

DTE ENERGY CO
Form DEF 14A
March 21, 2011

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of the Securities
Exchange Act of 1934 (Amendment No.)

Filed by the Registrant x
Filed by a Party other than the Registrant o

Check the appropriate box:

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

DTE Energy Company

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

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

2011 Notice of Annual Meeting of Shareholders and Proxy Statement

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

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

1. Elect directors;
2. Ratify the appointment of PricewaterhouseCoopers LLP by the Audit Committee of the Board of Directors as our independent registered public accounting firm for the year 2011;
3. Vote on a Management proposal relating to a nonbinding advisory vote on executive compensation;
4. Vote on a Management proposal relating to the frequency of nonbinding advisory votes on executive compensation;
5. Vote on a Management proposal to amend the Bylaws to declassify the Board of Directors;
6. Vote on a Shareholder proposal relating to political contributions; and
7. Consider any other business that may properly come before the meeting or any adjournments of the meeting.

The record date for this annual meeting is March 8, 2011. Only shareholders of record at the close of business on that date can vote at the meeting. For more information, please read the accompanying 2011 Proxy Statement.

This 2011 Notice of Annual Meeting, as well as the accompanying Proxy Statement and proxy card, will be first sent or given to our shareholders on or about March 21, 2011.

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

identification card or passport.

By Order of the Board of Directors

Lisa A. Muschong
Corporate Secretary

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

March 21, 2011

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

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

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

Q: What is a proxy?

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

Q: What is a Proxy Statement?

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

Q: What are the purposes of this annual meeting?

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

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

Q: Who is entitled to vote?

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

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

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

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

Q: How do I vote?

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

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

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

By completing, signing and returning the proxy card or voting by telephone or through the Internet, your shares will be voted as you direct. Please refer to the proxy card for instructions. If you sign and return your proxy card, but do not specify how you wish to vote, your shares will be voted as the Board recommends. Your shares will also be voted as recommended by the Board, in its discretion, on any other business that is properly presented for a vote at the meeting. (See "Consideration of Any Other Business That May Come Before the Meeting" on page 39).

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

If your shares are registered in street name, you must vote your shares in the manner prescribed by your brokerage firm, bank or other nominee. Your brokerage firm, bank or other nominee should have enclosed, or should provide, a voting instruction form for you to use in directing it how to vote your shares.

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

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

Q: Can I revoke a proxy?

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

Q: Is my vote confidential?

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

Q: What shares are included on my proxy card?

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

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For shareholders who are participants in the 401(k) plan The proxy card serves as a voting instruction to the Trustee for DTE Energy common stock owned by employees and retirees of DTE Energy and its affiliates in their respective 401(k) plans.

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

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

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

Q: What is householding and how am I affected?

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

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

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

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

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

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

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

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

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

Q: What constitutes a quorum?

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

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meeting. A majority of these outstanding shares present or represented by proxy at the meeting constitutes a quorum. A quorum is necessary to conduct an annual meeting.

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

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

Broker Non-Votes Under the New York Stock Exchange (NYSE) rules, if your broker holds your shares in its name and does not receive voting instructions from you, your broker has discretion to vote these shares on certain routine matters, including the ratification of the appointment of the independent registered public accounting firm. The election of directors in an uncontested election, advisory votes on executive compensation and amendment of the company s bylaws are all non-routine matters. Consequently, your broker must receive voting instructions from you in order to vote with respect to proposals 1, 3, 4, 5 and 6 at our 2011 annual meeting. On routine matters, shares voted by brokers without instructions are counted toward the outcome.

Q: How does the voting work?

A: For each item, voting works as follows:

Proposal No. 1 Election of Directors The election of each director requires approval by a majority of the votes cast, i.e., each of the five nominees for terms ending in 2014 and one nominee for a term ending in 2013 must receive more than fifty percent of the votes cast at the meeting to be elected. You may withhold votes from one or more directors by writing their names in the space provided for that purpose on your proxy card. Withheld votes have the same effect as abstentions. If you vote by telephone or the Internet, follow the instructions attached to the proxy card. Your broker is not entitled to vote your shares on this matter unless instructions are received from you. You cannot vote for more than five directors for terms ending in 2014 and one director for a term ending in 2013.

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

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

Proposal No. 4 Management Proposal Frequency of Nonbinding Advisory Votes on Executive Compensation Approval of the Management Proposal requires approval from a majority of the votes cast. Your broker is not entitled to vote your shares unless instructions are received from you. Abstentions and broker non-votes are not considered votes cast and will not be counted either for or against this matter.

Proposal No. 5 Management Proposal Amendment to the Bylaws to Declassify the Board of Directors Approval of the Management Proposal requires approval from a majority of the votes cast. Your broker is not entitled to vote your shares unless instructions are received from you. Abstentions and broker non-votes are not considered votes cast and will not be counted either for or against this matter.

Proposal No. 6 Shareholder Proposal Political Contributions Approval of the Shareholder Proposal requires approval from a majority of the votes cast. Your broker is not entitled to vote your shares unless instructions are received from you. Abstentions and broker non-votes are not considered votes cast and will not be counted either for or against this matter.

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Q: Who may attend the annual meeting?

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

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

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

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

Q: How will the annual meeting be conducted?

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

Q: How does a shareholder recommend a person for election to the Board for the 2012 annual meeting?

A: Recommendations for nominations by shareholders should be in writing and addressed to our Corporate Secretary at our principal business address. See the Shareholder Proposals and Nominations of Directors section of this Proxy Statement on page 67 for further information on submitting nominations. Once the Corporate Secretary properly receives a recommendation for nomination, the recommendation is sent to the Corporate Governance Committee for consideration. Candidates for directors nominated by shareholders will be given the same consideration as candidates nominated by other sources.

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CORPORATE GOVERNANCE

Governance Guidelines

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

Election of Directors and Vacancies

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

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

Under the Governance Guidelines, the Corporate Governance Committee periodically assesses the skills, characteristics and composition of the Board, along with the need for expertise and other relevant factors as it deems appropriate. In light of these assessments, and in light of the standards set forth in the Governance Guidelines, the Corporate Governance Committee may seek candidates with specific qualifications and candidates who satisfy other requirements set by the Board. We believe our Board should be comprised of directors who have had high-level executive experience, have been directors on other boards and have been tested through economic downturns and crises. Industry experience, regional relationships and broad diversity of experience and backgrounds are also factors in Board nominee selection. While we do not have a formal policy relative to diversity in identifying director nominees, we believe that it is desirable for Board members to possess diverse characteristics of gender, race, ethnicity, and age, and we consider such factors in Board evaluation and in the identification of candidates for Board membership. We believe this type of composition enables the Board to oversee the management of the business and affairs of the Company effectively. Information about the skills, experiences and qualifications of our directors is included in their biographies beginning on page 23.

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

nominees may include both incumbent and new nominees.

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

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

Composition of the Board and Director Independence

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

Director Independence and Categorical Standards

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

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

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

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

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

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

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

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

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

such tax-exempt organization's consolidated gross revenues.

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

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

Board Committees

The Board has standing committees for Audit, Corporate Governance, Finance, Nuclear Review, Organization and Compensation and Public Responsibility. The Board committees act in an advisory capacity to the full Board, except that the Organization and Compensation Committee has direct responsibility for the CEO's goals, performance and compensation along with compensation of other executives, and the Audit Committee has direct responsibility for appointing, replacing, compensating and overseeing the independent registered public accounting firm. Each committee has adopted a charter that clearly establishes the committee's respective roles and responsibilities. In addition, each committee has authority to retain independent outside professional advisors or experts as it deems advisable or necessary, including the sole authority to retain and terminate any such advisors, to carry out its duties. The Board has determined that each member of the Audit, Corporate Governance, and Organization and Compensation Committees is independent under our categorical standards and that each member is free of any relationship that would interfere with his or her individual exercise of independent judgment. The Board has also determined that each member of the Audit Committee meets the independence requirements under the SEC rules and NYSE listing standards applicable to Audit Committee members.

Election of the Chairman and the CEO; Presiding Director

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

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

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

Even with the separation of the CEO and Chairman roles, the Board continues to believe a good governance practice is to elect a Presiding Director from the independent directors. The Presiding Director will have such responsibilities

as required under the NYSE listing standards, as well as such other responsibilities as

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

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

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

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

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

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

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

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

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

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

Board Meetings and Attendance

The Board met six times in 2010. A portion of each Board meeting was spent with the Chairman and no other management members. All of the incumbent directors attended at least 75% of the Board meetings and the meetings of the committees on which they served, 11 of whom had a 100% attendance record. The Board does not have a policy with regard to directors' attendance at the annual meeting of shareholders. All directors then in office attended last year's annual meeting.

Terms of Office

The Board has not established term limits other than the current three-year terms of office (which will be reduced to one-year terms if Proposal 5 passes). However, the Corporate Governance Committee of the Board has established policies that independent directors should not stand for election after attaining the age of 75, unless the Board waives this provision when circumstances exist which make it prudent to continue the service of the particular independent director. Directors who are retired CEOs of the Company or its subsidiaries shall not stand for election after attaining the age of 70. Except for the CEO, who may continue to serve as a director after retirement for so long as he is serving as Chairman, current employees who are also directors will not stand for re-election after retiring from employment with the Company. Mr. Gilmour reached the mandatory retirement age in 2009 but consented to serve for one additional year in order to assist the Board with its transition plans for the Board's Finance Committee. Mr. Gilmour

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

Executive Sessions

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

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directors meet in executive session to review the Organization and Compensation Committee's performance review of the CEO. The Presiding Director chairs the executive sessions of non-management directors.

Assessment of Board and Committee Performance

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

Board Compensation and Stock Ownership

The Company has established a Board compensation structure intended to provide compensation of approximately one-half cash and one-half equity. The Board has stock ownership guidelines that set specific Company stock ownership requirements based on the director's years of service on the Board. (See Director Stock Ownership on page 17.)

Codes of Business Conduct and Ethics

The DTE Energy Board of Directors Code of Business Conduct and Ethics, the Officer Code of Business Conduct and Ethics and the DTE Energy Way are the standards of behavior for Company directors, officers, and employees. Any waiver of, or amendments to, the Board of Directors Code of Business Conduct and Ethics and the Officer Code of Business Conduct and Ethics as it pertains to the CEO, the Chief Financial Officer, senior financial officers and other Executive Officers, as defined in the Security Ownership of Directors and Officers section on page 19, will be disclosed promptly by posting such waivers or amendments on the Company website, www.dteenergy.com. There were no waivers or amendments during 2010.

Communications with the Board

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

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

By telephone: 877-406-9448
Or
By Internet: ethicsinaction.dteenergy.com
Or
By mail: For auditing, accounting practices or internal control matters:
DTE Energy Company
Audit Committee
One Energy Plaza
Room 2441 WCB
Detroit, Michigan 48226-1279

For business ethics issues:
DTE Energy Company
Office of the Assistant to the Chairman
One Energy Plaza
Room 2343 WCB
Detroit, Michigan 48226-1279

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

Presiding Director
c/o Corporate Secretary
DTE Energy Company
One Energy Plaza
Room 2459 WCB
Detroit, Michigan 48226-1279

Periodically, we revise our governance information in response to changing regulatory requirements and evolving corporate governance developments. Current copies of the Governance Guidelines, committee charters, categorical standards of director independence and the codes of ethics referred to above are available on our website at www.dteenergy.com, in the Investors Corporate Governance section. You can also request a copy of any or all of these documents and a copy of the Company's annual report on Form 10-K, free of charge, by mailing your request to the Corporate Secretary, DTE Energy Company, One Energy Plaza, Room 2459 WCB, Detroit, Michigan 48226-1279.

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

MEETINGS AND COMMITTEES OF THE BOARD OF DIRECTORS

The table below reflects the membership and the number of meetings held by each Board Committee during 2010.

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

* Chair

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

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

Following is a summary of the terms of each Committee's charter and the responsibilities of its members:

Audit Committee

- Assists the Board in its oversight of the quality and integrity of our accounting, auditing and financial reporting practices and the independence of the independent registered public accounting firm.
- Reviews scope of the annual audit and the annual audit report of the independent registered public accounting firm.
- Reviews financial reports, internal controls and financial and accounting risk exposures.
- Reviews accounting policies and system of internal controls.
- Responsible for the appointment, replacement, compensation and oversight of the independent registered public accounting firm.
- Reviews and pre-approves permitted non-audit functions performed by the independent registered public accounting firm.
- Reviews the scope of work performed by the internal audit staff.
- Reviews legal or regulatory requirements or proposals that may affect the committee's duties or obligations.
- Retains independent outside professional advisors, as needed.

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

Corporate Governance Committee

- Reviews and assists the Board with corporate governance matters.
- Considers the organizational structure of the Board.
- Identifies and reports to the Board risks associated with the Company's governance practices and the interaction of the Company's governance with enterprise risk management.
- Recommends the nominees for directors to the Board.
- Reviews recommended compensation arrangements for the Board, director and officer indemnification and insurance for the Board.
- Reviews recommendations for director nominations received from shareholders.
- Reviews shareholder proposals and makes recommendations to the Board regarding the Company's response.
- Reviews best practices in corporate governance and recommends corporate and Board policies/practices, as appropriate.
- Retains independent outside professional advisors, as needed.

Finance Committee

- Reviews matters related to capital structure.
- Reviews major financing plans.
- Recommends dividend policy to the Board.
- Reviews financial planning policies and investment strategy.

Reviews and approves the annual financial plan and forecasts.

Reviews certain capital expenditures.

Reviews insurance and business risk management.

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

Reviews certain potential mergers, acquisitions and divestitures.

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Reviews investor relations activities.
Retains independent outside professional advisors, as needed.

Nuclear Review Committee

Provides non-management oversight and review of the Company's nuclear facilities.
Reviews the financial, operational and business plans at the Company's nuclear facilities.
Reviews the overall performance at the Company's nuclear facilities.
Reviews the policies, procedures and practices related to health and safety, potential risks, resources and compliance at the Company's nuclear facilities.
Reviews the impact of changes in regulation on the Company's nuclear facilities.
Retains independent outside professional advisors, as needed.

Organization and Compensation Committee

Reviews the CEO's performance and approves the CEO's compensation.
Approves the compensation of certain other executives.
Administers the executive incentive plans and oversees the Company's overall executive compensation and benefit plan philosophy, structure and practices, and the risks involved in executive compensation plans.
Reviews and approves executive employment agreements, severance agreements and change-in-control agreements, along with any amendments to those agreements.
Reviews executive compensation programs to determine competitiveness.
Recommends to the full Board the officers to be elected by the Board.
Reviews succession and talent planning.
Retains independent outside professional advisors, as needed.

Public Responsibility Committee

Reviews and advises the Board on emerging social, economic, political and environmental issues.
Reviews reports from management with respect to risk exposures related to social, economic, political, reputational and environment issues and advises the Board on management's procedures for monitoring, controlling and reporting on such exposures.
Reviews the Company's policies on social responsibilities.
Reviews employee policies and safety issues related to employees, customers and the general public.
Reviews strategic initiatives and activities relating to the environment.
Reviews the policies, programs, performance and activities relating to the Company's compliance and ethics programs.
Retains independent outside professional advisors, as needed.

BOARD OF DIRECTORS RISK OVERSIGHT FUNCTIONS

The Board receives, reviews and assesses reports from the Board Committees and from management relating to enterprise-level risks. Each Board Committee is responsible for overseeing and considering risk issues relating to their respective Committee and reporting their assessments to the full Board at each regularly scheduled Board meeting. When granting authority to management, approving strategies and receiving management reports, the Board and Committees consider, among other things, the risks we face. Each Committee reviews management's assessment of risk for that Committee's respective area of responsibility. The Audit Committee considers risk issues, policies and controls associated with our overall financial reporting and disclosure process and legal compliance, and reviews policies on risk control assessment and accounting risk exposure. In addition to its regularly scheduled meetings, the Audit Committee meets with the Chief Financial Officer, the General Auditor, the Chief Risk Officer and the independent registered public accounting firm in executive sessions at least quarterly, and meets in executive session with the General Counsel and the Chief Compliance Officer at least annually in separate executive sessions. The

Finance Committee oversees financial, capital, credit and insurance risk. The Organization and Compensation Committee assesses and discusses with the Board the relationship between the inherent risks in executive compensation plans, executive compensation arrangements and executive performance goals and payouts, and how the level or risk

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corresponds to the Company's business strategies. The Corporate Governance Committee reports to the Board regarding those risks associated with the Company's governance practices and the interaction of the Company's governance with enterprise risk-level management. The Nuclear Review Committee reviews risk relating to the operation of our nuclear power facilities. The Public Responsibility Committee deals with matters of risk associated with social responsibility, reputation, safety and the environment. As part of its oversight function, the Board discusses any risk conflicts that may arise between the Committees or assigns to a Committee risk issues that may arise which do not fall within a specific Committee. All Board Committees meet periodically with members of senior management to discuss the relevant risks and challenges facing the Company.

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

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

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

BOARD OF DIRECTORS COMPENSATION

Elements of Director Compensation

Employee directors receive no payment for service as directors. The goal of our compensation policies for non-employee directors is to tie their compensation to your interests as shareholders. Accordingly, approximately 50% of a director's annual compensation is in the form of equity-based compensation, including phantom shares of our common stock. Generally, the compensation program for non-employee directors is reviewed on an annual basis by the Corporate Governance Committee and the Board. This review includes a review of a comparative peer group of companies that is identical to the peer group used to review executive compensation (See Executive Compensation Compensation Discussion and Analysis beginning on page 40). Based on the review completed in 2010, two changes were made to the non-employee director compensation program. In December 2010, the Board of Directors voted to increase the Presiding Director cash retainer from \$15,000 to \$20,000 annually, effective January 1, 2011. Further, effective January 1, 2011, the annual equity grant to non-employee directors, previously set at 2,000 phantom shares annually, was changed to be a variable number of phantom shares valued at \$90,000 annually. For total compensation paid

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

Cash Compensation

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

Equity Compensation

Upon first election to the Board	1,000 shares of restricted DTE Energy common stock
Annual equity compensation	A variable number of phantom shares of DTE Energy common stock valued at \$90,000 annually, with the actual number of phantom shares to be granted each year determined based on the closing price of the Company's common stock on the first business day of each calendar year ⁽¹⁾

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

Payment of Non-Employee Director Fees and Expenses

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

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

Directors Retirement Plan

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

Messrs. Gilmour and Miller and Dr. Bauder are the only current directors covered by this plan and, upon their retirement from the Board, they will each receive \$3,415 per month for 45, 111, and 152 months, respectively.

Director Life Insurance

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

Table of Contents**Director Stock Ownership**

We have established stock ownership guidelines for directors to more closely tie their interests to those of shareholders. Under these guidelines, the Board requires that each director own shares of the Company's common stock beginning no later than 30 days after election to the Board. In addition, directors are required to own, within five years after initial election to the Board, shares of Company stock having a value equal to two times their annual cash and phantom stock compensation. Common stock, time-based restricted stock, and phantom shares held by a director are counted toward fulfillment of this ownership requirement. As of January 1, 2011, all directors met the initial common stock ownership requirement and those directors who have served as a director for at least five years after their initial election have fulfilled the five-year requirement.

INFORMATION ON COMPANY EXECUTIVE OFFICERS

Under our Bylaws, the officers of DTE Energy are elected annually by the Board of Directors, each to serve until his/her successor is elected and qualified, or until his/her resignation or removal. The executive officers of the Company elected by the Board for 2011 are as follows:

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

(1) As of March 21, 2011.

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

COMPENSATION COMMITTEE INTERLOCKS AND INSIDER PARTICIPATION

During 2010, the Organization and Compensation Committee consisted of Messrs. Gilmour, Hennessey and Miller and Dr. Shaw. No member of the Organization and Compensation Committee serves as an officer or employee of the Company or any of its subsidiaries nor has any member of the Organization and Compensation Committee formerly served as an officer of the Company or any of its subsidiaries. During 2010, none of the executive officers of the Company served on the board of directors or on the compensation committee of any other entity, any of whose executive officers served either on the Board or on the Organization and Compensation Committee of the Company.

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INDEMNIFICATION AND LIABILITY

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

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

The Company, the directors and officers in their capacities as such are insured against liability for alleged wrongful acts (to the extent defined) under eight insurance policies providing aggregate coverage in the amount of \$185 million.

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

The following table sets forth information as of January 3, 2011, with respect to beneficial ownership of common stock, phantom stock, performance shares, and options exercisable within 60 days for (i) each of our directors and nominees for director, (ii) our Chairman (who served as Chief Executive Officer until October 1, 2010), Chief Executive Officer, Chief Financial Officer and the three other highest paid executive officers (together, the Named Executive Officers), and (iii) all executive officers and directors as a group. Executive officers for this purpose are those individuals defined as Executive Officers under Rule 16a-1(f) of the Securities Exchange Act of 1934, as amended (the Exchange Act). Unless otherwise indicated, each of the named individuals has sole voting and/or investment power over the shares identified. To our knowledge, no member of our management team or director was a beneficial owner of one percent or more of the outstanding shares of common stock as of January 3, 2011.

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

Name of Beneficial Owners	Common Stock(1)	Phantom Stock(2)	Other Shares That May Be Acquired(3)	Options Exercisable Within 60 Days
Gerard M. Anderson	144,273	10,004	69,799	362,221
Lillian Bauder	4,983	23,889	0	2,000
David A. Brandon	1,000	2,525	0	0
Anthony F. Earley, Jr.	298,175	22,145	145,460	848,330
W. Frank Fountain, Jr.	1,000	13,700	0	0
Allan D. Gilmour	2,400	23,889	0	4,000
Frank M. Hennessey	6,516	28,408	0	3,000
Steven E. Kurmas	52,392	1,330	22,313	100,665
John E. Lobbia	24,058	14,153	0	4,000
Gail J. McGovern	1,000	14,323	0	1,000
David E. Meador	64,124	3,014	29,830	146,999
Eugene A. Miller	2,400	32,618	0	4,000
Mark A. Murray	1,000	4,045	0	0
Gerardo Norcia	27,753	993	16,091	61,233
Bruce D. Peterson	28,784	3,075	19,209	98,666
Charles W. Pryor, Jr.	300	22,215	0	0
Josue Robles, Jr.	1,000	7,930	0	1,000
Ruth G. Shaw	1,000	6,527	0	0
James H. Vandenberghe	2,000	9,873	0	0
Directors & Executive Officers as a group 25 persons	738,182	247,532	339,555	1,810,596

(1) Includes directly held common stock, restricted stock and shares held pursuant to the 401(k) plan.

(2) Shares of phantom stock are acquired as follows: (a) by non-employee directors (i) as compensation under the DTE Energy Company Deferred Stock Compensation Plan for Non-Employee Directors and (ii) through

participation in the DTE Energy Company Plan for Deferring the Payment of Directors Fees, and (b) by executive officers pursuant to the (i) DTE Energy Company Supplemental Savings Plan, (ii) DTE Energy Company Executive Deferred Compensation Plan (this plan was closed effective as of January 1, 2007 for future deferrals; none of the Named Executive Officers participate in the plan) and (iii) DTE Energy Company Executive Supplemental Retirement Plan. Shares of phantom stock may be paid out in either cash or stock.

- (3) Represents performance shares under the Long-Term Incentive Plan (as described beginning on page 48) that entitle the executive officers to receive shares or cash equivalents (or a combination thereof)

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in the future if certain performance measures are met. The performance share numbers assume that target levels of performance are achieved. Performance shares are not currently outstanding shares of our common stock and are subject to forfeiture if the performance measures are not achieved over a designated period of time. Executive officers do not have voting or investment power over the performance shares until performance measures are achieved. See the discussion in *Executive Compensation Compensation Discussion and Analysis* beginning on page 40.

SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

Section 16(a) of the Exchange Act requires our directors, executive officers and 10% shareholders (if any) to file reports of ownership and changes in ownership with respect to our securities with the SEC and to furnish copies of these reports to us. We reviewed the filed reports and written representations from our directors and executive officers (to our knowledge, we do not have any 10% shareholders) regarding the necessity of filing reports. Based on our review, three executive officers had Section 16(a) filings during 2010 that were not filed on a timely basis:

1. Mr. Kurmas In April of 2010, we discovered that due to an administrative oversight, 12,918 shares of directly owned common stock were inadvertently omitted from of Mr. Kurmas original Form 3, filed timely on December 18, 2008 after Mr. Kurmas became subject to Section 16(a) filing requirements. Mr. Kurmas filed an amended Form 3 on April 29, 2010 promptly upon discovering the error.
2. Ms. Ellyn On April 26, 2010, Ms. Ellyn was awarded 50 shares of the Company s common stock as a result of her leadership of an important Company project. All of the members of the project leadership were honored with an employee recognition award which included the stock grant. Since this was an unusual occurrence, the Company s internal Section 16 reporting process did not capture the information necessary to report the grant before the Section 16(a) filing for Ms. Ellyn was due. Ms. Ellyn filed her late Form 4 on May 27, 2010, promptly after discovery of the oversight.
3. Ms. Muschong On July 2, 2010, 300 shares of restricted stock that had been awarded to Ms. Muschong in July of 2007 vested. When the shares vested, 112 of the shares were forfeited for payment of taxes due upon the vesting of those shares and the remainder of the shares were transferred to Ms. Muschong s unrestricted account. The shares that were forfeited were not reported timely due to an administrative oversight, and as a result, the Section 16(a) filing was not timely filed. Ms. Muschong filed her late Form 4 on January 19, 2011, promptly after discovering the oversight.

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS

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

Title of Class	Name and Address of Beneficial Owner	Amount and Nature of Beneficial Ownership	Percent of Class
Common Stock	BlackRock, Inc. 40 East 52nd Street New York, New York 10022	10,217,308(1)	6.04%
Common Stock	The Vanguard Group, Inc. 100 Vanguard Blvd. Malvern, Pennsylvania 19355	8,960,922(2)	5.29%

- (1) Based on information contained in Schedule 13G/A filed on February 2, 2011. Shares listed as beneficially owned by BlackRock are owned by the following entities: BlackRock Japan Co. Ltd, BlackRock Advisors (UK) Limited, BlackRock Asset Management Deutschland AG, BlackRock Institutional Trust Company,

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N.A., BlackRock Fund Advisors, BlackRock Asset Management Canada Limited, BlackRock Asset Management Australia Limited, BlackRock Advisors, LLC, BlackRock Financial Management, Inc., BlackRock Investment Management, LLC, BlackRock Investment Management (Australia) Limited, BlackRock (Netherlands) B.V., BlackRock Fund Managers Limited, BlackRock Asset Management Ireland Limited, BlackRock International Limited, BlackRock Investment Management UK Limited, and State Street Research & Management Company. BlackRock, Inc. has sole dispositive power and sole voting power and is deemed to beneficially own 10,217,308 shares.

- (2) Based on information contained in Schedule 13G filed on February 10, 2011. Shares listed as beneficially owned by Vanguard are owned by the following entities: The Vanguard Fiduciary Trust Company and The Vanguard Group, Inc. The Vanguard Group, Inc., has sole voting power with respect to 211,567 shares, sole dispositive power with respect to 8,749,355 shares, shared dispositive power with respect to 211,567 shares and is deemed to beneficially own 8,960,922 shares.

CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

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

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

Mr. Hennessey was a director of MCN at the time of the DTE Energy/MCN merger in 2001. The shares he owned under the MCN Energy Group Inc. Nonemployee Directors' Compensation Plan were converted to cash at the time of the merger and placed in a cash balance account for him in the DTE Energy Company Plan for Deferring the Payment of Directors' Fees. The cash balance account is managed by the Company, with interest accumulating at a 10-year Treasury rate, with a 10-year payout beginning in 2001. During 2010, Mr. Hennessey received \$74,370 pursuant to this agreement.

Mr. Lobbia's son, John R. Lobbia, has been employed by the Company since 2008 as a marketing program manager and in that capacity he received salary and other benefits totaling \$123,175 during fiscal year 2010. The son's compensation was comparable to compensation of other Company employees at a similar level.

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**PROPOSAL NO. 1
ELECTION OF DIRECTORS**

Our current Bylaws require that the Board be divided into three classes. At each annual shareholder meeting, the shareholders elect one class of directors for a three-year term and elect directors who may be filling a vacancy in an unexpired term, if any. Because the Board decided to increase the size of the Board in 2010 and appointed Mr. Brandon to fill the vacancy created by that increase, at this year's shareholder meeting, one director is being elected to serve for a two-year term expiring in 2013 in order to balance the sizes of the classes of directors. Mr. Brandon is the nominee for this position and has consented to serve the full two-year term if elected. All of the other nominees have consented to serve the full three-year term if elected. However, our management has proposed and the Board of Directors have agreed that our Bylaws should be amended to declassify the Board of Directors. If this proposal passes, beginning with the 2012 annual meeting of shareholders, directors with expiring terms will be elected annually for terms of one year. For more details, see Proposal No. 5 Management Proposal Amendment to the Bylaws to Declassify the Board of Directors on page 35.

Proxies cannot be voted for more than five persons for terms expiring in 2014 and one person for a term expiring in 2013. If any nominee becomes unable or unwilling to serve at the time of the meeting, the persons named in the enclosed proxy card have discretionary authority to vote for a substitute nominee or nominees. It is anticipated that all nominees will be available for election.

The biographies of each of the nominees and continuing directors below contain information regarding the person's service as a director, business experience, and director positions held currently or at any time during at least the last five years. The dates shown for service as a director of DTE Energy include service as a director of Detroit Edison, our former corporate parent and, as a result of a share exchange in 1996, now our wholly-owned subsidiary. The age provided for each director is as of March 21, 2011. In addition to the information presented below regarding each person's experience, qualifications, attributes, and skills that caused our Corporate Governance Committee and Board to determine that the person should serve as a director, the Board believes that all of the Company's directors have a reputation for integrity and honesty and adherence to high ethical standards. They each have demonstrated business acumen, strategic insight, an ability to exercise sound judgment, and a commitment to service and community involvement. Finally, we value their significant experience on other public company boards of directors and board committees and the diversity that they bring to our Board.

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

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Nominees for Election at this Meeting for Terms Expiring in 2014

Lillian Bauder, age 71 Director since 1986

Dr. Bauder is a retired Vice President of Masco Corporation, a consumer products and services provider. Prior to her retirement from Masco Corporation in 2007, she served in various positions at Masco Corporation, including Vice President of Corporate Affairs from 1996 to 2005 and Chairman and President of the Masco Corporation Foundation during this same time period. Earlier, she was President and Chief Executive Officer of Cranbrook Educational Community for 13 years. Dr. Bauder received her B.A. from Douglass College, Rutgers University, and an M.A. and Ph.D. from the University of Michigan. In addition to her service on the Company's Board of Directors, she is a director or trustee of many community and professional organizations and served as a director of Comerica Incorporated until 2010.

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

W. Frank Fountain, Jr., age 66 Director since 2007

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

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

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Mark A. Murray, age 56 Director since 2009

Mr. Murray has served as President of Meijer, Inc., a regional retail chain, since 2006. From 2001 to 2006, he was the President of Grand Valley State University. He also served as Treasurer for the State of Michigan from 1999 to 2001 and Vice President of Finance and Administration for Michigan State University from 1998 to 1999. Mr. Murray received his B.S. in economics and his M.S. in labor and industrial relations from Michigan State University. In addition to his service on the Company's Board of Directors, he is a director of Universal Forest Products, Incorporated and a director or trustee of many community and professional organizations.

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

Josue Robles, Jr., age 65 Director since 2003

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

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

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James H. Vandenberghe, age 61 Director since 2006

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

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

Nominee for Election at this Meeting for a Term Expiring in 2013

David A. Brandon, age 58 Director since 2010

Mr. Brandon has served as the Athletic Director of the University of Michigan since March 2010. From 1999 until 2010, he was the chairman and CEO of Domino's Pizza, Inc., a pizza delivery company. He continues to serve as Non-executive Chairman of Domino's. From 1989 to 1998, he served as president and CEO of Valassis Communications, Inc., a marketing and sales promotion firm, and was Chairman of the Board there from 1997 to 1998. Mr. Brandon received a B.A. in communications from the University of Michigan. In addition to his service on the Company's Board of Directors, he is a director of Domino's Pizza, Inc., Kaydon Corporation and The TJX Companies, Inc. He has previously served as a director of Northwest Airlines Corporation and Burger King Holdings, Inc. He has also served an 8-year term on the University of Michigan board of regents and as Chairman of the Board of Business Leaders for Michigan. Mr. Brandon's qualifications to sit on our Board include his experience as a chief executive officer and extensive executive experience in marketing and sales, and strong skill sets in corporate finance, corporate governance and strategic planning, executive compensation, and community relations. He also has experience serving as a director of several other publicly traded corporations.

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Directors Whose Present Terms Continue Until 2012

Gerard M. Anderson, age 52 Director since 2009

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

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

John E. Lobbia, age 69 Director since 1988

Mr. Lobbia is the retired Chairman of the Board and Chief Executive Officer of the Company and served in this position from 1990 to 1998. During his career at the Company, he served in various positions, including President, from 1989 to 1994. Mr. Lobbia received his B.A. in electrical engineering from the University of Detroit. In addition to his service on the Company's Board of Directors, Mr. Lobbia has served as a director and trustee of many community and professional organizations.

Mr. Lobbia's qualifications to sit on our Board include his experience as a chief executive officer and his extensive operational and engineering experience in the energy and nuclear industries. Mr. Lobbia also has broad experience managing capital-intensive industries, as well as strong skills in corporate finance, strategic planning, and regulatory matters. Mr. Lobbia has a deep understanding of the Company's customers, employees, products, and services that he acquired while working at our Company. He also has served on the Boards of both publicly held and privately held companies.

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Eugene A. Miller, age 73 Director since 1989

Mr. Miller is the retired Chairman, President and Chief Executive Officer of Comerica Incorporated and Comerica Bank, a financial services company, and served in this position from 1993 to 2002. During his career at Comerica Incorporated, he held various positions including President and Chief Operating Officer. Mr. Miller received his B.B.A. from the Detroit Institute of Technology. In addition to his service on the Company's Board of Directors and Comerica Incorporated's Board of Directors, he serves as a director of Handleman Company, TriMas Corporation and a director or trustee of many community and professional organizations. Mr. Miller's qualifications to sit on our Board include his experience as a chief executive officer and extensive executive experience in banking, corporate finance, corporate governance and strategic planning and corporate development, combined with strong skills in executive compensation, mergers and acquisitions, regulatory matters and community relations. He also has experience serving as a director of several other publicly traded corporations.

Charles W. Pryor, Jr., age 66 Director since 1999

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

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

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Ruth G. Shaw, age 63 Director since 2008

Dr. Shaw is retired from Duke Energy, an energy company. During her career at Duke Energy, she held various positions, including Executive Advisor from 2007 to 2009. From 2006 to 2007, she served as Group Executive for Public Policy and President of Duke Nuclear. She also served as President and Chief Executive Officer of Duke Power Company from 2003 to 2006, and previously served as Chief Administrative Officer. Dr. Shaw received her B.A. and M.A. from East Carolina University and her Ph.D. from the University of Texas at Austin. In addition to her service on the Company's Board of Directors, she is a director of The Dow Chemical Company, ecoAmerica and a director or trustee of many community and professional organizations. Dr. Shaw is a previous board member of the Nuclear Energy Institute and the Institute of Nuclear Power Operations. She served as a director of Wachovia Corporation until 2008 and a director of Medcath until 2005.

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

Directors Whose Present Terms Continue Until 2013

Anthony F. Earley, Jr., age 61 Director since 1994

Mr. Earley has served as our Executive Chairman of the Board since October 2010. Mr. Earley previously served as Chairman of the Board and Chief Executive Officer of the Company from 1998 through September 2010. He also served as the Company's President and Chief Operating Officer from 1994 through 1998. He received a B.S. in physics, M.S. in engineering and J.D. from the University of Notre Dame. In addition to his service on the Company's Board of Directors, Mr. Earley serves as a director of Masco Corporation, Ford Motor Company and as a director or trustee of many community and professional organizations. He also served as a director of Comerica Incorporated until 2009 and a director of Plug Power, Inc. until 2005.

Mr. Earley's qualifications to sit on our Board include his significant number of years of experience in the energy industry, including as our Chairman and Chief Executive Officer for 12 years and earlier as our President and Chief Operating Officer for 5 years. In addition, he served as President of another energy company for five years. Mr. Earley has served as a director of several other publicly traded corporations and holds key

leadership positions in well-respected industry groups, including the Edison Electric Institute and the Nuclear Energy Institute.

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Frank M. Hennessey, age 72 Director since 2001

Mr. Hennessey has served as Chairman and Chief Executive Officer of Hennessey Capital, LLC, a provider of business and financial resources, since 2002. He is also Chief Executive Officer of Hennessey Arabian, LLC. From 1995 to 2003, he was the Chairman of Emco Limited, a building materials manufacturer and distributor. He was also Vice Chairman and Chief Executive Officer of MascoTech, Inc., a transportation industry metalwork manufacturer from 1998 through 2000. Mr. Hennessey served as Chief Executive Officer of Handleman Company from 1980 to 1989. Prior to 1980, he was Group Managing Partner for Coopers & Lybrand. He received a B.S. in business administration from Northeastern University. In addition to his service on the Company's Board of Directors, Emco Limited's Board of Directors and MascoTech's Board of Directors, Mr. Hennessey has served as a director or trustee of many community and professional organizations.

Mr. Hennessey's qualifications to sit on our Board include his experience as a chief executive officer and in managing capital-intensive operations. In addition, he has extensive experience with public and financial accounting matters for complex organizations and strong skills in corporate finance, executive compensation and regulatory matters.

Gail J. McGovern, age 59 Director since 2003

Ms. McGovern is currently the President and Chief Executive Officer of the American Red Cross and has served in that position since 2008. From 2002 to 2008, she was a Professor at Harvard Business School. Ms. McGovern also served as President of Fidelity Personal Investments, a unit of Fidelity Investments, from 1998 to 2002 and Executive Vice President of Consumer Markets, a division of AT&T, from 1997 to 1998. She received her B.A. in quantitative sciences from Johns Hopkins University and her M.B.A. from Columbia University. In addition to her service on the Company's Board of Directors, Ms. McGovern is a trustee of Johns Hopkins University. She also served as a director of Digitas, Inc. until 2007 and of Hartford Financial Services Group, Inc. until 2010.

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

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

Subject to ratification by the shareholders, the Audit Committee has appointed PricewaterhouseCoopers LLP (PwC) as our independent registered public accounting firm to audit our consolidated financial statements for the fiscal year ending December 31, 2011 and to perform other audit-related services. Following the Audit Committee s appointment, the Board voted unanimously to recommend that our shareholders vote to ratify the Audit Committee s selection of PwC as our independent auditors for 2011.

The reports of PwC on the consolidated financial statements of DTE Energy for the year ended December 31, 2010 and for the year ended December 31, 2009 did not contain adverse opinions or a disclaimer of opinions and were not qualified or modified as to uncertainty, audit scope or accounting principles.

During the Company s two most recent fiscal years, ended December 31, 2010 and 2009, and from January 1, 2011 through February 18, 2011, there were no disagreements with PwC on any matter of accounting principles or practices, financial statement disclosure or auditing scope or procedure, which disagreements, if not resolved to PwC s satisfaction, would have caused PwC to make reference to the subject matter of such disagreements in connection with its reports on the Company s consolidated financial statements for such years.

During the Company s two most recent fiscal years, ended December 31, 2010 and 2009, and from January 1, 2011 through February 18, 2011, there were no reportable events as defined under Item 304(a)(1)(v) of Regulation S-K.

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

Fees to the Independent Registered Public Accounting Firm

The following table presents fees for professional services rendered by PwC for the audit of the Company s annual financial statements for the years ended December 31, 2010 and December 31, 2009, and fees billed for other services rendered by PwC during those periods.

	2010	2009
Audit fees(1)	\$ 5,244,345	\$ 5,416,330
Audit related fees(2)	48,000	48,500
Tax fees(3)	635,418	354,143
All other fees(4)	752,943	101,500
Total	\$ 6,680,706	\$ 5,920,473

(1) Represents fees for professional services performed by PwC for the audits of the Company s annual financial statements included in the Company s Form 10-K, review and audit of the Company s internal control over financial reporting, the review of financial statements included in the Company s Form 10-Q filings, and services

that are normally provided in connection with regulatory filings or engagements. Audit fees are presented on an Audit Year basis in accordance with SEC guidelines and include an estimate of fees incurred for the most recent Audit Year.

- (2) Represents the aggregate fees billed for audit-related services and various attest services.
- (3) Represents fees billed for tax services, including tax reviews and planning.
- (4) Represents consulting services for the purpose of providing advice and recommendations.

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

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

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

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

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

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

All audit, audit-related, tax and other services performed by PwC were pre-approved by the Audit Committee in accordance with the regulations of the SEC. The Audit Committee considered and determined that the provision of the non-audit services by PwC during 2010 was compatible with maintaining independence of the registered public accounting firm.

Report of the Audit Committee

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

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

on the information provided to it including representations made by management and the reports of the independent registered public accounting firm.

The Audit Committee discussed with PwC the matters required to be discussed by audit standards, SEC regulations and NYSE requirements. Disclosures were received from PwC regarding its independence as required by applicable requirements of the Public Company Accounting Oversight Board and discussed with

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them. The Audit Committee has considered whether the services provided by PwC other than those services relating to audit services are compatible with maintaining PwC's independence. The Audit Committee has concluded that such services have not impaired PwC's independence. The Audit Committee reviewed and discussed the audited financial statements for the year ended December 31, 2010 with management and PwC. Based on the review and discussions noted above, the Audit Committee recommended to the Board that the audited financial statements be included in the Company's Annual Report on Form 10-K filed with the SEC for the fiscal year ended December 31, 2010. The Audit Committee reviewed and discussed Management's Report on Internal Control over Financial Reporting as of December 31, 2010 with management and PwC. Based on the review and discussions noted above, the Audit Committee recommended to the Board that Management's Report on Internal Control over Financial Reporting as of December 31, 2010 be included in the Company's Annual Report on Form 10-K filed with the SEC for the fiscal year ended December 31, 2010.

Audit Committee

Frank M. Hennessey, Chair
W. Frank Fountain, Jr.
Josue Robles, Jr.
James H. Vandenberghe

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

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**PROPOSAL NO. 3
MANAGEMENT PROPOSAL
NONBINDING ADVISORY VOTE ON EXECUTIVE COMPENSATION**

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

The Company's executive compensation program is designed to include elements of cash and equity-based compensation to motivate and reward executives who achieve short-term and long-term corporate and financial objectives leading to the success of the Company. We emphasize performance-based compensation for results that are consistent with shareholder interests. The program is also designed to attract and retain talented executives and align the interests of our executives with those of our shareholders.

Shareholders have in the past approved the incentive plans that we use to motivate and reward our executives, including the Annual Incentive Plan and the Long-Term Incentive Plans. At the Company's 2010 annual meeting, shareholders overwhelmingly approved our Amended and Restated 2006 Long-Term Incentive Plan. In addition, the Company has enhanced our disclosures related to executive compensation to provide more detail to our shareholders about our compensation programs, including expanded disclosures relating to these plans in this proxy statement.

Our executive compensation programs have been important in driving the Company's success in achieving its corporate and financial objectives by tying executive compensation to achieving those very specific goals. We explain each of our performance targets and measures in detail in our CD&A, but a few examples of Company success in areas related to our targets and measures include the following. First, our Company has exceeded its long-term goal of achieving between 5%-6% operating earnings per share growth, averaging 8.5% annual growth from 2007 through 2010. (Operating earnings exclude certain non-recurring items and discontinued operations.) Further, the Company also weathered the economic downturn of 2008-2009 with a strong cash flow position and balance sheet. The MPSC Complaints measurements at our utilities continue to trend downward. Additionally, in each of 2008, 2009 and 2010 the Company set a new DTE Energy record high result on the Gallup survey which tracks effectiveness of our efforts to improve employee engagement throughout the Company. Each of these accomplishments is related to a specific performance goal in our short- or long-term compensation programs.

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

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

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

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

THE BOARD OF DIRECTORS RECOMMENDS A VOTE FOR THIS PROPOSAL.

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**PROPOSAL NO. 4
MANAGEMENT PROPOSAL
FREQUENCY OF NONBINDING ADVISORY VOTES ON EXECUTIVE COMPENSATION**

The Dodd-Frank Act also requires the Company to provide shareholders with an opportunity to vote to advise the Board of Directors as to how often you wish the Company to include an advisory vote on executive compensation, similar to Proposal No. 3, in our proxy statement.

The Board of Directors recommends that you vote to hold an advisory vote on executive compensation every three years. Because our compensation programs are designed to balance long-term and short-term incentives for executives, we feel that the compensation programs are best evaluated on a longer-term basis, to allow the shareholders to evaluate the effectiveness of the program over time. For example, share grants under our Long-Term Incentive Plan are determined based on measurements made over a three-year period. Accordingly, an advisory vote every three years will allow shareholders to review a full three years of performance and compensation data between each advisory vote.

Additionally, there already exist other more direct means for shareholders to express their specific concerns about executive pay to the Company and to the Board of Directors. We welcome and are open to feedback from shareholders on this or other topics at any time. Shareholders can send letters to the Board of Directors by addressing them to the Corporate Secretary's office, can speak out at annual meetings and can contact members of the Company's Investor Relations department at any time.

Allowing a three-year period between advisory votes will also allow time for the Organization & Compensation Committee, management and our compensation consultants to review the results of any advisory vote and make appropriate changes, if necessary, to our executive compensation programs and then evaluate those changes after providing time for the changes to fully take effect. The Board of Directors believes that anything less than a triennial vote will result in a short-term perspective towards executive compensation programs and detract from the effectiveness of those programs.

For these reasons, the Board of Directors recommends that you vote for the Three years option on the following proposal:

RESOLVED, that the shareholders advise the Company to include an advisory vote on the compensation of the Company's Named Executive Officers every:

Year;

Two years; or

Three years.

Because this vote is advisory, it will not be binding upon the Company or the Board. Notwithstanding the advisory nature of the vote, the Board of Directors intends to adopt the shareholder-advised frequency for future advisory votes on executive compensation.

THE BOARD OF DIRECTORS RECOMMENDS A VOTE FOR THREE YEARS ON THIS PROPOSAL.

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PROPOSAL NO. 5
MANAGEMENT PROPOSAL
AMENDMENT TO THE BYLAWS TO DECLASSIFY THE BOARD OF DIRECTORS

The Board is seeking shareholder approval of an amendment to the Company's Amended Bylaws (Bylaws) that will declassify the Board for the purpose of director elections.

At the May 6, 2010 annual meeting, shareholders approved a shareholder proposal urging the Board of Directors to take the steps necessary to declassify the Board for the purpose of director elections. The proposal also called for this to be accomplished in a manner that does not affect the unexpired terms of directors previously elected.

The Board had recommended against that shareholder proposal at that time because it felt that the classified board structure promoted continuity and stability to the Board, facilitated independence of the directors from management, and improved the Board's negotiating position when confronted with an unsolicited suitor. However, as evidenced by the votes in favor of the 2010 shareholder proposal, an increasing number of investors have come to believe that classified boards reduce accountability of directors because they limit the ability of shareholders to evaluate and elect all directors annually.

In making its recommendation, the Board considered the advantages of both classified and declassified board structures. The Board determined that the advantages of a classified board were outweighed by the advantages of the shareholders' ability to evaluate all directors annually and the adoption of a structure that is currently considered by many to be a best practice in corporate governance. Consequently, the Board concluded that an amendment to our bylaws to provide for the annual election of all directors is in the best interests of the Company and its shareholders.

If this proposal to declassify the Board is approved by the shareholders at this annual meeting, the declassified Board structure will be phased in as follows:

All current directors will continue to serve for the remainder of their existing terms; and

Commencing with the 2012 annual meeting of shareholders, new directors and directors with expiring terms will be elected annually for terms of one year.

The Board recommends that you vote in favor of the following proposal:

RESOLVED, that the Bylaws of the Company shall be amended by deleting the first paragraph of Article II, Section 1 of the Bylaws and replacing it with the following:

Section 1. ***Number and Time of Holding Office.*** The business and affairs of the Company shall be managed by or under the direction of a Board of Directors. The number of directors constituting the entire Board of Directors shall be determined from time to time by resolution of the Board of Directors; provided that no change in the number of directors shall serve to shorten the term of office of any incumbent director. Commencing with the 2012 annual meeting of shareholders and for each annual meeting of shareholders thereafter, directors whose terms are expiring at an annual meeting of shareholders shall be elected for terms of one year; for the avoidance of doubt, each director whose term of office for which he or she was elected has not expired as of the 2012 annual meeting of shareholders shall continue to hold office until such time as his or her term has expired. If at any time the holders of any series of the Company's Preferred Stock are entitled to elect directors pursuant to the Articles of Incorporation of the Company, then the provisions of such series of Preferred Stock with respect to their rights shall apply and such directors shall be

elected in a manner and for terms expiring consistent with the Articles of Incorporation.

Each director shall serve for the term to which the director was elected, and until a successor shall have been elected and qualified or until the director's prior death, resignation, or removal. Except for the Chief Executive Officer of the Company, no person who has served as an employee of the Company or a subsidiary shall be elected a director after retiring from employment with the Company or a subsidiary.

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RESOLVED FURTHER, that the Bylaws of the Company shall be amended by deleting Article IX of the Bylaws and replacing it with the following:

ARTICLE IX.
Amendment of Bylaws

The Bylaws of the Company may be amended, repealed or adopted by vote of the holders of a majority of shares at the time entitled to vote in the election of any directors or by vote of a majority of the directors in office.

THE BOARD OF DIRECTORS RECOMMENDS A VOTE FOR THIS PROPOSAL.

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**PROPOSAL NO. 6
SHAREHOLDER PROPOSAL
POLITICAL CONTRIBUTIONS**

The Company expects the following shareholder proposal to be presented for consideration at the annual meeting by the Office of the Comptroller of New York City, as the custodian and trustee of the New York City Employees Retirement System, the New York City Teachers Retirement System, the New York City Fire Department Pension Fund and the New York City Police Pension Fund, and custodian of the New York City Board of Education Retirement System (collectively, the New York City Funds), which beneficially owned an aggregate of 528,201 shares of the Company s common stock as of November 16, 2010. The proposal, along with the supporting statement, is included below. The New York City Funds request was submitted by John C. Liu, Comptroller, City of New York, 1 Centre Street, New York, New York 10007-2341 on behalf of the Boards of Trustees of the New York City Funds.

The following proposal and supporting statement were submitted by the New York City Funds:

Shareholder Proposal and Supporting Statement

Proposal

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

1. Policies and procedures for political contributions and expenditures (both direct and indirect) made with corporate funds.
2. Monetary and non-monetary contributions and expenditures (direct and indirect) used to participate or intervene in any political campaign on behalf of (or in opposition to) any candidate for public office, and used in any attempt to influence the general public, or segments thereof, with respect to elections or referenda. The report shall include: