

DTE Energy®



Powering Michigan's Energy Future

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Director, Energy Efficiency

June 22, 2010



DTE Energy goals:

- Provide outstanding service for our customers
- Support the communities we serve
- Deliver sustainable value to our shareholders
- Offer our employees a rewarding place to work
- Leave our children with the promise of a cleaner, greener world.



DTE Energy: Powering Michigan's Energy Future



**Leave our
children with
the promise of
a cleaner,
greener world**

SMARTER

- SmartGrid
- Plug-in Electric Cars

CLEANER

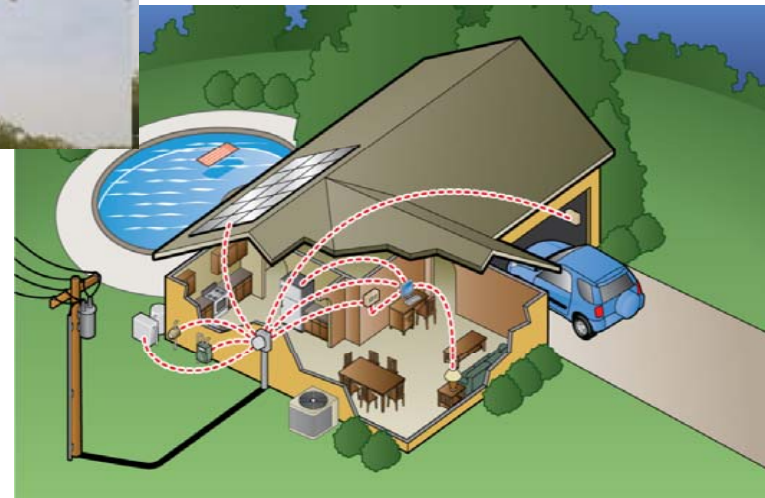
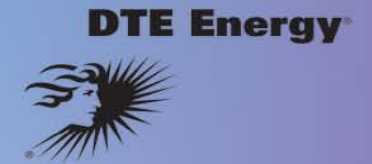
- Reducing emissions
- Nuclear energy

GREENER

- Reducing usage
- Renewable energy

SMARTER

Smart Grid and Advanced Metering Infrastructure (AMI)

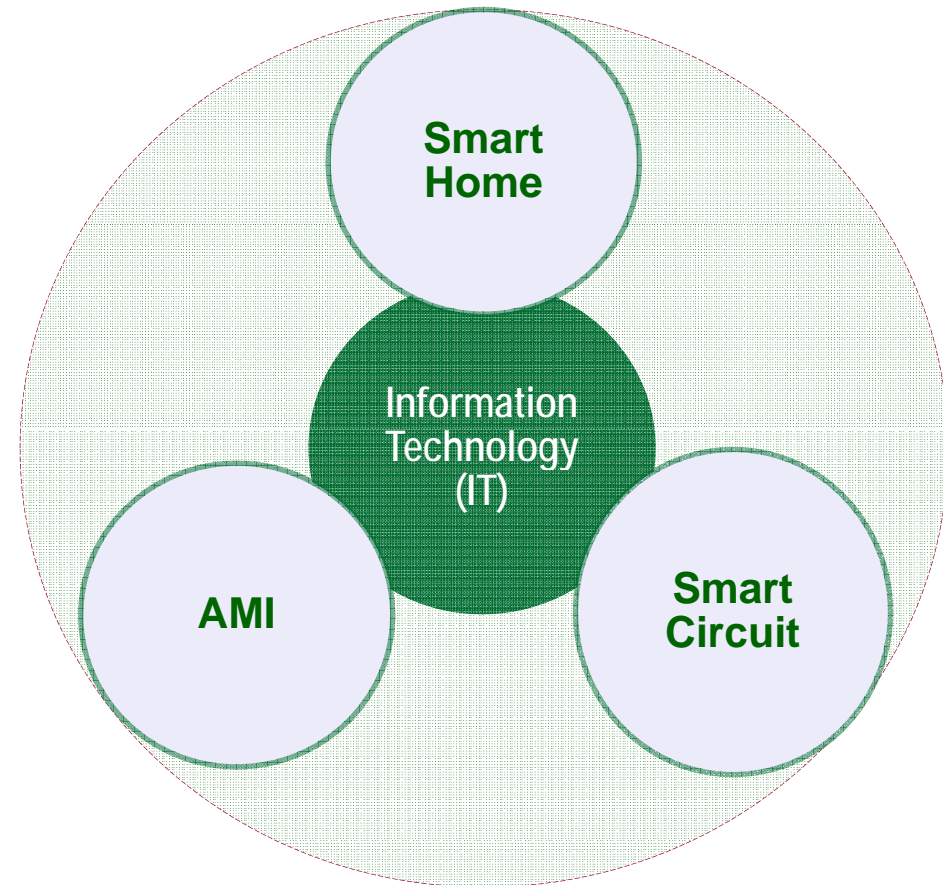




Overview of Detroit Edison's SmartCurrentsSM program

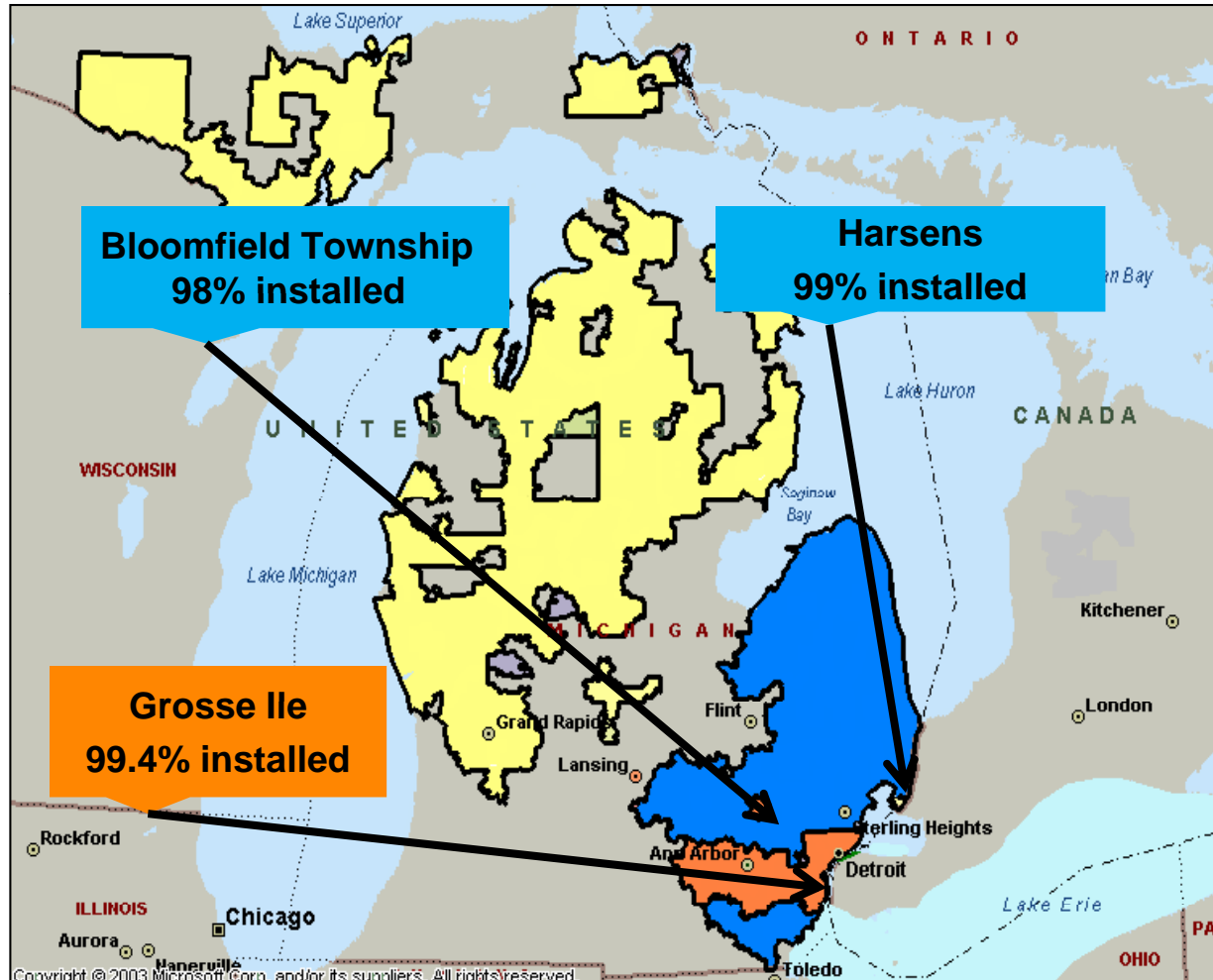
SmartCurrentsSM

- Total investment will be between \$500M and \$1B, depending on scale and scope
- Program Management Office has been established to oversee the implementation
- Initial deployment consisting of AMI meters started in 2008





Over 15,000 of the scheduled AMI meters and modules have been installed to date



- As part of the AMI pilot installation, over 15,000 Meters/Modules have been installed to date
- Positive experience for customers - no AMI related complaints
- We are actively measuring and verifying the benefits realized with the AMI technologies

** Numbers: as of 12/31/09



Our SmartCurrentsSM program will be accelerated by the DOE funding in the next 2 years

SmartCurrentsSM program scope for 2010 and 2011

AMI

- 660,000+ meters
- OpenWay AMI solutions from Itron

Smart Home

- Smart appliances
- In-home displays (IHD)
- Programmable Thermostats (PCT)
- Dynamic pricing

Smart Circuit

- 55 circuit upgrades covering 11 substations at 3 distinct sites
- Sites will overlap with AMI installations

Information Technology (IT)

- 15 integrated IT systems to provide a complete and connected picture of the distribution network
- Security and Interoperability

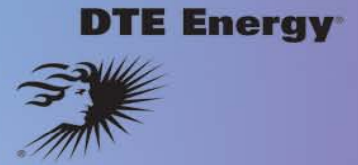
SMARTER

Plug-in Electric Vehicle (PEV)

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DTE Energy has a long history of involvement with electric vehicles



Edison Illuminating Company electric overhead line truck, 1915



The challenge: 1 million PEVs on the road in America by 2015

DTE Energy's Role:

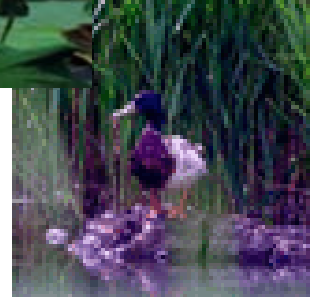
- Manage increased load for a smooth transition to electric vehicles
- Work with the auto industry to provide the convenience, performance and overall experience consumers demand from their cars
- Ensure electricity is a clean alternative fuel
- Push for Michigan as the center of electric vehicle research, development and manufacturing



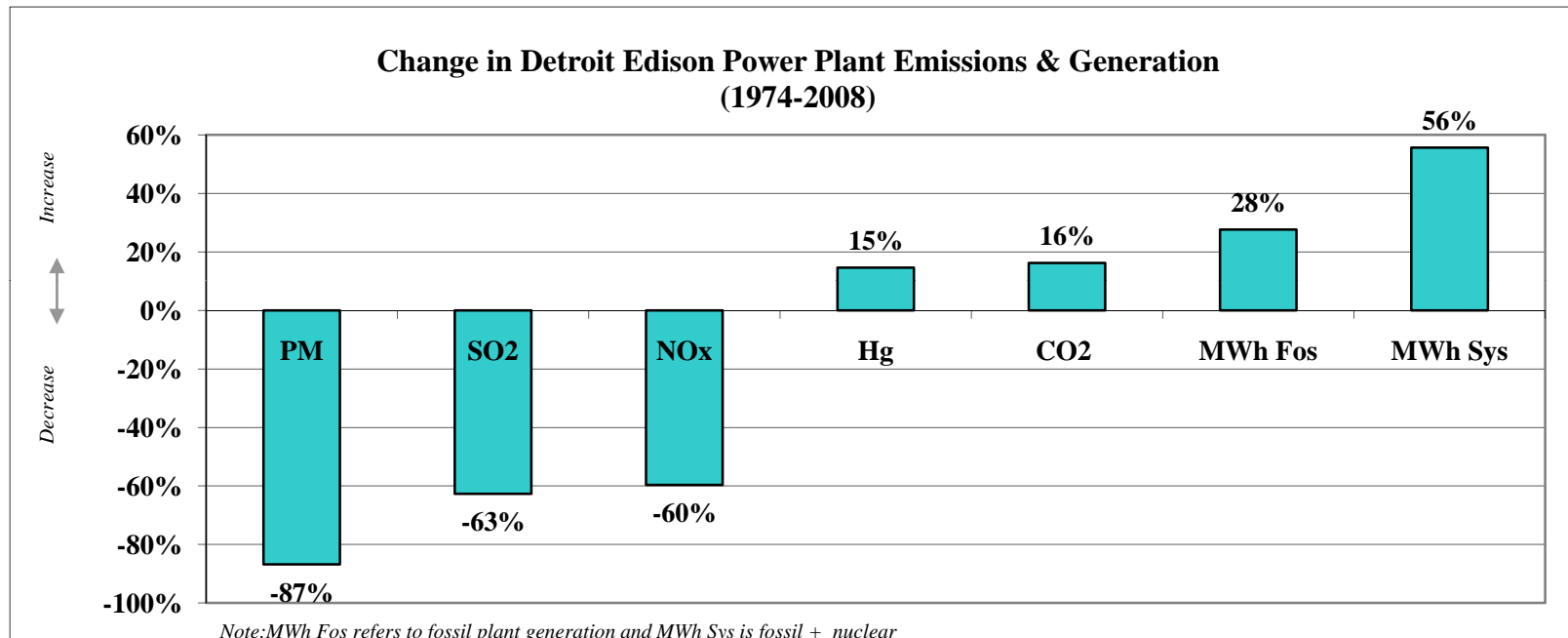
CLEANER

Reducing Emissions

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We have successfully implemented mandated reductions of air pollutants as electricity demand has grown



Over \$1 Billion spent over the past 10 years on pollution control equipment to enable these reductions:

- Installation of low NO_x burners
- Installation of Selective Catalytic Reduction (SCR) units for NO_x control
- Installation of flue gas desulfurization (FGD) or wet scrubbers for SO₂ control
- SCR and FGD, when combined also reduce mercury emissions

The biggest construction project in Michigan has been installing environmental equipment at DTE's Monroe Power Plant



Monroe
Power
Plant in
1985



Monroe
Power
Plant in
2009



CLEANER

Nuclear Energy

DTE Energy[®]



Fermi 3 Aerial Illustration



Detroit Edison Confidential and Proprietary - Preliminary Draft



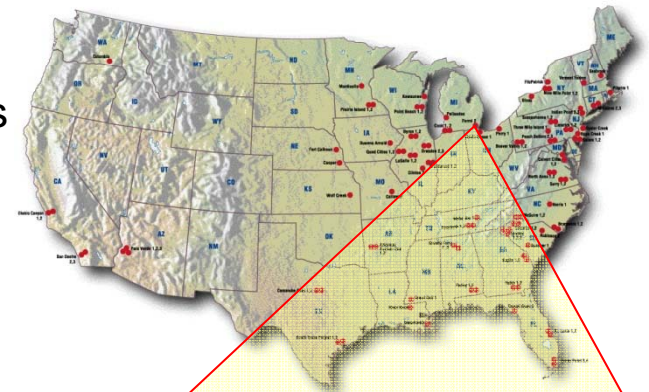
Current Status of U.S. and Worldwide Nuclear Power

In the United States...

104 nuclear power plants currently operate in the United States and generate about **20%** of the nation's electricity.

17 license applications for new plants have been filed with the Nuclear Regulatory Commission with several more expected.

Site preparation has begun on several of these new plants



Worldwide...

Over **400** nuclear power plants operate in 31 countries.

France, Japan and Great Britain get as much as 75 percent of their electricity from nuclear energy

Over **50** new nuclear plants are under construction

Over **130** plants are on order and an additional **300** under consideration.



GREENER

Reduce usage through Energy Efficiency programs

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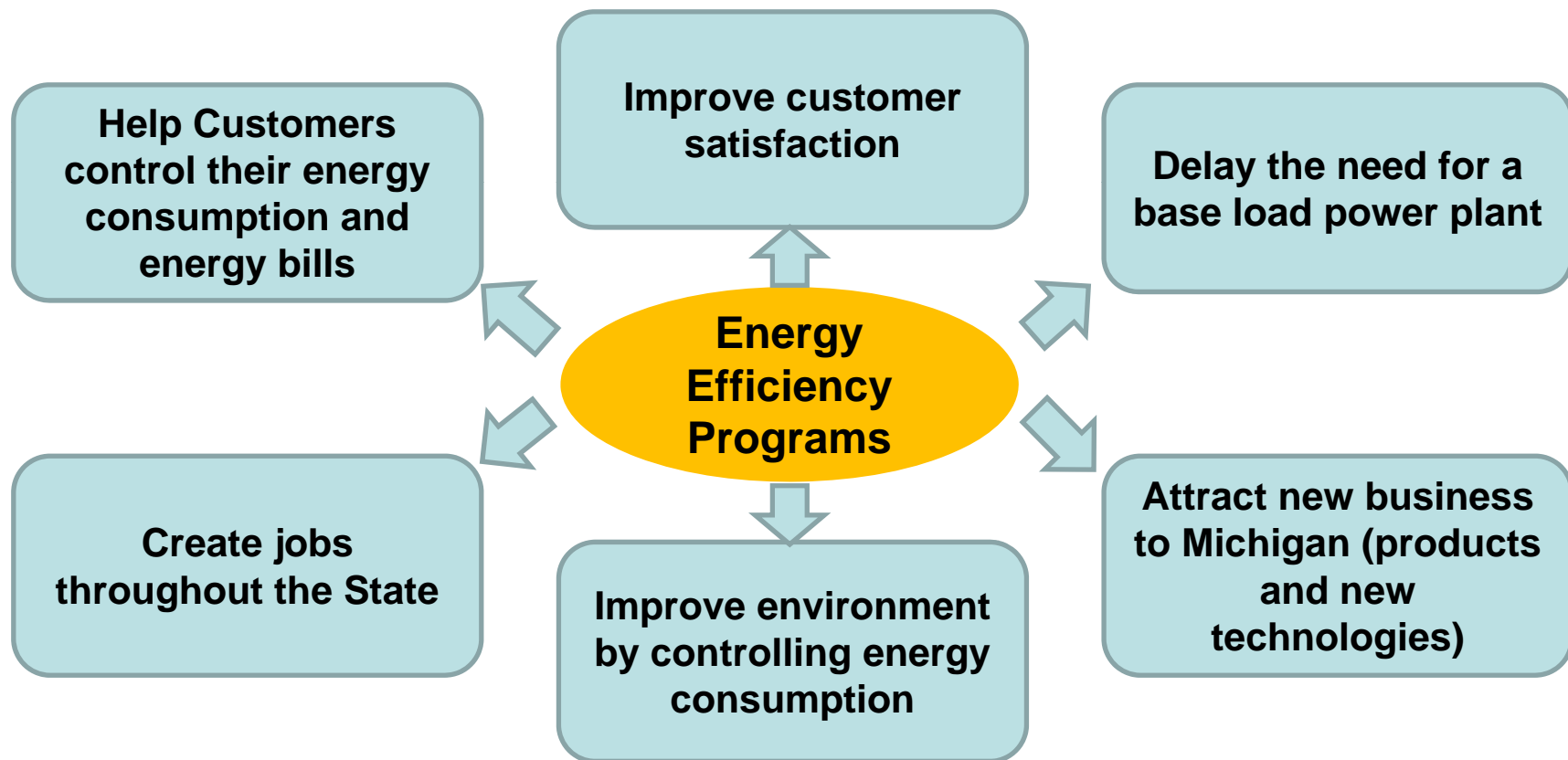


**YOUR
ENERGY
SAVINGS**





Energy Efficiency programs benefit the residents and businesses in the State of Michigan





We offer a variety of Energy Efficiency programs to our customers



Commercial & Industrial Programs

Prescriptive Incentives

Custom Energy Efficiency Projects

New Construction Program

Residential Programs

ENERGY STAR[®]

Appliance Recycling

Heating, Cooling and Water Heating

Apartment and Condo Programs

Energy Audits & Weatherization

New Construction Programs

Energy Efficiency Assistance

www.yourenergysavings.com

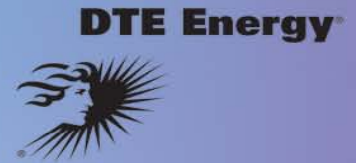
GREENER

Renewable Energy

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DTE Energy has long and varied Renewable Energy experience



- DTE Biomass Energy
- DTE Solar Company of California, in partnership with the U. S. DOE
- DTE Energy's Hydrogen Technology Park, in partnership with the U.S. DOE
- Clean Energy Prize, founded by DTE Energy and the University of Michigan



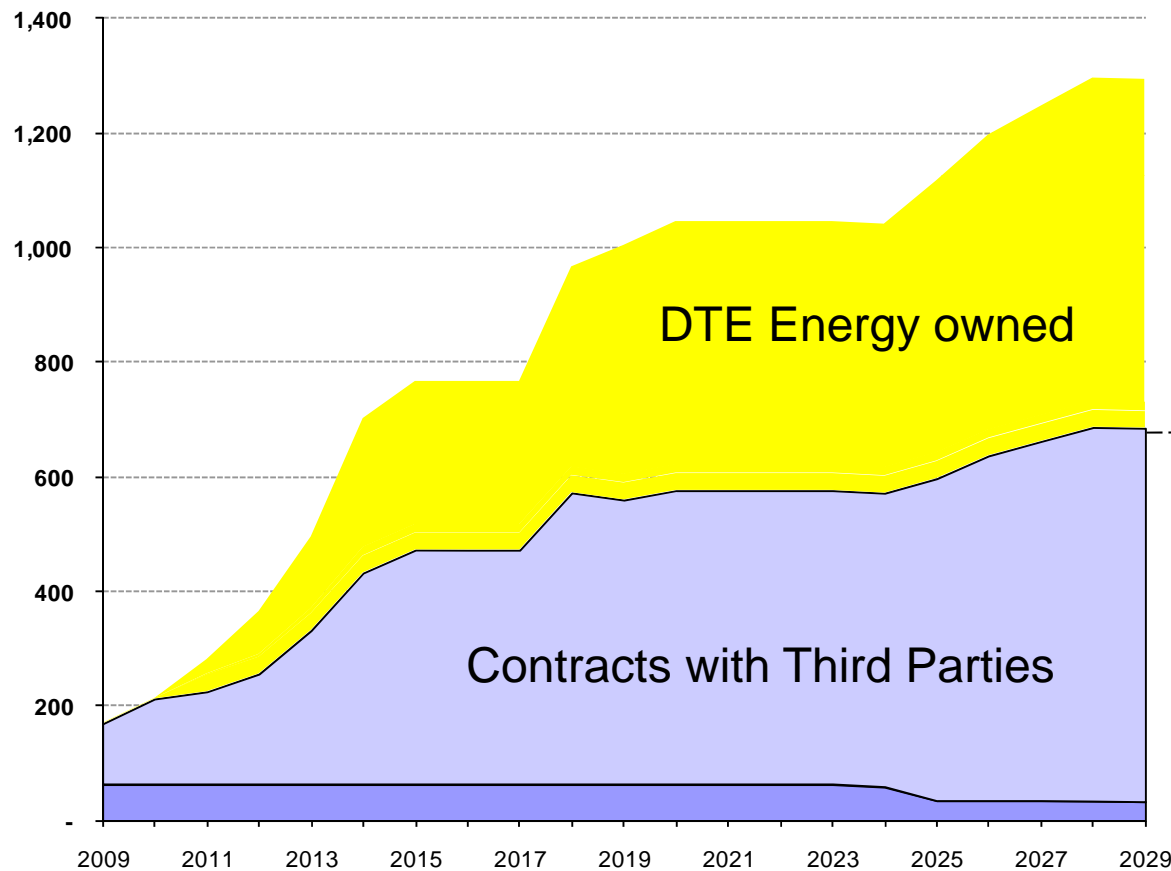
- Detroit Edison's GreenCurrents program is officially certified by Green-e 
 - Green-e is the nation's leading independent consumer protection program for the sale of renewable energy. The certification brings national recognition to GreenCurrents and reinforces Detroit Edison's commitment to high standards for our renewable energy program.
-
- 17,000 residential and business customers have chosen to enroll in the program.
 - Detroit Edison remains committed to expanding the benefits of GreenCurrents to our customers, and refining the program to include new green product enhancements and options.
 - Four Michigan firms providing renewable energy for GreenCurrents (85% wind power)





Detroit Edison's Renewable Energy Plan

MWs



50% of Detroit Edison's Renewable Portfolio will be owned by the company

- Mostly wind
- Solar pilot program
- Some co-firing

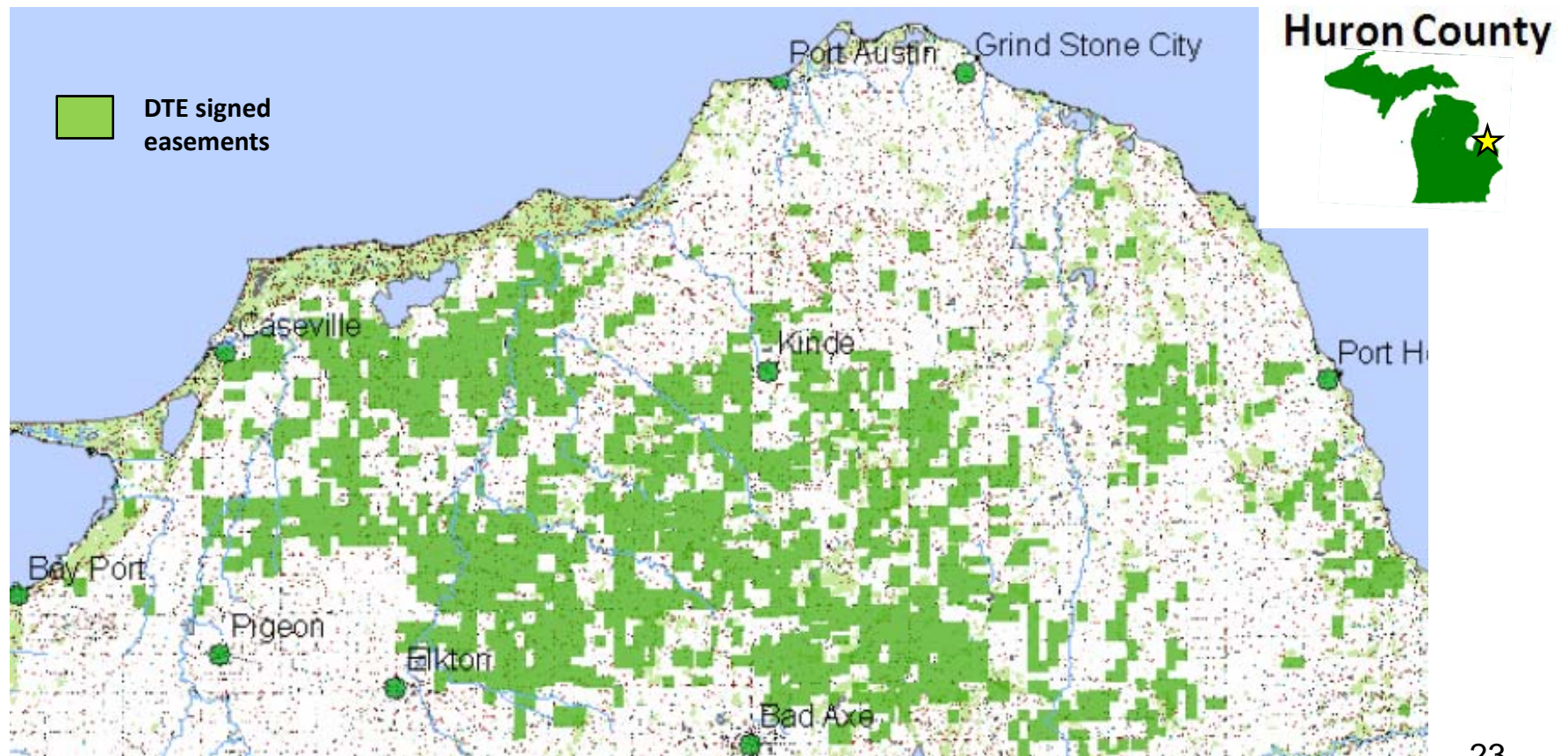
50% of Detroit Edison's Renewable Portfolio will be owned by third parties

- Any economical renewable resource
- Mostly wind

Development activities are well underway for future DTE Energy-owned wind farms

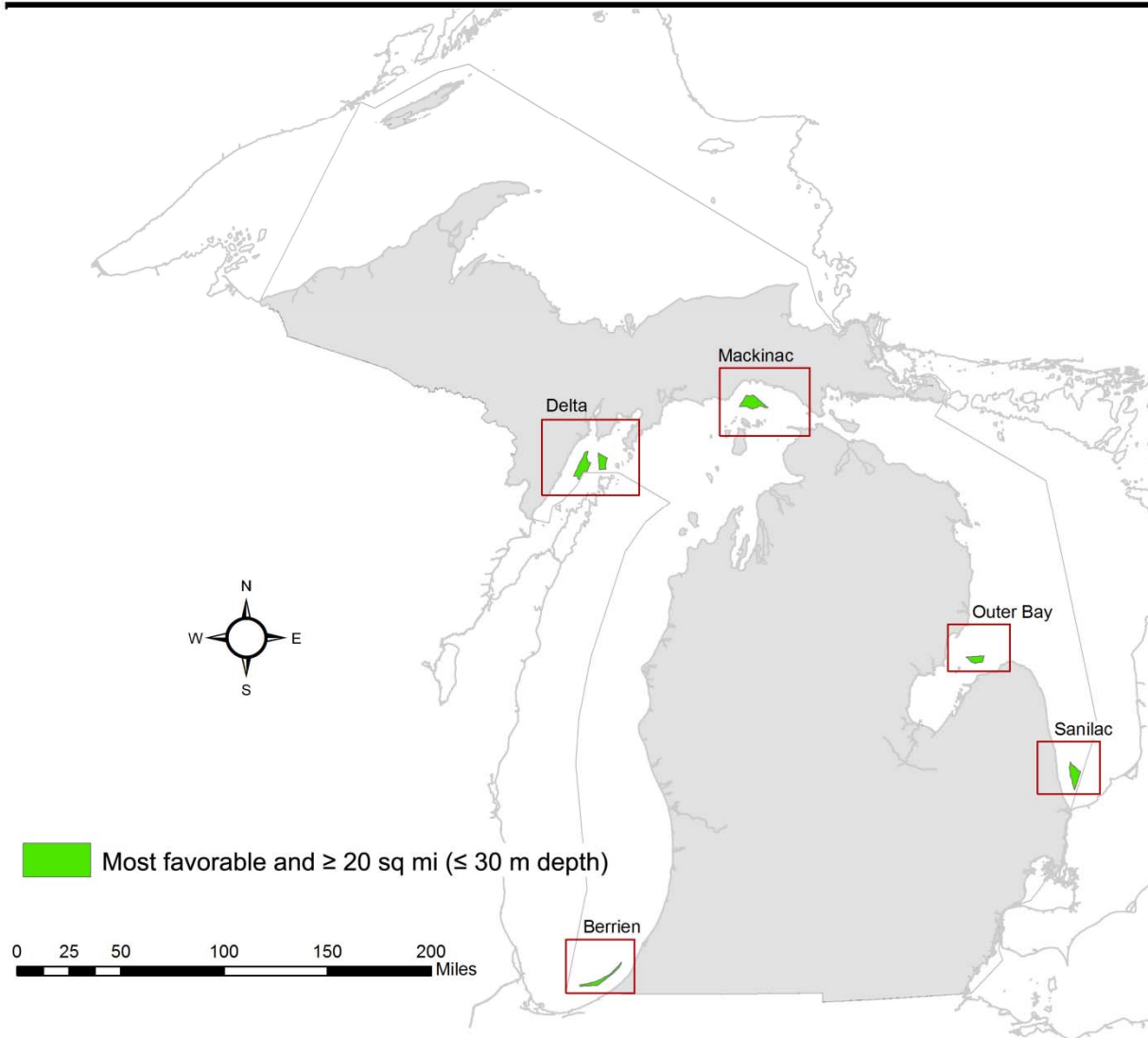


Detroit Edison has easements on ~ 75,000 acres in Huron County plus multiple years of completed wind and wildlife studies. Interconnection access has been requested, but transmission capacity is constrained.



Offshore Wind Energy, Great Lakes Wind Council's Five Wind Resource Areas

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Most Favorable Areas (as of January 2010) with at Least 20 Square Miles:

- Lake Michigan near Berrien County
- northern Lake Michigan near Delta and Mackinac Counties
- outer Saginaw Bay
- Lake Huron near Sanilac County

DTE Energy's solar pilot program is well underway



SolarCurrents™



Residential

- Approximately 5MW through REC contracts
- Customer funds and owns solar equipment
- Base case cost of residential solar pilot program ~\$24M over 5 years

Commercial & Industrial

- Approximately 15MW of Detroit Edison owned solar assets
- Sited on large leased rooftops or ground-mounted areas
- Base case capital investment in commercial and industrial solar pilot program ~ \$112M over 5 years



Renewable Energy Jobs

- Design and engineering services
- Direct construction jobs
- Ongoing operations and maintenance
- Jobs in the community
 - Supporting construction: materials, meals and lodging, transportation, fuel, permitting, communications
 - Resulting from increased tax revenues to the community and increased landowner income through easements and royalties
 - Training programs to develop skill sets required by contractors and sub-contractors
- **Manufacturing jobs for renewable energy equipment attracted by state-wide renewable investments and smart economic development policies**

**Detroit Edison planning
~ \$2 billion in renewable
generation investments!**

DTE Energy – Powering Michigan’s Energy Future



➤ The future of the industry:

- Increase in demand for electricity
- Focus on climate change
- Push toward environmentally friendly energy sources

➤ The future of DTE Energy:

- Smarter: – SmartCurrents
– Plug-in Hybrid Vehicles
- Cleaner: – Emission control equipment at existing plants
– Potential construction of a new nuclear plant
- Greener: – Energy Efficiency programs
– Investment in and development of renewable energy sources



Questions?