



DTE Energy®

1Q 2014

**Supplemental Financial
Information**

DTE Energy Company
Consolidated Statements of Financial Position (Unaudited)

	March 31, 2014	December 31, 2013
(In millions)		
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 98	\$ 52
Restricted cash, principally Securitization	57	123
Accounts receivable (less allowance for doubtful accounts of \$56 and \$55, respectively)		
Customer	1,811	1,542
Other	140	127
Inventories		
Fuel and gas	208	363
Materials and supplies	272	265
Derivative assets	79	99
Regulatory assets	130	26
Other	178	209
	<u>2,973</u>	<u>2,806</u>
Investments		
Nuclear decommissioning trust funds	1,195	1,191
Other	596	603
	<u>1,791</u>	<u>1,794</u>
Property		
Property, plant and equipment	25,384	25,123
Less accumulated depreciation, depletion and amortization	(9,399)	(9,323)
	<u>15,985</u>	<u>15,800</u>
Other Assets		
Goodwill	2,018	2,018
Regulatory assets	2,792	2,837
Securitized regulatory assets	182	231
Intangible assets	118	122
Notes receivable	92	102
Derivative assets	17	27
Other	193	198
	<u>5,412</u>	<u>5,535</u>
Total Assets	<u>\$ 26,161</u>	<u>\$ 25,935</u>

DTE Energy Company
Consolidated Statements of Financial Position (Unaudited) — (Continued)

	March 31, 2014	December 31, 2013
	(In millions, except shares)	
LIABILITIES AND EQUITY		
Current Liabilities		
Accounts payable	\$ 945	\$ 962
Accrued interest	118	90
Dividends payable	116	116
Short-term borrowings	375	131
Current portion long-term debt, including capital leases	1,069	898
Derivative liabilities	140	195
Gas inventory equalization	142	—
Regulatory liabilities	175	302
Other	489	495
	<u>3,569</u>	<u>3,189</u>
Long-Term Debt (net of current portion)		
Mortgage bonds, notes and other	6,438	6,618
Securitization bonds	—	105
Junior subordinated debentures	480	480
Capital lease obligations	5	11
	<u>6,923</u>	<u>7,214</u>
Other Liabilities		
Deferred income taxes	3,390	3,321
Regulatory liabilities	829	862
Asset retirement obligations	1,854	1,827
Unamortized investment tax credit	44	47
Derivative liabilities	16	43
Accrued pension liability	630	653
Accrued postretirement liability	328	350
Nuclear decommissioning	175	178
Other	266	297
	<u>7,532</u>	<u>7,578</u>
Commitments and Contingencies		
Equity		
Common stock, without par value, 400,000,000 shares authorized, 177,016,824 and 177,087,230 shares issued and outstanding, respectively	3,894	3,907
Retained earnings	4,360	4,150
Accumulated other comprehensive loss	(137)	(136)
Total DTE Energy Company Equity	<u>8,117</u>	<u>7,921</u>
Noncontrolling interests	20	33
Total Equity	<u>8,137</u>	<u>7,954</u>
Total Liabilities and Equity	<u>\$ 26,161</u>	<u>\$ 25,935</u>

DTE Energy Company
Consolidated Statements of Cash Flows (Unaudited)

	Three Months Ended March 31,	
	2014	2013
	(In millions)	
Operating Activities		
Net income	\$ 327	\$ 235
Adjustments to reconcile net income to net cash from operating activities:		
Depreciation, depletion and amortization	280	259
Nuclear fuel amortization	5	9
Allowance for equity funds used during construction	(5)	(3)
Deferred income taxes	77	65
Asset (gains) and losses, reserves and impairments, net	(1)	(6)
Changes in assets and liabilities:		
Accounts receivable, net	(270)	(78)
Inventories	147	221
Accounts payable	100	(126)
Gas inventory equalization	142	140
Accrued pension obligation	(23)	(46)
Accrued postretirement obligation	(22)	(154)
Derivative assets and liabilities	(51)	18
Regulatory assets and liabilities	(222)	152
Other assets	50	34
Other liabilities	(2)	(123)
Net cash from operating activities	<u>532</u>	<u>597</u>
Investing Activities		
Plant and equipment expenditures — utility	(399)	(309)
Plant and equipment expenditures — non-utility	(98)	(73)
Proceeds from sale of assets	3	4
Restricted cash for debt redemption, principally Securitization	66	57
Proceeds from sale of nuclear decommissioning trust fund assets	271	136
Investment in nuclear decommissioning trust funds	(275)	(140)
Other	(10)	(7)
Net cash used for investing activities	<u>(442)</u>	<u>(332)</u>
Financing Activities		
Issuance of long-term debt, net of issuance costs	—	372
Redemption of long-term debt	(115)	(141)
Short-term borrowings, net	244	(240)
Issuance of common stock	—	10
Repurchase of common stock	(50)	—
Dividends on common stock	(116)	(107)
Other	(7)	(6)
Net cash used for financing activities	<u>(44)</u>	<u>(112)</u>
Net Increase in Cash and Cash Equivalents	46	153
Cash and Cash Equivalents at Beginning of Period	52	65
Cash and Cash Equivalents at End of Period	\$ 98	\$ 218

DTE Electric Company
Consolidated Statements of Operations (Unaudited)

	Three Months Ended March 31,	
	2014	2013
	(In millions)	
Operating Revenues	\$ 1,410	\$ 1,219
Operating Expenses		
Fuel and purchased power	498	372
Operation and maintenance	342	331
Depreciation and amortization	228	212
Taxes other than income	71	70
Asset (gains) losses and reserves, net	—	(1)
	1,139	984
Operating Income	271	235
Other (Income) and Deductions		
Interest expense	63	66
Other income	(13)	(15)
Other expenses	7	6
	57	57
Income Before Income Taxes	214	178
Income Tax Expense	77	62
Net Income	\$ 137	\$ 116

DTE Gas Company
Consolidated Statements of Operations (Unaudited)

	Three Months Ended March 31,	
	2014	2013
	(In millions)	
Operating Revenues	\$ 789	\$ 594
Operating Expenses		
Cost of gas	429	292
Operation and maintenance	109	105
Depreciation and amortization	24	23
Taxes other than income	16	17
	<u>578</u>	<u>437</u>
Operating Income	<u>211</u>	<u>157</u>
Other (Income) and Deductions		
Interest expense	15	15
Interest income	(2)	(1)
Other income	(2)	(2)
Other expenses	1	—
	<u>12</u>	<u>12</u>
Income Before Income Taxes	<u>199</u>	<u>145</u>
Income Tax Expense	72	51
Net Income	<u>\$ 127</u>	<u>\$ 94</u>



DTE Energy Debt/Equity Calculation

As of March 31, 2014

(\$ millions)

Short-term borrowings	\$	375
Current portion of long-term debt, including capital leases		1,069
Mortgage bonds, notes and other		6,438
Capital lease obligations		5
Other adjustments		286
less Securitization bonds, including current portion		(201)
50% Junior Subordinated Debentures		240
Total debt		<u>8,212</u>
50% Junior Subordinated Debentures		240
Common equity		<u>8,137</u>
Adjusted equity		8,377
Total capitalization	\$	<u><u>16,589</u></u>
Debt		49.5%
Adjusted equity		50.5%
Total		<u><u>100.00%</u></u>



Sales Analysis - Q1 2014

Electric Sales - DTE Electric Service Area (GWh)

	Q1 2014	Q1 2013	% Change
Residential	3,978	3,854	3%
Commercial	4,048	3,923	3%
Industrial	2,501	2,436	3%
Other	205	252	-19%
	10,732	10,465	3%
Choice	1,267	1,260	1%
TOTAL SALES	11,999	11,725	2%

Electric Billings - DTE Electric Service Area (000s)

	Q1 2014	Q1 2013	% Change
Residential	\$ 574,673	\$ 578,737	-1%
Commercial	423,575	441,430	-4%
Industrial	199,027	186,254	7%
Other	22,859	26,464	-14%
	\$ 1,220,134	\$ 1,232,885	-1%
Choice	23,418	23,021	2%
TOTAL BILLINGS	\$ 1,243,552	\$ 1,255,906	-1%

Gas Sales - DTE Gas Service Area (MMcf)

	Q1 2014	Q1 2013	% Change
Residential	55,429	45,557	22%
Commercial	13,251	10,659	24%
Industrial	475	217	119%
	69,155	56,433	23%
End User Transportation*	62,463	55,564	12%
TOTAL SALES	131,618	111,997	18%

* Includes choice customers

Gas Billings - DTE Gas Service Area (000s)

	Q1 2014	Q1 2013	% Change
Residential	\$ 438,011	\$ 369,983	18%
Commercial	102,702	84,736	21%
Industrial	6,062	1,637	270%
	\$ 546,775	\$ 456,356	20%
End User Transportation*	96,661	85,161	14%
TOTAL BILLINGS	\$ 643,436	\$ 541,517	19%

* Includes choice customers

Weather

Cooling Degree Days

DTE Electric service territory

	Q1 2014	Q1 2013	% Change
Actuals	-	-	-
Normal	-	-	-
Deviation from normal	-	-	-

Heating Degree Days

DTE Gas service territory

	Q1 2014	Q1 2013	% Change
Actuals	3,977	3,228	23%
Normal	3,175	3,141	
Deviation from normal	25%	3%	

Earnings Impact of Weather

Variance from normal weather (millions, after-tax)

	Q1 2014	Q1 2013
DTE Electric	\$ 13	\$ -
DTE Gas	31	3



Temperature Normal Sales YTD March 31, 2014

DTE Electric

Temperature Normal Electric Sales - DTE Electric Service Area (GWh)

	Q1 2014	Q1 2013	% Change
Residential	3,769	3,855	-2%
Commercial	3,987	3,923	2%
Industrial	2,504	2,436	3%
Other	205	252	-19%
	10,465	10,466	0%
Choice	1,257	1,260	0%
TOTAL SALES	11,722	11,726	0%

Temperature Normal Electric Sales - DTE Electric Service Area (Includes Electric Choice) (GWh)

	Q1 2014	Q1 2013	% Change
Residential	3,769	3,855	-2%
Commercial	4,729	4,649	2%
Industrial	3,019	2,970	2%
Other	205	252	-19%
	11,722	11,726	0%
TOTAL SALES	11,722	11,726	0%