Ownership Plan as identified by the Sponsor via a separate letter of direction, the Trustee shall not vote shares of Sponsor Stock credited to a Participant's account for which it has received no directions from the Participant, except as otherwise required by law.

IN WITNESS WHEREOF, the Trustee and the Sponsor have caused this Twenty-Third Amendment to be executed by their duly authorized officers effective as of the day and year first above written.

DTE ENERGY COMPANY

By: /s/ Elizabeth A. Pochini 4-24-09
Authorized Signatory Date

FIDELITY MANAGEMENT TRUST COMPANY

By: /s/ Stephanie Nick 7/6/09
FMTC Authorized Signatory Date

Exhibit 99-52

TWENTY-FOURTH AMENDMENT TO TRUST AGREEMENT BETWEEN FIDELITY MANAGEMENT TRUST COMPANY AND DTE ENERGY COMPANY

THIS TWENTY-FOURTH AMENDMENT, dated as of the first day of June, 2009, and effective as otherwise set forth herein, by and between Fidelity Management Trust Company (the "Trustee") and DTE Energy Company (the "Sponsor");

WITNESSETH:

WHEREAS, the Trustee and the Sponsor heretofore entered into a Master Trust Agreement dated June 30, 1994, as amended (the "Trust Agreement"), with regard to DTE Energy Company Savings and Stock Ownership Plan, Detroit Edison Company Savings & Stock Ownership Plan for Employees Represented by Local 17 of the International Brotherhood of Electrical Workers, Detroit Edison Company Savings & Stock Ownership Plan for Employees Represented by Local 223 of the Utility Workers Union of America, and the MichCon Investment and Stock Ownership Plan (collectively and individually, the "Plan"); and

WHEREAS, the Trust Agreement contemplates that the Trustee may use any of its affiliates to discharge its obligations to the Plan, and Fidelity Employer Services Company, LLC ("FESCo") is such an affiliate; and

WHEREAS, the Trustee and the Sponsor now desire to amend said Trust Agreement as provided in Section 14 thereof;

NOW THEREFORE, in consideration of the above premises, the Trustee and the Sponsor hereby amend the Trust Agreement by:

(1) Effective January 1, 2009, amending Schedule "B" to delete in its entirety the section entitled Expense Credit" and to add in lieu thereof a new section entitled "Service Credits" as follows:

Service Credits .

FESCo shall make available a Service Credit in the total amount of $100,000 (one hundred thousand U.S. dollars) for calendar year 2009 only, to be allocated to each Plan pro rata based on each Plan's total assets. The Service Credit shall be used to offset the cost of services provided by the Trustee or its affiliates (collectively "Fidelity") ("Service Credit").

a. The applicable amount shall be credited as a Service Credit on a book entry basis, to a non-interest bearing hypothetical account in respect of the Plan (the "Service Credit Account") maintained by FESCo. This amount may only be used to offset the cost of Fidelity-Provided Services as described in paragraph "b" below. Any unused Service Credit shall expire on December 31, 2009.

b. Subject to the provisions of this "Service Credit" section, the Service Credit Account shall be debited and such Service Credits used, as follows:

(i) Fidelity-Provided Services . FESCo shall debit the Plan's Service Credit Account, and use such Service Credits to offset the cost of services provided by Fidelity to the Plan effective January 1, 2009, for calendar year 2009 that would otherwise be payable pursuant to this Agreement or for additional Plan services provided by Fidelity that the Sponsor may from time to time choose to utilize.

(ii) A Service Credit cannot be used to offset, reimburse or pay: (1) expenses that are deducted from participants' accounts; (2) expenses that are accrued in the net asset value or mil rate of an investment option; or (3) investment management services. Fidelity reserves the right to modify the expenses for which Service Credits could be used to offset with thirty (30) days prior written notice to the Sponsor.

(iii) No Payments . Nothing in this paragraph shall obligate FESCo to make payments to any entity under the terms hereof.

c. The Service Credit Account established for the Plan hereunder shall not be transferable under any circumstances, and shall be extinguished upon termination of recordkeeping services by the Trustee or its affiliates to the Plan, regardless of whether such Service Credit Account has a hypothetical balance at such time. The book entry value of such account shall not be payable in cash to any Plan, the Sponsor, the Named Fiduciary or any other entity.

d. Unless otherwise notified by the Sponsor, Fidelity shall automatically apply Service Credits, to the extent available, to defray the costs of Fidelity-Provided Services at the time the costs would be invoiced. The Sponsor shall be solely responsible for the determination of whether it is permissible under ERISA for Service Credits to be applied to a given Fidelity-Provided Plan Service and shall notify Fidelity if Service Credits should not be used to offset the costs of said service. Any charges for Fidelity-Provided Services not offset by Service Credits shall be due and payable by Sponsor pursuant to ordinary invoice terms and the terms of this Agreement.

e. FESCo shall maintain the Service Credit Account balance and report any such balance back to the Sponsor upon request

(2) Effective January 1, 2009, deleting in its entirety Exhibit "B-1," Expense Credit Procedures .

IN WITNESS WHEREOF, the Trustee and the Sponsor have caused this Twenty-Fourth Amendment to be executed by their duly authorized officers effective as of the day and year first above written.

DTE ENERGY COMPANY		FIDELITY MANAGEMENT TRUST COMPANY	
By: /s/ Elizabeth A. Pochini	6/18/09	By: /s/ Stephanie Nick	7-6-09
Authorized Signatory	Date	FMTC Authorized Signatory	Date

Exhibit 99.53

TWENTY-FIFTH AMENDMENT TO TRUST AGREEMENT BETWEEN FIDELITY MANAGEMENT TRUST COMPANY AND DTE ENERGY COMPANY

THIS TWENTY-FIFTH AMENDMENT , dated as of the tenth day of June, 2009, by and between Fidelity Management Trust Company (the “Trustee”) and DTE Energy Company (the “Sponsor”);

WITNESSETH:

WHEREAS , the Trustee and Sponsor heretofore entered into a Master Trust Agreement dated June 30, 1994, with regard to DTE Energy Company Savings and Stock Ownership Plan, The Detroit Edison Savings & Investment Plan for Employees Represented by Local 17 of the International Brotherhood of Electrical Workers, The Detroit Edison Savings & Investment Plan for Employees Represented by Local 223 of the Utility Workers Union of America, and the MichCon Investment and Stock Ownership Plan (collectively and individually, the “Plan”); and

WHEREAS , the Sponsor now desires, and hereby directs the Trustee, in accordance with Section 8(c), of the Master Trust Agreement, *effective at the close of business on June 10, 2009* , to liquidate all participant balances held in the Fund in Column I at its net asset value on such day, and to invest the proceeds in the corresponding Fund in Column II at its net asset value on such day; and (ii) *effective close of business on June 10, 2009* , to redirect all Participant contributions directed to the Fund in Column I and to invest the proceeds in the corresponding fund in Column II; and (iii) *effective close of business on June 10, 2009,* to permit no new investments in the Funds in Column I. The parties hereto agree that the Trustee shall have no discretionary authority with respect to these above listed redirections directed by the Sponsor. Any variation from the procedure described herein may be instituted only at the express written directions of the Sponsor;

Column I	To	Column II
T. Rowe Price Retirement Income Fund	=>	T. Rowe Price Retirement Income Trust T4
T. Rowe Price Retirement 2005 Fund	=>	T. Rowe Price Retirement 2005 Trust T4
T. Rowe Price Retirement 2010 Fund	=>	T. Rowe Price Retirement 2010 Trust T4
T. Rowe Price Retirement 2020 Fund	=>	T. Rowe Price Retirement 2020 Trust T4
T. Rowe Price Retirement 2030 Fund	=>	T. Rowe Price Retirement 2030 Trust T4
T. Rowe Price Retirement 2040 Fund	=>	T. Rowe Price Retirement 2040 Trust T4
T. Rowe Price Retirement 2050 Fund	=>	T. Rowe Price Retirement 2050 Trust T4
Eaton Vance Large-Cap Value Fund—Class I	=>	Eaton Vance Collective Trust for Employee Benefit Plans—Large Cap Value

WHEREAS , the Trustee and the Sponsor now desire to amend said Trust Agreement as provided for in Section 14 thereof;

NOW THEREFORE , in consideration of the above premises, the Trustee and the Sponsor hereby amend the Trust Agreement by:

(1) Amending Section the last sentence of 5(c), Participant Direction , by restating as follows:

In the event that the Trustee fails to receive a proper direction from the Participant, the assets shall be invested in the investment option set forth for such purpose on Schedule “C”, until the Trustee receives a proper direction.

(2) Amending Section 5(h), Outside Managed Collective Investment Funds , by restating as follows:

All transactions involving Alliance Bernstein: Bernstein International Value, Barclays Global Investors US Debt Index Fund, Barclays Global Wilshire 4500 Fund, Eaton Vance Collective Trust, T. Rowe Price Retirement Income Trusts and Western Asset Core Plus Bond Portfolio shall be done in accordance with separate operating procedures between the Trustee, or its affiliate, and the fund provider.

(3) *Effective close of business on June 10, 2009*, amending the “Investment Options” section of Schedules “A” and “C” to add the following:

- Eaton Vance Collective Trust for Employee Benefit Plans—Large Cap Value
- PIMCO Total Return Fund—Institutional Class
- T. Rowe Price Retirement Income Trust T4
- T. Rowe Price Retirement 2005 Trust T4
- T. Rowe Price Retirement 2010 Trust T4
- T. Rowe Price Retirement 2020 Trust T4
- T. Rowe Price Retirement 2030 Trust T4
- T. Rowe Price Retirement 2040 Trust T4
- T. Rowe Price Retirement 2050 Trust T4

(4) *Effective close of business June 10, 2009* , amending the “Investment Options” portion of Schedules “A” and “C” to delete the following:

- Eaton Vance Large-Cap Value Fund—Class I
- T. Rowe Price Retirement Income Fund
- T. Rowe Price Retirement 2005 Fund
- T. Rowe Price Retirement 2010 Fund
- T. Rowe Price Retirement 2020 Fund
- T. Rowe Price Retirement 2030 Fund
- T. Rowe Price Retirement 2040 Fund
- T. Rowe Price Retirement 2050 Fund

(5) *Effective close of business June 10, 2009*, amending Schedule “C” to restate the last paragraph, as follows:

The Named Fiduciary hereby directs that for Plan assets allocated to a Participant’s account to the extent the Plan allows, the investment option referred to in Section 5(c) that applies in the event that the Trustee fails to receive a proper direction from the Participant shall be the T. Rowe Price Retirement Trust T4 determined according to a methodology selected by the Named Fiduciary and communicated to the Trustee in writing. In the case of unallocated Plan assets, the termination or reallocation of an investment option, source restrictions or Plan assets described in 5(e)(vii)(B)(5), the Plan's default investment shall be Fidelity Institutional Money Market Fund.

IN WITNESS WHEREOF , the Trustee and the Sponsor have caused this Twenty-Fifth Amendment to be executed by their duly authorized officers effective as of the day and year first above written.

DTE ENERGY COMPANY		**FIDELITY MANAGEMENT TRUST COMPANY**	
By: /s/ Elizabeth A. Pochini	6/8/09	By: /s/ Rebecca Ethier	6/16/09
Authorized Signatory	Date	FMTC Authorized Signatory	Date