

DTE Energy

Detroit Edison and MichCon have changed from simple electric and gas companies to energy providers powering the lives of more than 3 million residents and businesses in southeast Michigan.

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Today, our utility businesses are entering a period of unprecedented growth. Our non-utility businesses provide products and services that leverage our utility expertise. Because we want a healthy environment for future generations, our legacy of supporting the communities where we live and do business is an important part of who we are. Our purpose remains:

**We energize the progress of society.
We make dreams real. We are always here.**

Utility Businesses

Detroit Edison: Founded in 1903, Detroit Edison is one of the largest electric utilities in the country serving 2.2 million customers in Michigan. We generate electricity through the use of coal, nuclear fuel, oil, natural gas and hydroelectric output. Our voluntary GreenCurrents program uses power created from renewable sources.

MichCon: Founded in 1849, MichCon is one of the largest natural gas utilities in the country, serving 1.3 million customers in Michigan. We purchase, store, transmit, sell and distribute natural gas. Our BudgetWise billing program helps seniors and low-income customers manage their heating costs throughout the year.

Employees pictured: Avani Saraiya, Eric Rucker, Joshua Ackerman, Cover; Kim McCrary, Donald McQueen, Charles Hyde, Gatefold; Susan Heatherly, Kendra Wilson, Elizabeth Gladson, Marie Hendrickson, Back cover.

We are always here



Performing maintenance work at the Monroe Power Plant. For more on our operations, visit dteenergy.com

Non-utility Businesses

Coal and Gas Midstream includes Coal Services and Gas Pipelines, Processing, and Storage. These non-utility businesses provide fuel, transportation and equipment management services, along with gas storage and the management of a network of natural gas transmission pipelines and gas processing facilities.

Unconventional Gas Production consists of the development and production of natural gas from the Barnett Shale in Texas.

Power and Industrial Projects offer private, utility-like services to select energy-intensive industrial customers. Energy Services creates value in five select industries: Onsite utility services; steel; petroleum coke; pulp and paper; and wholesale power and renewables.

Energy Trading provides energy sourcing and management solutions for municipalities, electric cooperatives, independent power producers, investor-owned utilities and retail energy suppliers. We manage large power generation, gas storage and transportation assets.

Financial Highlights

<i>(Dollars in Millions, Except Per Share Amounts)</i>	2007	2006	% Change
Operating Revenues			
Electric Utility	\$ 4,900	\$ 4,737	3.4 %
Gas Utility	1,875	1,849	1.4 %
Non-utility	2,037	2,045	-0.4 %
Corporate & Other	(15)	5	N/A
Eliminations	(291)	(477)	N/A
	\$ 8,506	\$ 8,159	4.3 %
Net Income			
Electric Utility	\$ 317	\$ 325	-2.5 %
Gas Utility	70	50	40.0 %
Non-utility	(102)	75	N/A
Corporate & Other	502	(61)	N/A
	787	389	102.3 %
Discontinued Operations	184	43	N/A
Cumulative Effect of Accounting Changes	—	1	—
	\$ 971	\$ 433	124.2 %
Diluted Earnings Per Share			
Electric Utility	\$ 1.86	\$ 1.82	2.2 %
Gas Utility	0.41	0.28	46.4 %
Non-utility	(0.60)	0.44	N/A
Corporate & Other	2.95	(0.36)	N/A
	4.62	2.18	111.9 %
Discontinued Operations	1.08	0.24	N/A
Cumulative Effect of Accounting Changes	—	0.01	—
	\$ 5.70	\$ 2.43	134.6 %
Dividends Declared Per Share	\$ 2.12	\$ 2.075	2.2 %
Dividend Yield	4.8 %	4.3 %	11.6 %
Average Common Shares Outstanding (Millions)			
Basic	169	177	-4.5 %
Diluted	170	178	-4.5 %
Book Value Per Share	\$ 35.86	\$ 33.02	8.6 %
Market Price at Year End	\$ 43.96	\$ 48.41	-9.2 %
Total Market Capitalization	\$ 7,176	\$ 8,575	-16.3 %
Capital Expenditures	\$ 1,299	\$ 1,403	-7.4 %
Total Assets	\$ 23,754	\$ 23,785	-0.1 %