
DTE Energy®



**Readying Michigan to Make Good Energy
Decisions**

Nick Khouri

Vice President of Regulatory Affairs

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DTE Energy has been part of Michigan for 150 years and we intend to be part of Michigan's future and success for another 150 years or more



We provide electricity and natural gas for

over 5 million Michiganders

- DTE Electric (founded 1903)
- DTE Gas (founded 1849)

9,000 Michigan employees

9,000 Michigan retirees

68,000 Michigan shareholders



We know that when Michigan families, businesses and communities prosper, we prosper



DTE Energy's Michigan-based supply commitment has already led to

\$826 million

Investment with Michigan-based suppliers in 2012

5,000 jobs

Estimated new, full-time jobs in Michigan



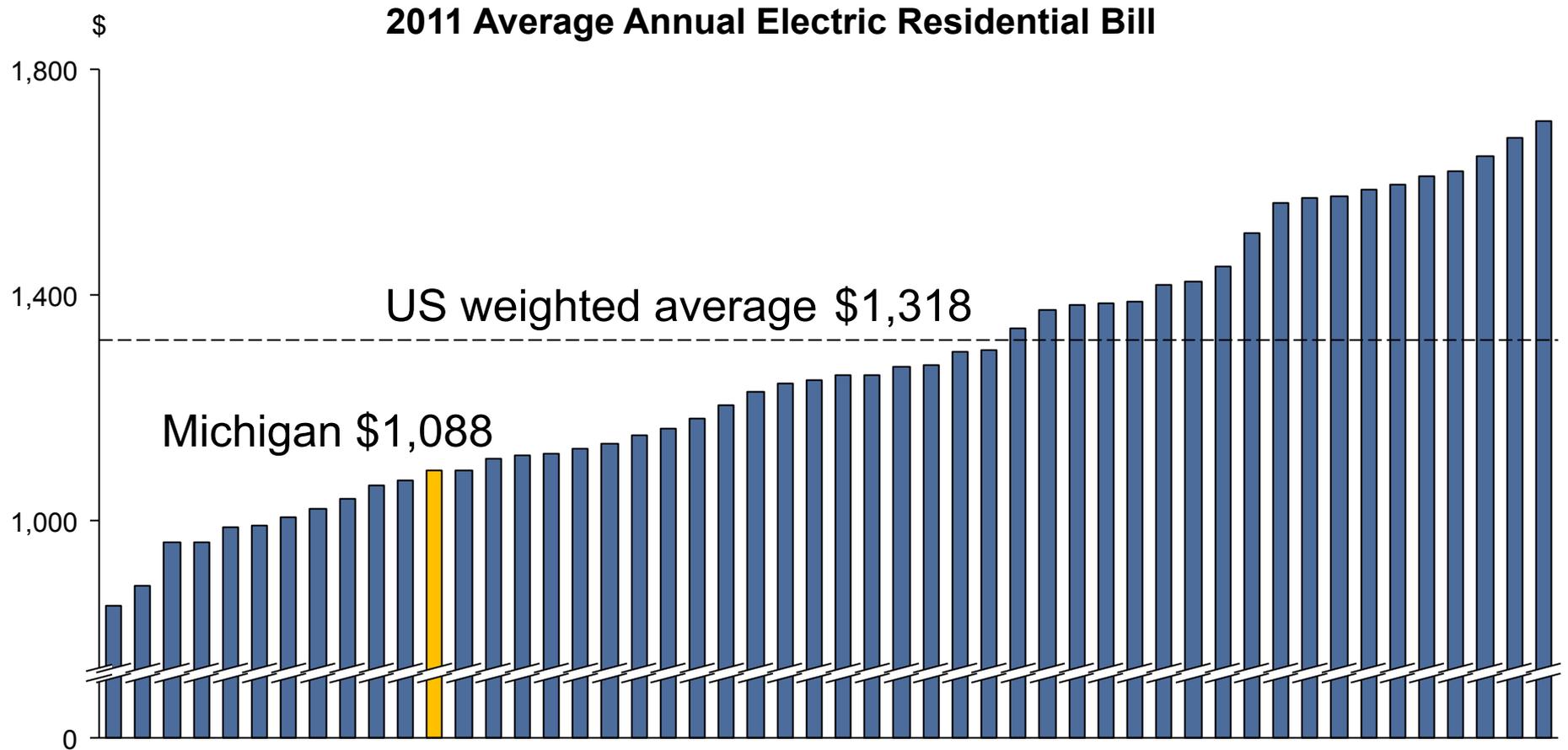


Key data and analysis that helps inform future Michigan energy policy

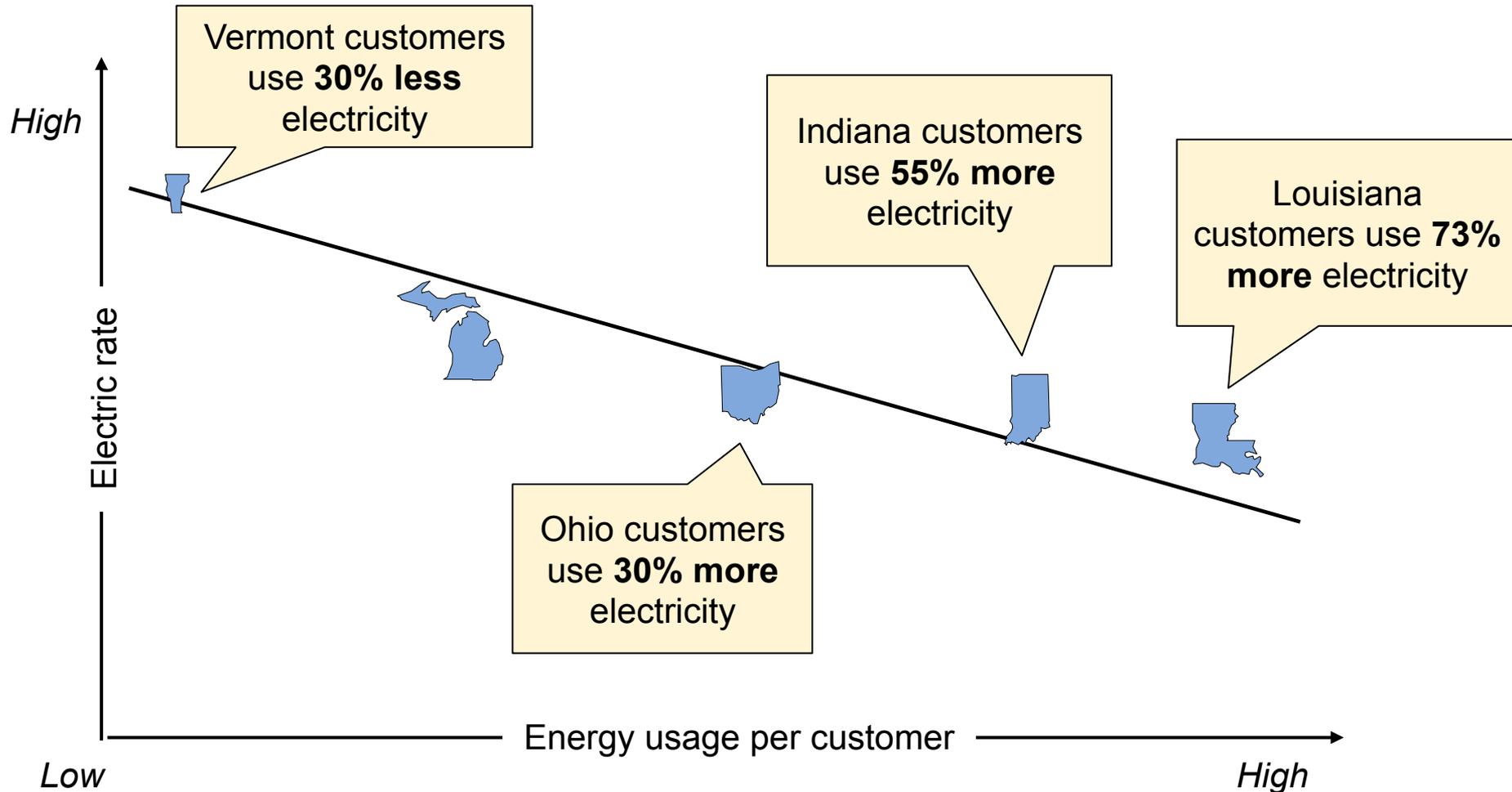


- Electric deregulation in other states hasn't delivered on the promise of lower rates
- A reliable supply of electricity is best assured by a system of responsible regulations
- Michigan's 10% deregulation cap provides savings for a few, but has raised rates for 99% of Michigan's families and businesses

While rates are higher, Michigan residential electric bills are well below the national average and Michigan families spend a smaller portion of their income on electricity



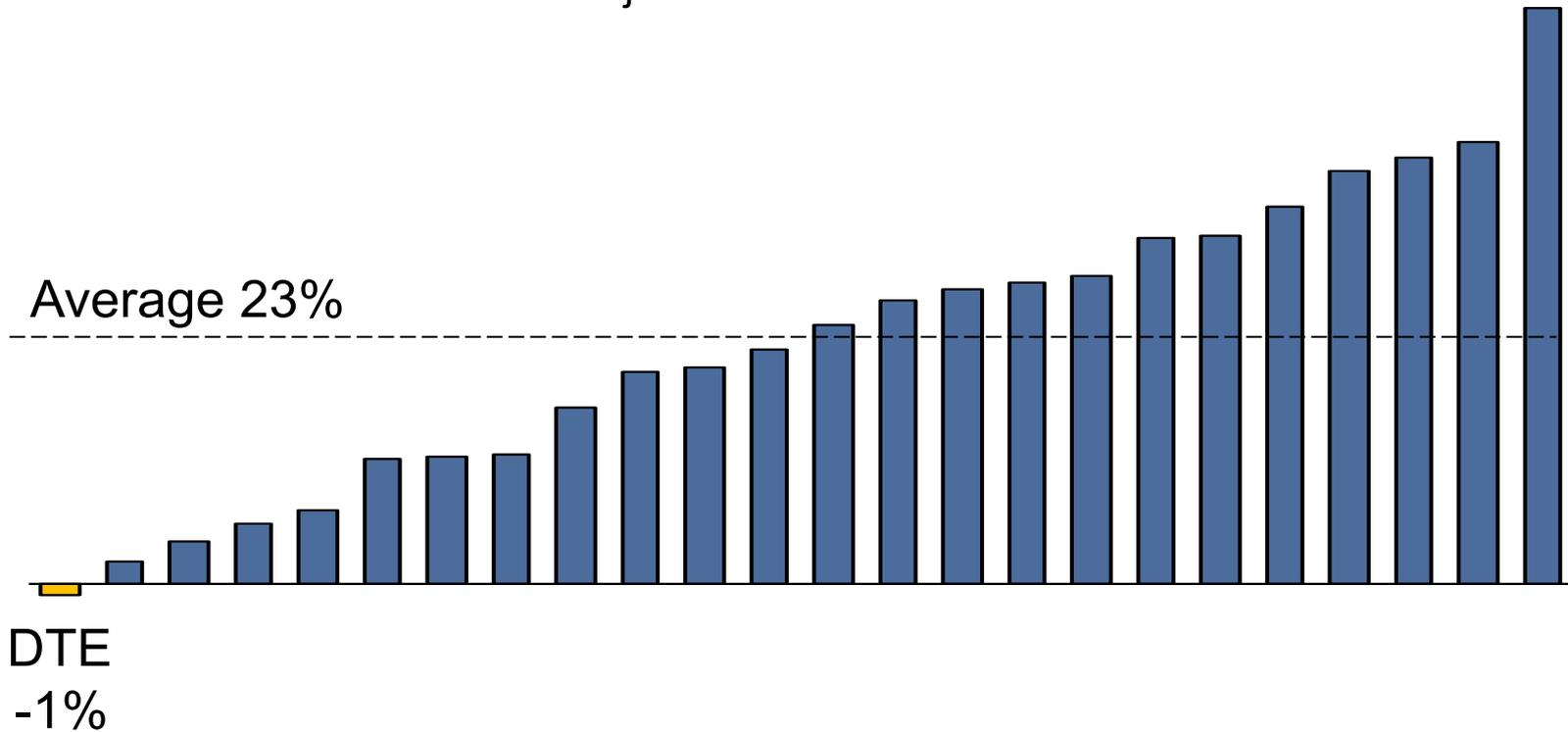
**Energy usage is one of the key drivers of electric rates:
Michigan customers use far less electricity than those in
most states, leading to lower bills but higher rates**



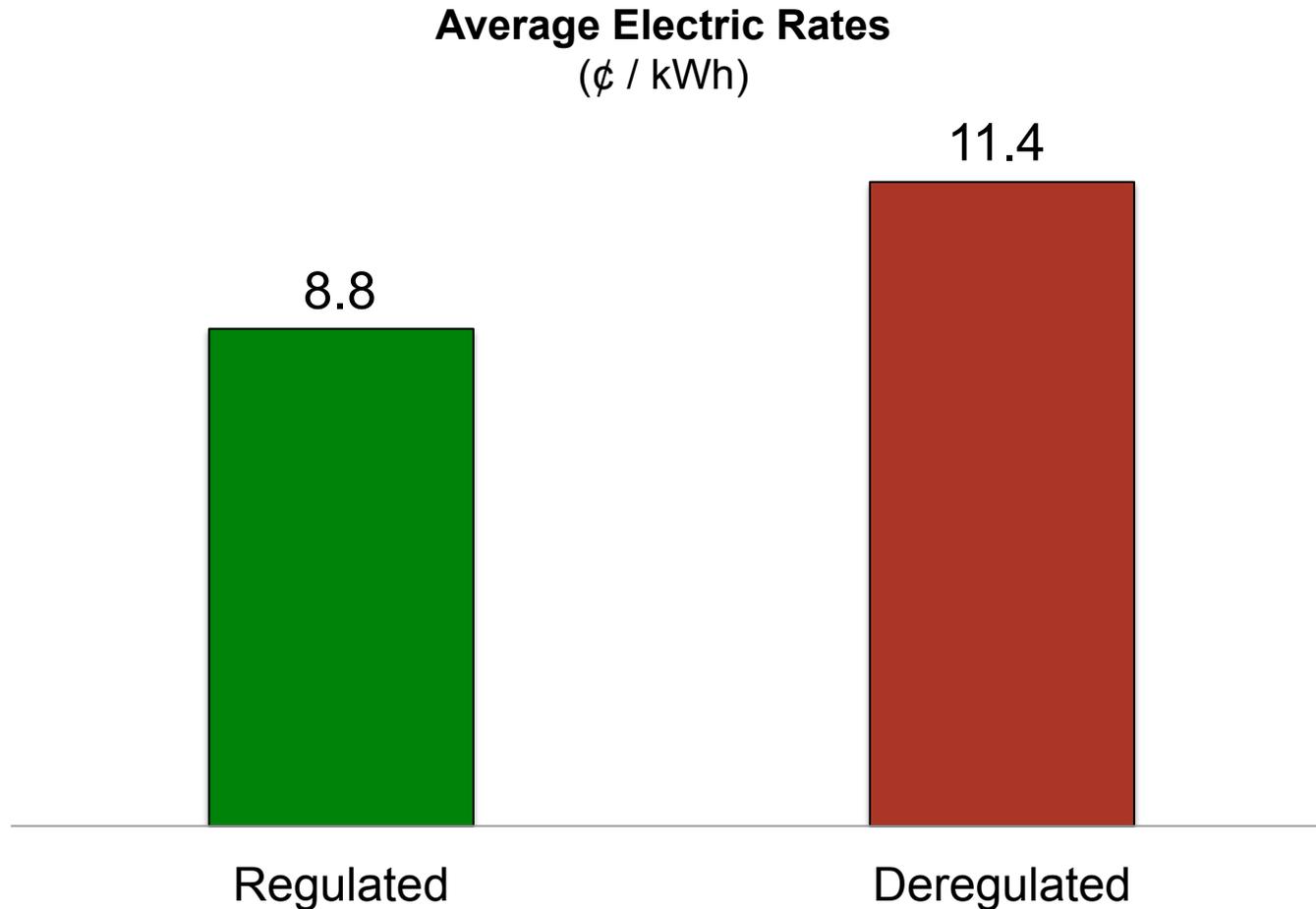
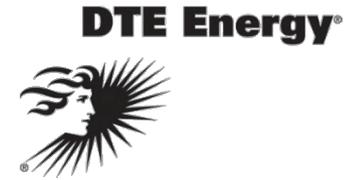
Because we are committed to keeping our service affordable for Michigan families we have been controlling our operating costs better than any other large utility in the nation



Change in Electric Operating Costs, 2007-2011
Major US Electric Utilities



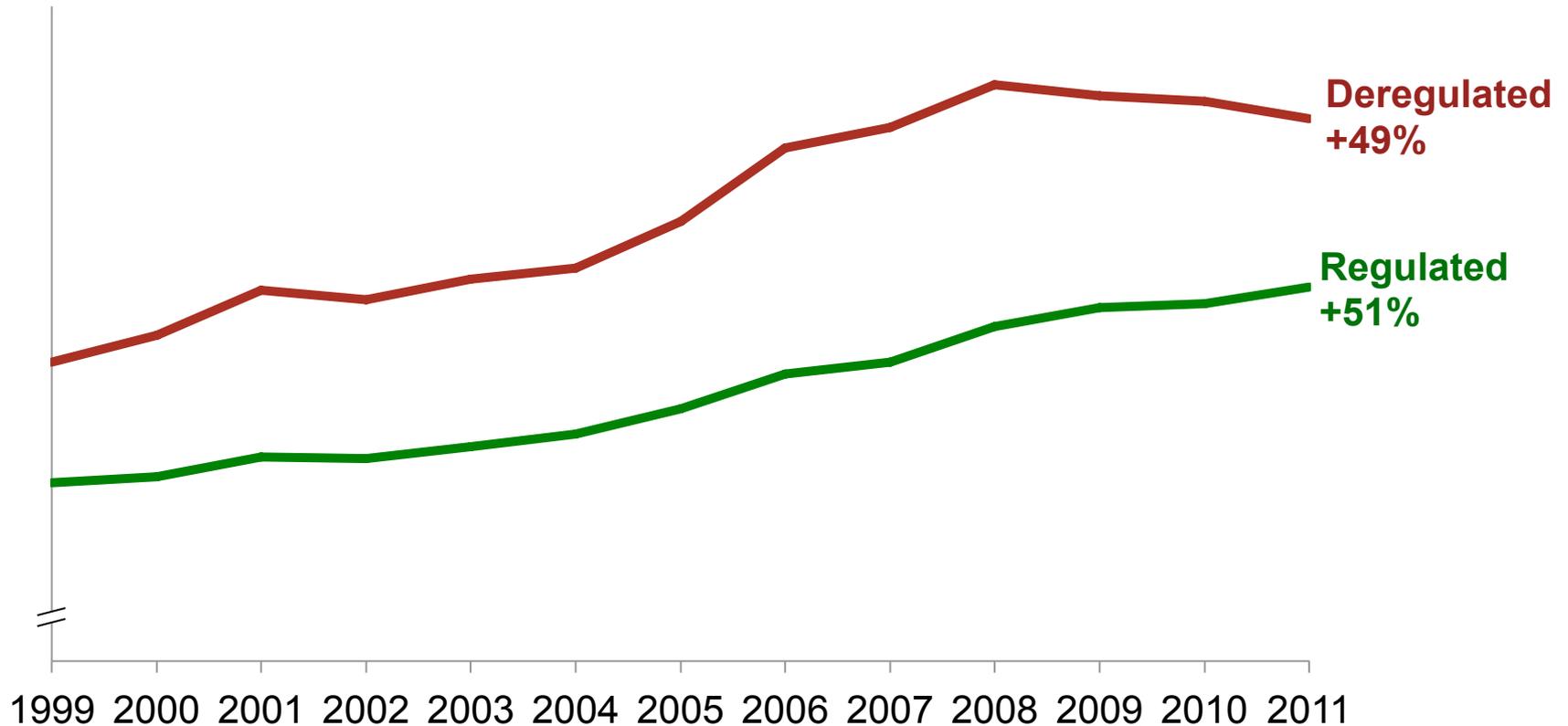
Deregulation has not led to lower rates – in fact, rates in deregulated states are 30% higher than in regulated states



Deregulation has not led to lower rates – rates in deregulated states and regulated states have grown at the same pace over time



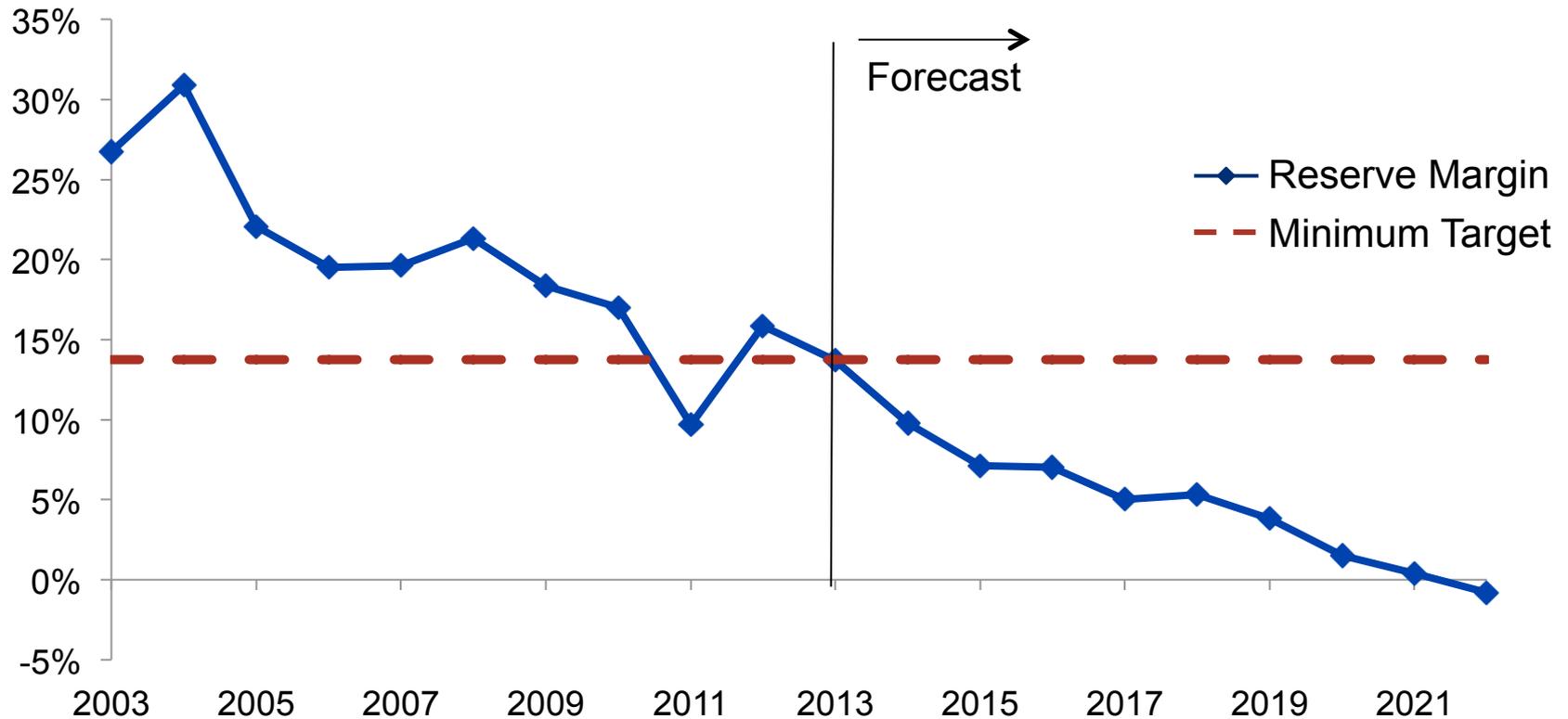
Electric Rate Growth 1999-2011



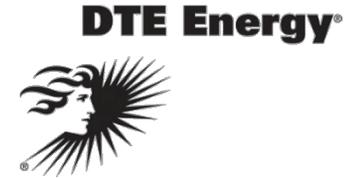
There is a looming generation shortage in deregulated Texas



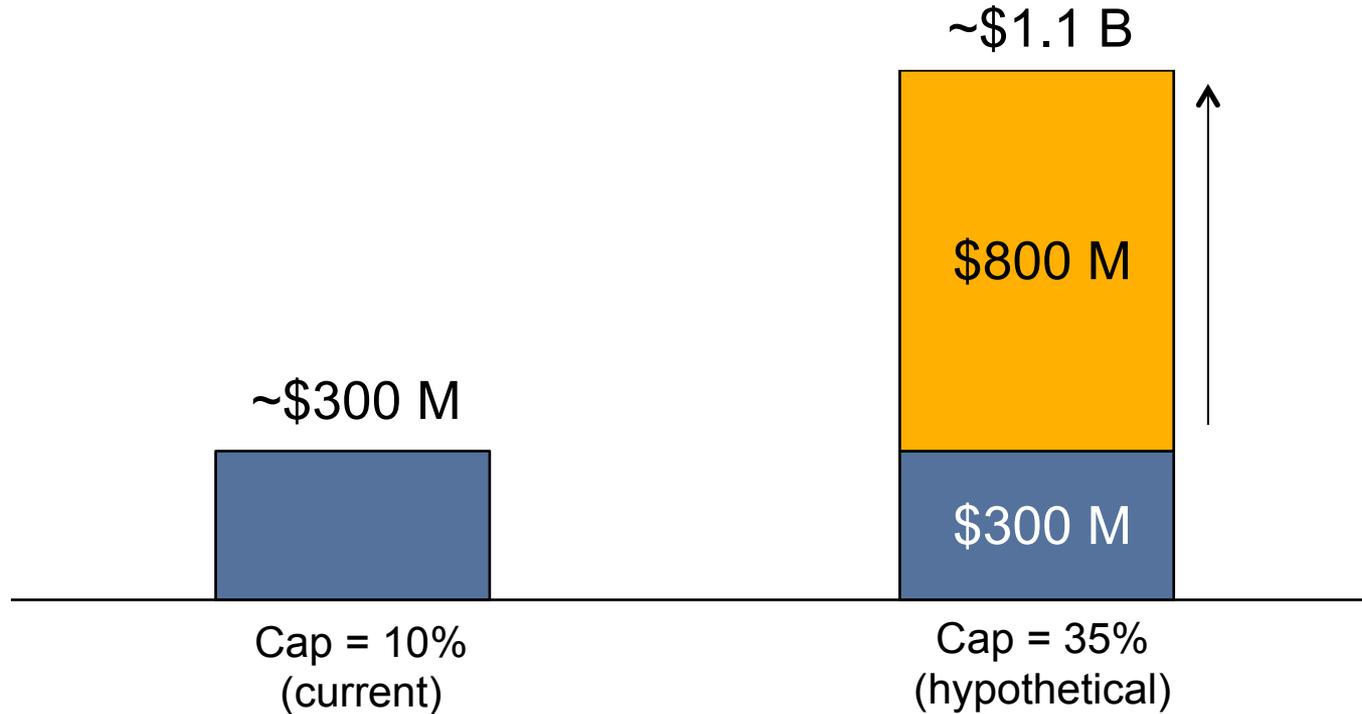
Texas Planning Reserve Margin



Even 2008's 10% cap, however, has its problems:
99% of the families and businesses we serve pay more
so that less than 1% can pay less



Fixed Costs Borne By Remaining Utility Customers
(\$ / year)





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