
DTE Energy[®]



Q4 2011

Supplemental
Financial
Information

DTE ENERGY COMPANY
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(in Millions)	<u>December 31</u> <u>2011</u>	<u>December 31</u> <u>2010</u>
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 68	\$ 65
Restricted cash, principally Securitization	147	120
Accounts receivable (less allowance for doubtful accounts of \$162 and \$196, respectively)		
Customer	1,317	1,351
Other	90	402
Inventories		
Fuel and gas	572	460
Materials and supplies	219	202
Deferred income taxes	51	139
Derivative assets	222	131
Regulatory assets	314	100
Other	<u>196</u>	<u>197</u>
	<u>3,196</u>	<u>3,167</u>
Investments		
Nuclear decommissioning trust funds	937	939
Other	<u>525</u>	<u>518</u>
	<u>1,462</u>	<u>1,457</u>
Property		
Property, plant and equipment	22,541	21,574
Less accumulated depreciation, depletion and amortization	<u>(8,795)</u>	<u>(8,582)</u>
	<u>13,746</u>	<u>12,992</u>
Other Assets		
Goodwill	2,020	2,020
Regulatory assets	4,539	4,058
Securitized regulatory assets	577	729
Intangible assets	73	67
Notes receivable	123	123
Derivative assets	74	77
Other	<u>199</u>	<u>206</u>
	<u>7,605</u>	<u>7,280</u>
Total Assets	<u>\$ 26,009</u>	<u>\$ 24,896</u>

DTE ENERGY COMPANY
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(in Millions, Except Shares)	December 31 2011	December 31 2010
LIABILITIES AND EQUITY		
Current Liabilities		
Accounts payable	\$ 782	\$ 729
Accrued interest	95	111
Dividends payable	99	95
Short-term borrowings	419	150
Current portion long-term debt, including capital leases	526	925
Derivative liabilities	158	142
Other	549	597
	2,628	2,749
 Long-Term Debt (net of current portion)		
Mortgage bonds, notes and other	6,405	6,114
Securitization bonds	479	643
Junior subordinated debentures	280	—
Trust preferred-linked securities	—	289
Capital lease obligations	23	43
	7,187	7,089
 Other Liabilities		
Deferred income taxes	3,116	2,632
Regulatory liabilities	1,019	1,328
Asset retirement obligations	1,591	1,498
Unamortized investment tax credit	65	75
Derivative liabilities	89	110
Accrued pension liability	1,298	866
Accrued postretirement liability	1,484	1,275
Nuclear decommissioning	148	149
Other	331	358
	9,141	8,291
 Commitments and Contingencies		
 Equity		
Common stock, without par value, 400,000,000 shares authorized, 169,247,282 and 169,428,406 shares issued and outstanding, respectively	3,417	3,440
Retained earnings	3,750	3,431
Accumulated other comprehensive loss	(158)	(149)
Total DTE Energy Company Equity	7,009	6,722
Noncontrolling interests	44	45
Total Equity	7,053	6,767
Total Liabilities and Equity	\$ 26,009	\$ 24,896

DTE ENERGY COMPANY
CONSOLIDATED STATEMENTS OF CASH FLOWS

	<u>Year Ended December 31</u>		
	<u>2011</u>	<u>2010</u>	<u>2009</u>
(in Millions)			
Operating Activities			
Net income	\$ 720	\$ 639	\$ 535
Adjustments to reconcile net income to net cash from operating activities:			
Depreciation, depletion and amortization	995	1,027	1,020
Deferred income taxes	220	457	205
Asset (gains) and losses, reserves and impairments, net	(21)	(5)	(10)
Changes in assets and liabilities, exclusive of changes shown separately	94	(293)	69
Net cash from operating activities	<u>2,008</u>	<u>1,825</u>	<u>1,819</u>
Investing Activities			
Plant and equipment expenditures — utility	(1,382)	(1,011)	(960)
Plant and equipment expenditures — non-utility	(102)	(88)	(75)
Proceeds from sale of assets	18	56	83
Restricted cash for debt redemption, principally Securitization	(5)	(32)	2
Proceeds from sale of nuclear decommissioning trust fund assets	80	377	295
Investment in nuclear decommissioning trust funds	(97)	(410)	(315)
Consolidation of VIEs	—	19	—
Investment in Millennium Pipeline Project	(3)	(49)	(15)
Other	(69)	(88)	(79)
Net cash used for investing activities	<u>(1,560)</u>	<u>(1,226)</u>	<u>(1,064)</u>
Financing Activities			
Issuance of long-term debt, net	1,179	614	427
Redemption of long-term debt	(1,455)	(663)	(486)
Short-term borrowings, net	269	(177)	(417)
Issuance of common stock	—	36	35
Repurchase of common stock	(18)	—	—
Dividends on common stock	(389)	(360)	(348)
Other	(31)	(36)	—
Net cash used for financing activities	<u>(445)</u>	<u>(586)</u>	<u>(789)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	3	13	(34)
Cash and Cash Equivalents at Beginning of Period	65	52	86
Cash and Cash Equivalents at End of Period	<u>\$ 68</u>	<u>\$ 65</u>	<u>\$ 52</u>

THE DETROIT EDISON COMPANY
CONSOLIDATED STATEMENTS OF OPERATIONS

(in Millions)	Year Ended December 31		
	2011	2010	2009
Operating Revenues	\$ 5,152	\$ 4,993	\$ 4,714
Operating Expenses			
Fuel and purchased power	1,716	1,580	1,491
Operation and maintenance	1,369	1,305	1,277
Depreciation and amortization	813	849	844
Taxes other than income	240	237	205
Asset (gains) losses and reserves, net	12	(6)	(2)
	4,150	3,965	3,815
Operating Income	1,002	1,028	899
Other (Income) and Deductions			
Interest expense	289	313	325
Interest income	—	(1)	(2)
Other income	(47)	(39)	(39)
Other expenses	56	44	11
	298	317	295
Income Before Income Taxes	704	711	604
Income Tax Expense	267	270	228
Net Income	\$ 437	\$ 441	\$ 376

**MICHIGAN CONSOLIDATED GAS COMPANY
CONSOLIDATED STATEMENTS OF OPERATIONS**

(in Millions)	Year Ended December 31		
	2011	2010	2009
Operating Revenues	\$ 1,483	\$ 1,628	\$ 1,765
Operating Expenses			
Cost of gas	729	855	1,037
Operation and maintenance	390	373	411
Depreciation and amortization	89	92	109
Taxes other than income	53	54	48
Asset (gains), net	—	—	(30)
	1,261	1,374	1,575
Operating Income	222	254	190
Other (Income) and Deductions			
Interest expense	63	66	67
Interest income	(7)	(9)	(8)
Other income	(7)	(6)	(8)
Other expenses	5	5	6
	54	56	57
Income Before Income Taxes	168	198	133
Income Tax Expense	59	68	40
Net Income	\$ 109	\$ 130	\$ 93



DTE Energy Debt/Equity Calculation

As of December 31, 2011

(Millions)

	\$	
Short-term borrowings		419
Current portion of long-term debt, including capital leases		526
Mortgage bonds, notes and other		6,405
Securitization bonds, excluding current portion		479
Capital lease obligations		23
Other adjustments		93
less Securitization bonds, including current portion		(643)
50% Junior Subordinated Debentures		140
Total debt		7,442
50% Junior Subordinated Debentures		140
Total preferred/ other		140
Equity		7,009
Total capitalization	\$	14,591
Debt		51%
Junior Subordinated Debentures		1%
Common shareholders' equity		48%
Total		100%



Sales Analysis - Q4 2011

Electric Sales - Detroit Edison Service Area (GWh)

	Q4 2011	Q4 2010	% Change
Residential	3,549	3,425	4%
Commercial	4,029	3,910	3%
Industrial	2,386	2,757	-13%
Other	793	812	-2%
	10,757	10,904	-1%
Choice	1,341	1,330	1%
TOTAL SALES	12,098	12,234	-1%

Electric Revenue - Detroit Edison Service Area (\$000s)

	Q4 2011	Q4 2010	% Change
Residential	503,087	459,698	9%
Commercial	420,851	389,259	8%
Industrial	171,790	188,414	-9%
Other	51,516	52,952	-3%
	1,147,244	1,090,323	5%
Choice	23,811	27,654	-14%
TOTAL REVENUES	1,171,055	1,117,977	5%

Gas Sales - MichCon Service Area (MMcf)

	Q4 2011	Q4 2010	% Change
Residential	27,022	31,083	-13%
Commercial	5,999	7,243	-17%
Industrial	198	230	-14%
	33,219	38,556	-14%
End User			
Transportation*	36,446	39,492	-8%
TOTAL SALES	69,665	78,048	-11%

* Includes choice customers

Gas Revenue - MichCon Service Area (\$000s)

	Q4 2011	Q4 2010	% Change
Residential	241,667	299,182	-19%
Commercial	51,817	67,998	-24%
Industrial	1,548	1,935	-20%
	295,033	369,115	-20%
End User			
Transportation*	52,343	54,075	-3%
TOTAL REVENUES	347,375	423,191	-18%

* Includes choice customers

Weather

Cooling Degree Days

Detroit Edison service territory

	Q4 2011	Q4 2010	% Change
Actuals	5	5	0%
Normal	6	6	
Deviation from normal	-17%	-17%	

Heating Degree Days

MichCon service territory

	Q4 2011	Q4 2010	% Change
Actuals	1,905	2,249	-15%
Normal	2,255	2,206	
Deviation from normal	-16%	2%	

Earnings Impact of Weather

Variance from normal weather (\$millions, after-tax)

	Q4 2011	Q4 2010
MichCon	(12)	

- Warmer weather decreased MichCon's earnings by (\$12M) Q4 2011.



Sales Analysis - YTD December 31, 2011

Electric Sales - Detroit Edison Service Area (GWh)

	YTD 2011	YTD 2010	% Change
Residential	15,907	15,726	1%
Commercial	16,779	16,570	1%
Industrial	9,739	10,195	-4%
Other	3,136	3,210	-2%
	45,561	45,701	0%
Choice	5,445	5,005	9%
TOTAL SALES	51,006	50,706	1%

Electric Revenue - Detroit Edison Service Area (\$000s)

	YTD 2011	YTD 2010	% Change
Residential	2,182,292	2,052,608	6%
Commercial	1,704,282	1,628,757	5%
Industrial	692,424	687,960	1%
Other	199,715	193,014	3%
	4,778,713	4,562,339	5%
Choice	101,482	106,553	-5%
TOTAL REVENUES	4,880,195	4,668,892	5%

Gas Sales - MichCon Service Area (MMcf)

	YTD 2011	YTD 2010	% Change
Residential	95,935	91,543	5%
Commercial	23,203	23,490	-1%
Industrial	812	678	20%
	119,950	115,711	4%
End User			
Transportation*	141,233	139,605	1%
TOTAL SALES	261,183	255,316	2%

* Includes choice customers

Gas Revenue - MichCon Service Area (\$000s)

	YTD 2011	YTD 2010	% Change
Residential	919,359	992,342	-7%
Commercial	214,079	249,125	-14%
Industrial	6,653	6,412	4%
	1,140,090	1,247,879	-9%
End User			
Transportation*	207,090	196,685	5%
TOTAL REVENUES	1,347,181	1,444,564	-7%

* Includes choice customers

Weather

Cooling Degree Days

Detroit Edison service territory

	YTD 2011	YTD 2010	% Change
Actuals	1,039	1,071	-3%
Normal	736	736	
Deviation from normal	41%	46%	

Heating Degree Days

MichCon service territory

	YTD 2011	YTD 2010	% Change
Actuals	6,321	6,021	5%
Normal	6,399	6,403	
Deviation from normal	-1%	-6%	

Earnings Impact of Weather

Variance from normal weather (\$millions, after-tax)

	YTD 2011	YTD 2010
MichCon	(1)	(11) Warmer weather decreased MichCon's earnings by (\$1M) in 2011.



Detroit Edison Temperature Normal Sales Analysis - December 31, 2011

**Temperature Normal Electric Sales - Detroit Edison
Service Area (GWh)**

	Q4 2011	Q4 2010	% Change
Residential	3,729	3,449	8%
Commercial	4,030	3,911	3%
Industrial	2,386	2,757	-13%
Other	793	812	-2%
	10,938	10,929	0%
Choice	1,341	1,330	1%
TOTAL SALES	12,280	12,259	0%

**Temperature Normal Electric Sales - Detroit Edison
Service Area (GWh)**

	YTD 2011	YTD 2010	% Change
Residential	15,213	14,979	2%
Commercial	16,461	16,293	1%
Industrial	9,706	10,165	-5%
Other	3,136	3,210	-2%
	44,516	44,647	0%
Choice	5,378	4,944	9%
TOTAL SALES	49,894	49,591	1%

**Temperature Normal Electric Sales - Detroit Edison
Service Area (Includes Electric Choice) (GWh)**

	Q4 2011	Q4 2010	% Change
Residential	3,729	3,449	8%
Commercial	4,884	4,726	3%
Industrial	2,874	3,272	-12%
Other	793	812	-2%
	12,280	12,259	0%
TOTAL SALES	12,280	12,259	0%

**Temperature Normal Electric Sales - Detroit Edison
Service Area (Includes Electric Choice) (GWh)**

	YTD 2011	YTD 2010	% Change
Residential	15,213	14,980	2%
Commercial	19,799	19,469	2%
Industrial	11,745	11,933	-2%
Other	3,136	3,210	-2%
	49,894	49,591	1%
TOTAL SALES	49,894	49,591	1%