

DTE ENERGY CO  
Form 424B5  
June 20, 2002

**Table of Contents**Rule 424(b)5  
Registration Statement No. 333-74338PROSPECTUS SUPPLEMENT  
(To Prospectus Dated December 11, 2001)**5,500,000 Shares**  
**DTE Energy Company**  
**Common Stock**  
**\$43.25 per share**

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We are selling 5,500,000 shares of our common stock. We have granted the underwriters an option to purchase up to 825,000 additional shares of common stock to cover over-allotments.

Our common stock is listed on the New York Stock Exchange and the Chicago Stock Exchange under the symbol DTE. The last reported sale price of our common stock on the New York Stock Exchange on June 19, 2002 was \$43.65 per share.

Concurrently with this offering of common stock, we are also making an offering of 6,000,000 equity security units, plus up to an additional 900,000 equity security units if the underwriters for that offering exercise their over-allotment option in full. Neither offering is conditioned on the other.

**Investing in our common stock involves risks. See Risk Factors beginning on page S-12.**

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus supplement or the accompanying prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

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	<u>Per Share</u>	<u>Total</u>
Public offering price	\$ 43.2500	\$ 237,875,000
Underwriting discount	\$ 1.4056	\$ 7,730,800
Proceeds to DTE Energy (before expenses)	\$ 41.8444	\$ 230,144,200

The underwriters expect to deliver the shares to purchasers on or about June 25, 2002.

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*Joint Book-Running Managers*

**Salomon Smith Barney****UBS Warburg****Credit Suisse First Boston****JPMorgan  
Scotia Capital****Lehman Brothers**June 19, 2002

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**TABLE OF CONTENTS**

TABLE OF CONTENTS

SUMMARY

RISK FACTORS

CAUTIONARY STATEMENTS REGARDING FORWARD-LOOKING STATEMENTS

USE OF PROCEEDS

CAPITALIZATION

PRICE RANGE OF COMMON STOCK AND DIVIDEND POLICY

DESCRIPTION OF CAPITAL STOCK

CERTAIN UNITED STATES FEDERAL INCOME TAX CONSEQUENCES TO NON-U.S. HOLDERS

UNDERWRITING

LEGAL MATTERS

EXPERTS

INFORMATION INCORPORATED BY REFERENCE

Where You Can Find More Information

Cautionary Statements Regarding Forward-Looking Statements

DTE Energy Company

DTE Energy Trusts

Ratios of Earnings to Fixed Charges

Use of Proceeds

The Securities that DTE Energy and the DTE Energy Trusts May Offer

Description of Capital Stock

Description of Debt Securities

Description of Common Stock Purchase Contracts and Units

Description of Trust Preferred Securities

Description of Trust Preferred Securities Guarantees

Book-Entry Securities

Plan of Distribution

Legal Matters

Experts

Unaudited Pro Forma Combined Condensed Consolidated Statements of Income

DTE Energy Company and MCN Energy Group Inc. Unaudited Pro Forma Combined Condensed Consolidated Statement of  
Income Year Ended December 31, 2000

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**Table of Contents****TABLE OF CONTENTS**

	<b>Page</b>
<b>Prospectus Supplement</b>	
Summary	S-3
Risk Factors	S-12
Cautionary Statements Regarding Forward-Looking Statements	S-13
Use of Proceeds	S-16
Capitalization	S-17
Price Range of Common Stock and Dividend Policy	S-18
Description of Capital Stock	S-18
Certain United States Federal Income Tax Consequences to Non-U.S. Holders	S-19
Underwriting	S-21
Legal Matters	S-23
Experts	S-23
Information Incorporated by Reference	S-24
<b>Prospectus</b>	
Where You Can Find More Information	3
Cautionary Statements Regarding Forward Looking Statements	5
DTE Energy Company	6
DTE Energy Trusts	7
Ratios of Earnings to Fixed Charges	8
Use of Proceeds	9
The Securities that DTE Energy and the DTE Energy Trusts May Offer	9
Description of Capital Stock	10
Description of Debt Securities	12
Description of Common Stock Purchase Contracts and Units	32
Description of Trust Preferred Securities	33
Description of Trust Preferred Securities Guarantees	41
Book-Entry Securities	44
Plan of Distribution	47
Legal Matters	48
Experts	48
Unaudited Pro Forma Combined Condensed Consolidated Statements of Income	F-1

**You should rely only on the information contained in this document or to which we have referred you. We have not authorized anyone to provide you with information that is different. This document may only be used where it is legal to sell these securities. The information in this document may be accurate only on the date of this document.**

**FORWARD-LOOKING STATEMENTS**

This prospectus supplement and the accompanying prospectus contain or incorporate by reference forward-looking statements. Where any forward-looking statement includes a statement of the assumptions or bases underlying such forward-looking statement, we caution that, while such assumptions or bases are believed to be reasonable and are made in good faith, assumed facts or bases almost always vary from actual results, and the differences between assumed facts or bases and actual results can be material, depending upon the circumstances. Where, in any forward-looking statement, we, our subsidiaries, or our management, express an expectation or belief as to future results, this expectation or belief is expressed in good faith and is believed to have a reasonable basis, but there can be no assurance that the statement of expectation or belief will result or be achieved or accomplished. The words believe, expect, estimate, project, and anticipate or similar expressions identify forward-looking statements.

**Table of Contents**

**SUMMARY**

*This summary highlights important information about DTE Energy Company ( DTE Energy ) and this offering. You should read the following information in conjunction with our consolidated financial statements and the related notes and the consolidated financial statements and related notes of MCN Energy Group Inc. incorporated by reference in this prospectus supplement and the accompanying prospectus. This summary does not contain all the information that is important to you in connection with your decision to invest in our common stock. We encourage you to read this prospectus supplement and the accompanying prospectus in their entirety as well as the information we incorporate by reference before making an investment decision. In this prospectus supplement, references to DTE Energy, we, us and our refer to DTE Energy Company, unless the context indicates that DTE Energy, we, us or our refers to DTE Energy Company together with its consolidated subsidiaries.*

**DTE Energy Company**

**General**

We are one of the largest investor-owned public utilities in the United States with integrated electric and gas utilities based in Detroit, Michigan. We are an exempt holding company under the Public Utility Holding Company Act of 1935, or PUHCA, and are the parent holding company of The Detroit Edison Company, which we refer to as Detroit Edison, Michigan Consolidated Gas Company, which we refer to as MichCon, DTE Enterprises Inc., which we refer to as Enterprises (formerly MCN Energy Group Inc., which we refer to as MCN), the International Transmission Company, which we refer to as ITC, and other subsidiaries engaged in non-regulated energy-related businesses.

DTE Energy manages and operates in three functional, strategic business units as described below: Energy Resources, Energy Distribution and Energy Gas. Each of the three has both regulated and non-regulated operations. Management sets strategic goals, allocates resources and evaluates performance by business unit.

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\* Energy Services: Coal Based Fuels, Merchant Generation and On-Site Energy Projects

\*\* Non-Regulated Energy Gas: Pipelines, Storage and Michigan Gas Production

S-3

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**Table of Contents**

On May 31, 2001, we completed the acquisition of MCN (now Enterprises). Enterprises is a Michigan corporation primarily involved in natural gas production, gathering, processing, transmission, storage and distribution and energy marketing. Enterprises' largest subsidiary, MichCon, is a natural gas utility serving 1.2 million customers in a 14,700-square-mile area in Michigan.

During 2002, we realigned our financial reporting structure into the three strategic business units, Energy Resources, Energy Distribution and Energy Gas, resulting in nine reportable segments. The following table sets forth financial data for each segment for the three months ended March 31, 2002 and March 31, 2001. Because of seasonal factors, these results should not be construed as representative of results for any other interim period or the full year.

	Operating Revenues Three Months Ended March 31		Net Income Three Months Ended March 31	
	2002	2001	2002	2001*
	(unaudited) (millions)			
Energy Resources				
Regulated	\$ 617	\$ 703	\$ 71	\$ 76
Non-regulated				
Energy Services	132	108	28	30
Wholesale Marketing & Trading	703	672	18	1
Other	36	39	4	4
Total Non-regulated	871	819	50	35
	1,488	1,522	121	111
Energy Distribution				
Regulated	315	321	24	37
Non-regulated	4	2	(3)	(2)
	319	323	21	35
Energy Gas				
Regulated	590		54	
Non-regulated	33		6	
	623		60	
Corporate and other; reconciliations and eliminations	(30)	(3)	(2)	(6)
Total				
Regulated	1,522	1,024	149	113
Non-regulated	878	818	51	27
	\$ 2,400	\$ 1,842	\$ 200	\$ 140

\* Excludes costs of \$2 million related to the MCN merger.



**Table of Contents**

***Overview of Energy Resources***

***Regulated Operations***

Regulated operations consist of the power generation services of Detroit Edison, DTE Energy's electric utility. Electricity is generated from Detroit Edison's numerous fossil plants or its nuclear plant and sold throughout Southeastern Michigan to residential, commercial, industrial and wholesale customers.

***Non-Regulated Operations***

*Energy Services* is comprised of various businesses that develop and manage energy-related assets and services. Such projects include coke production, synfuels production, independent power plants, on-site energy projects and cogeneration facilities.

*Wholesale Marketing & Trading* consists of the electric and gas marketing and trading operations of DTE Energy Trading Company and the natural gas marketing and trading operations of Enterprises, which were acquired as part of the MCN merger. Wholesale Marketing & Trading is an asset-based business that enters into structured back-to-back physical and financial transactions to minimize its risk to commodity prices and enhance returns from our energy assets portfolio and contractual arrangements. Wholesale Marketing & Trading enters into forwards, futures, swaps and option contracts as part of its trading strategy. DTE Energy Trading Company also acts as agent to purchase and sell power on behalf of Detroit Edison.

Other non-regulated operations consist of businesses involved in coal services and landfill gas recovery.

***Significant Assets***

Some of Energy Resources' significant assets include:

11,000 megawatts of regulated generation capacity, primarily coal-fired;

960 megawatts of strategically located independent power plants that generate energy for sale on the open market and/or under long-term contracts;

16 on-site energy projects, including cogeneration, backup generation, heating and cooling services, waste water treatment, compressed air and other utility services;

approximately 7,000 railcars;

a coal handling terminal with 18 million tons of capacity;

ownership interests in 32 biomass energy sites with over 10% of the national biomass market share;

ownership interests in 3 coke facilities; and

ownership interests in 9 synthetic fuel facilities, which, once fully operational, will be capable of producing over 12 million tons of coal annually.

***Overview of Energy Distribution***

***Regulated Operations***

Regulated operations include the electric distribution services of Detroit Edison, and the electric transmission services of ITC. Energy Distribution distributes electricity to Detroit Edison's 2.1 million residential, commercial and industrial customers. The transmission assets of ITC are operated by the Midwest Independent System Operator, a regional transmission operator.



*Non-Regulated Operations*

Non-regulated operations include businesses that market and distribute a broad portfolio of distributed generation products, provide application engineering, and monitor and manage system operations.

S-5

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**Table of Contents**

*Significant Assets*

Some of Energy Distribution's significant assets include:

- over 4,600 miles of transmission lines;
- 54,000 miles of electric distribution lines;
- over 600 electric distribution substations; and
- over 440,000 transformers.

We also have approximately a 30 percent ownership interest in Plug Power Inc., a publicly traded developer of fuel cells, as well as interests in other distributed generation and energy technology enterprises.

***Overview of Energy Gas***

*Regulated Operations*

Regulated operations include gas distribution services provided by MichCon, DTE Energy's gas utility that purchases, stores and distributes natural gas throughout Michigan to 1.2 million residential, commercial and industrial customers over a service territory that exceeds 14,700 square miles.

*Non-Regulated Operations*

Non-regulated operations include the exploration and production of gas and the gathering, processing and storing of gas. Certain pipeline and storage assets are used to support the Wholesale Marketing & Trading segment.

*Significant Assets*

Some of Energy Gas's significant assets include:

- 175 billion cubic feet (Bcf) of regulated and non-regulated gas storage facilities located primarily in Michigan;
- 17,500 miles of natural gas distribution mains;
- 1.1 million service lines and 1.2 million active meters;
- approximately 2,600 miles of transmission and production lines;
- over 400 Bcf of proven reserves in Michigan; and
- ownership interests in the Vector and Portland pipelines.

**Strategy**

Our strategy is an integrated, lower-risk business model of regulated and non-regulated operations backed by assets and supported by a strong balance sheet. Our goal is to combine the relatively predictable earnings stream and cash flow from our regulated operations with greater growth opportunities from our non-regulated operations. We remain committed to a long-term earnings growth rate of 6% to 8%. There is no assurance that the level of earnings growth will be achieved for 2002 and later years as the growth projections assume, among other things, the

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realization of anticipated costs savings related to the MCN merger, continued growth in non-regulated earnings and a midyear 2002 economic recovery. The growth strategy continues to be focused on strengthening our core electric and gas utilities, further building our portfolio of non-regulated businesses and leveraging investments in energy technology. We expect that non-regulated growth will shift over the next few years from our current reliance on profits from its coal-based fuel businesses that generate alternate fuels tax credits to growth from on-site energy projects, additional growth volume in coal services, wholesale marketing and trading and achievement of profitability in energy technologies (distributed generation). In order to meet our growth plans, however, we may need to raise additional capital. Our management team is committed to a strong balance sheet, reducing leverage and optimizing cash flows.

S-6

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**Table of Contents**

We have developed specific strategies for each of our regulated and non-regulated operations as follows:

Regulated Operations

- Achieve moderate but steady earnings growth;
- Closely manage operating costs;
- Maximize the value of transmission assets;
- Continue process improvement to maintain distribution service quality while enhancing financial performance;
- Optimize the value of our generation assets through enhanced availability of off-system sales; and
- Manage regulatory process to maximize retention of earnings.

Non-regulated Operations

- Disciplined approach to asset acquisition and disposition;
- Focus on markets where we have a competitive advantage;
- Pursue closely inter-linked business lines while building outward from a regional base of strength;
- Build around a broad portfolio of integrated assets;
- Continue to pursue a lower-risk approach to projects and wholesale marketing and trading; and
- Adhere to stringent risk management procedures with independent, internal risk oversight.

**Recent Developments**

On February 13, 2002, the Federal Energy Regulatory Commission, or FERC, initiated a fact-finding investigation into whether any entity, including Enron Corporation, manipulated short-term prices in electric energy or natural gas markets in the western United States or otherwise exercised undue influence over wholesale prices in the west from January 1, 2000 forward. On March 5, 2002, the FERC issued an information request to all entities making wholesale sales of electric energy in the U.S. portion of the Western Systems Coordination Council reliability area (WSCC). Neither DTE Energy nor any of its affiliates made any such sales and the FERC was so advised. On May 16, 2002, the FERC issued an information request to designated companies that were sellers of wholesale electricity and/or ancillary services to the California Independent System Operator (Cal ISO) and/or the California Power Exchange (Cal PX) during the years 2000-2001 with respect to specified potentially manipulative trading strategies, including ricochet or megawatt laundering trades, in which a company buys energy from the Cal PX and exports such energy to another entity, which charges a small fee, and the first company resells the energy back to the Cal ISO in the real-time market. Neither DTE Energy nor any of its affiliates made any wholesale sales of electric energy to the Cal ISO or the Cal PX during 2000-2001 and neither we nor any of our affiliates was included on the list of designated recipients of that FERC request. On May 22, 2002 the FERC staff issued an information request to all sellers of natural gas in the WSCC area and/or Texas during the period 2000-2001. Coenergy Trading Company, a DTE Energy gas marketing affiliate, reported that it did engage in sales of natural gas in the U.S. portion of the WSCC and/or Texas during the years 2000-2001, but none of that trading activity involved the sale of natural gas to another company together with a simultaneous purchase of the same product at the same price, commonly referred to as wash , round trip or sell/buy back trading.

**Table of Contents**

**The Offering**

Common stock offered	5,500,000 shares. We have also granted the underwriters an option to purchase up to 825,000 additional shares of common stock to cover over- allotments.
Use of proceeds	The net proceeds of this offering, after deducting offering expenses, are estimated to be approximately \$229.9 million, or \$264.4 million, if the underwriters exercise their over-allotment option in full, which will be used for general corporate purposes, including the repayment of short-term debt.
Dividend policy	The holders of our common stock are entitled to receive the dividends declared by our board of directors, provided funds are legally available for such dividends. We have been paying a per share dividend to our common shareholders of \$2.06 on an annualized basis. We expect to maintain that level; however, the payment of dividends will be determined from time to time by our board of directors. Various financing arrangements may impose certain restrictions on our ability to pay dividends. We will pay a quarterly dividend of \$0.515 per share on July 15, 2002 to holders of record on June 28, 2002. Purchasers of our common stock in this offering who still own their shares at the close of business on June 28, 2002 will be entitled to receive this dividend. The \$0.515 quarterly dividend rate was established by Detroit Edison in 1993, and we have continued to pay dividends at that rate since being formed as the holding company for Detroit Edison in 1996.
Voting rights	The holders of our common stock are entitled to one vote for each share of common stock held. The holders of our common stock are entitled to cumulate their votes when voting for the election of directors.
Trading symbol	Our common stock is listed on the New York Stock Exchange and the Chicago Stock Exchange under the symbol DTE.
Risk Factors	Your investment in our common stock will involve risks. You should carefully consider the discussion of risk in Risk Factors in this prospectus supplement and the other information in this prospectus supplement and the accompanying prospectus, including Cautionary Statements Regarding Forwarding-Looking Statements, before deciding whether an investment in our common stock is suitable for you.

**Table of Contents**

**Concurrent Offering**

We are also offering, in a concurrent offering, 6,000,000 of our equity security units, plus up to an additional 900,000 equity security units if the over-allotment option for that offering is exercised in full by the underwriters for those securities. Each equity security unit initially consists of a purchase contract to purchase shares of our common stock and \$25 principal amount of our 4.60% senior notes due 2007. The purchase contract requires the holder to purchase from us, and us to sell to the holder, a number of shares of our common stock on August 16, 2005. The number of shares of common stock that the holders of equity security units will be required to purchase, and that we will be obligated to sell, will be determined based on the average trading price of our common stock at that time, but, assuming no adjustments due to anti-dilution protections afforded holders of the equity security units, will not in the aggregate be more than 3,988,200 (assuming the underwriters of the equity security units execute their over-allotment option in full) or less than 2,890,200 (assuming no exercise of the over-allotment option) shares of our common stock. The purchase contracts will pay quarterly contract adjustment payments at the annual rate of 4.15%. The 4.60% senior notes, which will be pledged to secure each holder's obligations under the related purchase contract, will pay interest quarterly at the annual rate of 4.60% on their principal amount through and including May 16, 2005, which rate is expected to be reset as of the third business day immediately preceding May 16, 2005. This common stock offering and the concurrent offering of equity security units are not conditioned on each other.

**Table of Contents****SUMMARY CONSOLIDATED FINANCIAL DATA**

The following table sets forth our summary consolidated financial data on a historical basis for the three months ended March 31, 2002 and March 31, 2001 and the five years ended December 31, 2001. The year-end financial data have been derived from our audited financial statements which have been audited by Deloitte & Touche LLP, independent public accountants. See Experts. The financial data for the interim periods have been derived from our unaudited condensed consolidated financial statements and include, in the opinion of our management, all adjustments, consisting of normal recurring accruals, necessary for a fair presentation of the financial data. Financial results for interim periods are not necessarily indicative of results that may be expected for any other interim period or for the fiscal year. The information below should be read in conjunction with Management's Discussion and Analysis of Financial Condition and Results of Operations in our Annual Report on Form 10-K for the year ended December 31, 2001, and in our Quarterly Report on Form 10-Q for the three months ended March 31, 2002, our financial statements and the related notes and the other financial or statistical information that we include or incorporate by reference in this prospectus supplement and the accompanying prospectus. See Information Incorporated by Reference in this prospectus supplement and Where You Can Find More Information in the accompanying prospectus.

The information in the table below includes the combined consolidated financial information of DTE Energy and Enterprises only since consummation of our merger with MCN on May 31, 2001. The notes to our audited financial statements for the year ended December 31, 2001, included in our Annual Report on Form 10-K, contain pro forma information presented as if the acquisition became effective at the beginning of 2001 and 2000.

	Three Months Ended March 31,		Year Ended December 31,				
	2002	2001	2001	2000	1999	1998	1997
	(unaudited)						
	(millions, except per share amounts)						
Income Statement Data							
Operating Revenues	\$ 2,400	\$ 1,842	\$ 7,849	\$ 5,597	\$ 4,728	\$ 4,221	\$ 3,764
Net Income(a)	200	138	332	468	483	443	417
Average Common Shares							
Outstanding:							
Basic	161	142	153	143	145	145	145
Diluted	161	142	154	143	145	145	145
Basic Earnings Per Share(a)(b)	\$ 1.25	\$ .98	\$ 2.17	\$ 3.27	\$ 3.33	\$ 3.05	\$ 2.88
Diluted Earnings Per Share(a)(b)	1.24	.97	2.16	3.27	3.33	3.05	2.88
Dividends Declared Per Share of Common Stock	.515	.515	2.06	2.06	2.06	2.06	2.06

- (a) Net income in 2001 was affected by merger and restructuring charges and goodwill amortization associated with the MCN merger that reduced after-tax earnings by \$204 million, or \$1.33 per basic share and \$1.32 per diluted share in 2001. In 2000, merger-related charges reduced after-tax earnings by \$16 million, or \$0.12 per basic and diluted share. Net income includes the cumulative effect of the 2001 change in accounting for derivative instruments and hedging activities.
- (b) In accordance with Statement of Financial Accounting Standards No. 128, basic and diluted earnings per share before accounting change were \$.96 and \$.95, respectively, for the three months ended March 31, 2001 and \$2.15 and \$2.14, respectively, for the year ended December 31, 2001.

**Table of Contents**

	At	At December 31,				
	March 31, 2002	2001	2000	1999	1998	1997
	(unaudited)					
		(millions)				
Balance Sheet Data						
Total Current Assets	\$ 2,851	\$ 2,826	\$ 1,652	\$ 1,310	\$ 1,232	\$ 935
Net Property Plant and Equipment	9,607	9,543	7,387	7,148	6,943	8,934
Regulatory Assets	1,183	1,204	2,688	2,935	3,091	856
Securitized Regulatory Assets	1,675	1,692				
Investments and Other Assets	4,174	3,963	929	923	822	498
Total Assets	\$ 19,490	\$ 19,228	\$ 12,656	\$ 12,316	\$ 12,088	\$ 11,223
Long-Term Debt Obligations (including capital leases) and Redeemable Preferred Stock Outstanding	\$ 7,603	\$ 7,928	\$ 4,039	\$ 4,091	\$ 4,323	\$ 3,914

S-11



**Table of Contents**

**RISK FACTORS**

Investing in our common stock involves risks, including the risks described below that are not specific to the common stock and those that could affect us and our business. You should not purchase our common stock unless you understand these investment risks. Although we have tried to discuss key factors, please be aware that other risks may prove to be important in the future. New risks may emerge at any time and we cannot predict such risks or estimate the extent to which they may affect our financial performance. Before purchasing any common stock, you should carefully consider the following discussion of risks and the other information included or incorporated by reference in this prospectus supplement and the accompanying prospectus, including Cautionary Statements Regarding Forward-Looking Statements.

***We are a holding company and our assets consist primarily of investments in our subsidiaries; covenants in certain of our financial instruments may limit our ability to pay dividends.***

Our assets consist primarily of investments in subsidiaries. Dividends on our common stock depend on the earnings, financial condition and capital requirements of our subsidiaries, principally Detroit Edison and MichCon, and the distribution or other payment from subsidiaries of earnings to us in the form of dividends, loans or advances, and repayment of loans and advances from us. The subsidiaries are separate and distinct legal entities and have no obligation, contingent or otherwise, to pay dividends. Our ability to pay dividends on our common stock may be limited by existing or future covenants limiting the right of our subsidiaries, principally Detroit Edison and MichCon to pay dividends on or acquire their common stock. In addition, Detroit Edison has the right to defer interest payments on its outstanding junior subordinated debentures. In the event it exercises this right, Detroit Edison may not declare or pay dividends on, or redeem, purchase or acquire, any of its capital stock during the deferral period. Enterprises has outstanding debentures which have similar restrictions.

We also have the right to defer interest payments on our outstanding junior subordinated debentures issued in connection the issuance of the trust preferred securities of subsidiaries. In the event we exercise this right, we may not declare or pay dividends on, or redeem, purchase or acquire, any of our capital stock during the deferral period, with certain limited exceptions. The equity security units we are offering concurrently will provide for similar restrictions in the event that we defer the contract adjustment payments on the purchase contracts forming part of the units.

***We may not be able to realize fully the cost savings and other benefits expected to be realized in connection with the merger with MCN, which may adversely affect our earnings and financial condition.***

The merger on May 31, 2001 involved the integration of two large companies that previously operated independently of each other and the successful combination of the two business enterprises may take an extended period of time. Further, coordinating the operations has involved a number of risks. Our inability to realize the full extent of the anticipated benefits of the merger, including anticipated cost savings, as well as delays encountered in the transition process, could have a material adverse effect upon our revenues, level of expenses, operating results and financial condition. See also Cautionary Statements Regarding Forward-Looking Statements in this prospectus supplement.

***Changes in regulatory environment and increased competition may result in decreased earnings.***

The merger has combined two companies that to a large extent share a common regulatory environment and are affected by a number of similar factors, including deregulation and increased competition. Michigan is addressing competition in the electric industry and the impact, if any, of the adoption and implementation of one or more regulatory orders and/or statutes is currently unknown. Effective January 1, 2002, Michigan expanded its Electric Customer Choice Program whereby all electric customers can choose to purchase their electricity from suppliers other than their local utility. Detroit Edison expects to lose 5% to 8% of its retail sales as a result of customers choosing to participate in the Electric Choice Program during 2002. To the extent Detroit Edison experiences net stranded costs as a result of customers switching to an alternative electric supplier, we believe Michigan legislation provides

**Table of Contents**

for the recovery of such stranded costs. Detroit Edison has issues with the Michigan Public Service Commission's methodology of calculating net stranded costs and has asked for rehearing, clarification and substantial changes on certain aspects of the applicable order.

Furthermore, the utility industry has been undergoing dramatic structural change for several years, resulting in increasing competitive pressures faced by electric and natural gas utility companies. Increased competition may create greater risks to the stability of utility earnings generally and may in the future reduce our earnings from retail electric and natural gas sales. In a deregulated environment, formerly regulated utility companies that are not responsive to a competitive energy marketplace may suffer erosion in market share, revenues and profits as competitors gain access to their customers. See also *Cautionary Statements Regarding Forward-Looking Statements* in this prospectus supplement.

From time to time the demand for power required to meet our obligations exceeds our available generation capacity. When this occurs, we have to buy power on the market. Currently, we do not have the ability to pass increased fuel or purchased power costs on to our customers. Since these situations most often occur during periods of peak demand, the market price for power at that time may be very high.

***We are subject to risks associated with a changing economic and national regulatory environment.***

The September 11, 2001 terrorists' attack on the United States and the ongoing war against terrorism by the United States have resulted in greater uncertainty in the financial markets. Additionally, the availability and cost of capital for our business and that of our competitors could be adversely affected by the bankruptcy of Enron Corporation and disclosures by Enron and other energy companies of their trading practices involving electricity and natural gas. The insurance industry has also been disrupted by these events. As a result, the availability and terms of insurance covering risks we and our competitors typically insure against may be adversely affected.

At the same time, the national regulatory climate for the utility industry has been undergoing substantial changes, and may continue to do so in the future. For example, the FERC has initiated a fact-finding investigation into whether any entity, including Enron, manipulated short-term prices in electric energy or natural gas markets in the western United States, or otherwise exercised undue influence over wholesale prices in the west from January 1, 2000 forward. The FERC has requested information concerning wash, round trip or sell/buy back trading in the U.S. portion of the WSCC, and/or Texas, which involves the sale of an electricity product or natural gas to another company together with a simultaneous purchase of the same product at the same price (collectively, wash sales). The FERC also has requested information from designated companies that were sellers of wholesale electricity and/or ancillary services to the Ca1 ISO and/or the Ca1 PX during the years 2000-2001 with respect to specified potentially manipulative trading strategies, including ricochet or megawatt laundering trades, in which a company buys energy from the Ca1 PX and exports such energy to another entity, which charges a small fee, and the first company resells the energy back to the Ca1 ISO in the real-time market. Press reports indicate that the Securities and Exchange Commission, or SEC, and the Commodity Futures Trading Commission are also looking into wash sale and other trading practices. These investigations and related developments also may result in new regulatory initiatives. We are unable to predict the impact of such developments on our business. We describe our response to the FERC investigation under *Summary DTE Energy Company Recent Developments* in this prospectus supplement.

Also, repeal of PUHCA has been proposed, but it is unclear whether or when repeal will occur. It is unclear to what extent repeal of PUHCA would result in additional or new regulatory oversight or action at the federal and state levels, or what the impact of those developments might be on our business.

**CAUTIONARY STATEMENTS REGARDING FORWARD-LOOKING STATEMENTS**

This prospectus supplement, the accompanying prospectus and the documents incorporated by reference in this prospectus supplement or the accompanying prospectus contain forward-looking

**Table of Contents**

statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934 (the Exchange Act ), with respect to the financial condition, results of operations and business of DTE Energy. You can find many of these statements by looking for words such as believes, expects, anticipates, estimates or similar expressions in this prospectus supplement, the accompanying prospectus or in documents incorporated herein or therein.

These forward-looking statements are subject to numerous assumptions, risks and uncertainties. Factors that may cause actual results to differ from those contemplated by the forward-looking statements include, among others, the following variables:

interest rates;

the use of derivative instruments and their related accounting treatment;

the level of borrowings;

the effects of weather and other natural phenomena on utility and energy operations;

actual sales;

the capital intensive nature of our business;

economic climate and growth in the geographic areas in which we, and our subsidiaries, do business;

the uncertainty of gas and oil reserve estimates;

the timing and extent of changes in commodity prices for electricity, natural gas, natural gas liquids, methanol and crude oil;

unscheduled generation outages, maintenance or repairs;

nuclear power plant performance;

the nature, availability and projected profitability of potential projects and other investments available to us;

conditions of capital markets and equity markets, including the effect of pension plan reporting and required adjustments;

the timing and results of major transactions;

changes in and recovery of the cost of fuel, natural gas and purchased power due to ongoing regulatory proceedings;

the effects of increased competition from other energy suppliers and the phased-in implementation of customer choice, as well as alternative forms of energy;

the implementation of utility restructuring in Michigan (which involves pending regulatory and related judicial proceedings, and actual and possible reductions in authorized rates and earnings);

the effects of changes in governmental policies and related costs, including income taxes and environmental compliance and nuclear requirements, and our ability to recover these costs through rate increases;

the impact of FERC proceedings and regulations; and

the contributions to earnings by our non-regulated businesses.

## Edgar Filing: DTE ENERGY CO - Form 424B5

In addition, expected results will be affected by DTE Energy's merger with MCN, financial results of which have not yet been reflected in DTE Energy's consolidated financial statements for a complete fiscal year, and the timing of the accretive effect of such merger.

S-14

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**Table of Contents**

Because such forward-looking statements are subject to assumptions, risks and uncertainties, actual results may differ materially from those expressed or implied by such forward-looking statements. You are cautioned not to place undue reliance on such statements, which speak only as of the date of this prospectus supplement or the date of any document incorporated by reference.

All subsequent written and oral forward-looking statements attributable to DTE Energy or any person acting on our behalf are expressly qualified in their entirety by the cautionary statements contained or referred to in this section. We undertake no obligation to release publicly any revisions to such forward-looking statements to reflect events or circumstances after the date of this document or to reflect the occurrence of unanticipated events.

The factors discussed above and other factors are discussed more completely in our public filings with the SEC, including our Annual Report on Form 10-K for the year ended December 31, 2001.

**Table of Contents**

**USE OF PROCEEDS**

We estimate that our net proceeds from the sale of our common stock in this offering, after deducting underwriting discounts and commissions and the estimated expenses of this offering payable by us, will be approximately \$229.9 million, or \$264.4 million, if the underwriters exercise their over-allotment option in full to purchase additional shares of common stock. The net proceeds to us from the concurrent equity security units offering are estimated to be approximately \$145.1 million, or \$166.9 million, if the underwriters in that offering exercise their over-allotment option in full to purchase additional equity security units, after deducting estimated underwriting discounts and commissions and offering expenses. We are not required to sell the equity security units in order to sell the common stock in this offering.

We anticipate using the aggregate net proceeds from this offering and the equity security units offering for general corporate purposes, including the repayment of short-term debt. At May 31, 2002, we had approximately \$918 million of consolidated short-term debt outstanding, consisting primarily of commercial paper, with a weighted average interest rate of 2.1% per annum.

S-16

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**Table of Contents****CAPITALIZATION**

The following table sets forth our cash, cash equivalents and restricted cash, short-term debt and current portion of long-term debt and capital lease obligations, long-term debt, DTE Energy or Enterprises-obligated mandatorily redeemable preferred securities of subsidiaries holding solely debentures of DTE Energy or Enterprises, common shareholders' equity and total capitalization as of March 31, 2002: (i) on a historical basis; and (ii) as adjusted to give effect to (a) the reduction of short-term debt from the application of the net proceeds of this offering of 5,500,000 shares of our common stock and our concurrent offering of 6,000,000 equity security units (assuming no exercise of the over-allotment option in either offering) and (b) our offering in April 2002 of \$200 million aggregate principal amount of notes and application of the net proceeds thereof. The table should be read in conjunction with our consolidated financial statements and the related notes and the consolidated financial statements and related notes of MCN incorporated by reference in this prospectus supplement and the accompanying prospectus.

	<b>As of March 31, 2002</b>	
	<b>Historical</b>	<b>As Adjusted</b>
	<b>(unaudited) (in millions)</b>	
Cash, cash equivalents and restricted cash	\$ 169	\$ 169
Short-term debt and current portion of long-term debt and capital lease obligations	\$ 1,602	\$ 1,132
Long-term debt:		
Mortgage bonds, notes and other	5,615	5,865
Securitization bonds	1,625	1,625
Non-current portion of capital lease obligations	90	90
Total long-term debt	\$ 7,330	\$ 7,580
Obligated mandatorily redeemable preferred securities of subsidiaries holding solely debentures of DTE Energy or Enterprises	273	273
Common shareholders' equity	4,677	4,890(a)
Total capitalization	\$ 13,882	\$ 13,875

(a) This amount includes a reduction in equity of \$17 million that represents the present value of the obligation to make contract adjustment payments in connection with the purchase contracts included as part of the equity security units offered concurrently.

S-17

**Table of Contents****PRICE RANGE OF COMMON STOCK AND DIVIDEND POLICY**

Our common stock is listed on the New York Stock Exchange and the Chicago Stock Exchange under the symbol DTE. The following table sets forth, for the periods indicated, the range of high and low sale prices of the common stock and the cash dividends paid per share on the common stock. Prices are as reported on the New York Stock Exchange based on published financial sources. As of May 31, 2002, there were approximately 161,142,000 shares of our common stock outstanding.

	Common Stock		
	High	Low	Dividend
<b>Fiscal Year 2000:</b>			
First Quarter	\$ 41.250	\$ 28.438	\$ 0.515
Second Quarter	\$ 35.938	\$ 28.875	\$ 0.515
Third Quarter	\$ 40.250	\$ 30.438	\$ 0.515
Fourth Quarter	\$ 39.313	\$ 34.938	\$ 0.515
<b>Fiscal Year 2001:</b>			
First Quarter	\$ 40.200	\$ 33.125	\$ 0.515
Second Quarter	\$ 47.130	\$ 39.790	\$ 0.515
Third Quarter	\$ 47.040	\$ 41.300	\$ 0.515
Fourth Quarter	\$ 45.000	\$ 39.900	\$ 0.515
<b>Fiscal Year 2002:</b>			
First Quarter	\$ 45.750	\$ 39.650	\$ 0.515
Second Quarter (through June 19, 2002)	\$ 47.700	\$ 42.650	\$ 0.515*

\*Payable on July 15, 2002 to holders of record on June 28, 2002.

On June 19, 2002, the last reported sale price of our common stock on the New York Stock Exchange was \$43.65 per share.

**Shareholders**

As of May 1, 2002, approximately 113,000 holders of record held our common stock.

**Dividend Policy**

The holders of our common stock are entitled to receive the dividends declared by our board of directors, provided funds are legally available for such dividends. We have been paying a per share dividend to our common shareholders of \$2.06 on an annualized basis. We expect to maintain that level; however, the payment of dividends will be determined from time to time by our board of directors. Various financing arrangements may impose certain restrictions on our ability to pay dividends. See Risk Factors We are a holding company and our assets consist primarily of investments in our subsidiaries; covenants in certain of our financial instruments may limit our ability to pay dividends. We will pay a quarterly dividend of \$0.515 per share on July 15, 2002 to holders of record on June 28, 2002. Purchasers of our common stock in this offering who still own their shares at the close of business on June 28, 2002 will be entitled to receive this dividend. The \$0.515 quarterly dividend rate was established by Detroit Edison in 1993, and we have continued to pay dividends at that rate since being formed as the holding company for Detroit Edison in 1996.

**DESCRIPTION OF CAPITAL STOCK**

Our authorized capital stock currently consists of 400,000,000 shares of common stock and 5,000,000 shares of preferred stock. Each share of our common stock currently has attached to it one preferred share purchase right. For a further description of the terms and conditions of our capital stock, see Description of Capital Stock in the accompanying prospectus.



**Table of Contents**

**CERTAIN UNITED STATES FEDERAL INCOME TAX CONSEQUENCES  
TO NON-U.S. HOLDERS**

The following is a summary of the material U.S. federal income tax considerations that may be relevant to a holder of our common stock. The summary is based on laws, Treasury regulations, rulings, and decisions currently in effect, all of which may change, possibly with retroactive effect. This summary addresses only persons that are not U.S. holders, and who will hold their common stock as a capital asset. A

U.S. holder is an owner of common stock who is: (i) a citizen or resident of the United States; (ii) a corporation or other entity treated as a corporation for U.S. federal income tax purposes, in each case, that is created or organized in or under the laws of the United States or any political subdivision of the United States; (iii) an estate, if U.S. federal income taxation is applicable to the income of that estate regardless of the income's source; or (iv) a trust, if a U.S. court is able to exercise primary supervision over the trust's administration and one or more U.S. persons have the authority to control all of the trust's substantial decisions. This summary does not address tax considerations applicable to non-U.S. holders to whom special tax rules may apply, including:

banks;

tax-exempt entities;

insurance companies;

common trust funds;

dealers in securities or currencies;

entities that are treated as partnerships for U.S. federal income tax purposes;

persons that will hold more than 5% of our outstanding common stock; or

persons that will hold the common stock as part of an integrated investment, including a straddle or conversion transaction, comprised of the common stock and one or more other positions.

**You should consult your tax advisor in determining the tax consequences to you of purchasing, holding and disposing of the common stock, including the application to your particular situation of the U.S. federal income tax considerations discussed below, as well as the application of state, local, foreign or other tax laws.**

**Dividends**

Distributions on our common stock will constitute dividends to the extent of our current or accumulated earnings and profits as determined for U.S. federal income tax purposes. Dividends, if any, paid to you generally will be subject to a 30% U.S. federal withholding tax, subject to reduction if you are eligible for the benefits of an applicable income tax treaty. However, except to the extent otherwise provided in an applicable tax treaty, dividends that are effectively connected to your conduct of a trade or business within the United States will be taxed at graduated ordinary federal income tax rates, and if you are a corporation, you may be subject to a branch profits tax which is generally imposed on a foreign corporation on the repatriation from the United States of effectively connected earnings and profits. You should consult any applicable tax treaties which may provide for a lower rate of withholding or other rules different than those described above. You will not be entitled to a reduction in or an exemption from U.S. federal withholding tax if the payor or agent knows or has reason to know that you are not entitled to a reduction or exemption.

**Sale or Disposition of Common Stock**

You generally will not be subject to U.S. federal income tax on any gain recognized on the sale, exchange, redemption or other taxable disposition of our common stock unless: (i) you are an individual present in the United States for 183 days or more in the year of that sale, exchange or redemption and certain other requirements are met; or (ii) the income or gain is U.S. trade or business income, which

**Table of Contents**

means income or gain that is effectively connected with your conduct of a trade or business in the United States or, if you are a treaty resident, attributable to a permanent establishment or a fixed base in the United States.

**Backup Withholding and Information Reporting**

In general, backup withholding and information reporting will not apply to dividends on our common stock made by us or our paying agents, in their capacities as such, to a non-U.S. holder, or to proceeds from the disposition of common stock paid to a non-U.S. holder, in each case if the holder has provided the required certification that it is a non-U.S. holder and neither we nor our paying agent has actual knowledge that the holder is a U.S. holder.

The description set forth above is included for general information only and may not be applicable depending upon a holder's particular situation. Holders should consult their tax advisors regarding the tax consequences to them of the purchase, ownership and disposition of our common stock, including the tax consequences under state, local, foreign and other tax laws and the possible effects of changes in U.S. federal or other tax laws.

**Table of Contents****UNDERWRITING**

Salomon Smith Barney Inc. and UBS Warburg LLC are acting as representatives of the underwriters named below. Subject to the terms and conditions stated in the underwriting agreement dated the date of this prospectus supplement, each underwriter named below has agreed to purchase, and we have agreed to sell to that underwriter, the number of shares of our common stock set forth opposite the underwriter's name.

<b>Underwriter</b>	<b>Number of Shares</b>
Salomon Smith Barney Inc.	2,062,500
UBS Warburg LLC	2,062,500
Credit Suisse First Boston Corporation	385,000
J.P. Morgan Securities Inc.	385,000
Lehman Brothers Inc.	385,000
Nova Scotia (USA) Inc.	220,000
Total	5,500,000

The underwriting agreement provides that the obligations of the underwriters to purchase the shares included in this offering are subject to approval of legal matters by counsel and to other conditions. The underwriters are obligated to purchase all the shares, other than those covered by the over-allotment option described below, if they purchase any of the shares.

The underwriters propose to offer some of the shares directly to the public at the public offering price set forth on the cover page of this prospectus supplement and some of the shares to dealers at the public offering price less a concession not to exceed \$0.8434 per share. The underwriters may allow, and the dealers may reallow, a concession not to exceed \$0.1000 per share on sales to other dealers. If all of the shares are not sold at the initial offering price, the representatives may change the public offering price and the other selling terms.

We have granted to the underwriters an option, exercisable for 30 days from the date of this prospectus supplement, to purchase up to 825,000 additional shares of our common stock at the public offering price less the underwriting discount. The underwriters may exercise the option solely for the purpose of covering over-allotments, if any, in connection with this offering. To the extent the option is exercised, each underwriter must purchase a number of additional shares approximately proportionate to that underwriter's initial purchase commitment.

We, certain of our executive officers and directors have agreed that, for a period of 90 days from the date of this prospectus supplement, we and they will not, without the prior written consent of Salomon Smith Barney Inc. and UBS Warburg LLC, dispose of or hedge any shares or any securities convertible into or exchangeable or exercisable for our common stock (other than the exercise of outstanding options and issuances of shares issuable under plans for employees or stockholders in effect on the date of this prospectus supplement). However, we may issue our equity security units in the concurrent offering. Salomon Smith Barney Inc. and UBS Warburg LLC in their sole discretion may release any of the securities subject to these lock-up agreements at any time without notice.

Our common stock is listed on the New York Stock Exchange and the Chicago Stock Exchange under the symbol DTE.

**Table of Contents**

The following table shows the underwriting discounts and commissions that we are to pay to the underwriters in connection with this offering. These amounts are shown assuming both no exercise and full exercise of the underwriters' option to purchase additional shares of our common stock.

	<b>Paid by DTE Energy</b>	
	<b>No Exercise</b>	<b>Full Exercise</b>
Per share	\$ 1.4056	\$ 1.4056
Total	\$ 7,730,800	\$ 8,890,420

In connection with this offering, Salomon Smith Barney Inc. on behalf of the underwriters may purchase and sell shares of our common stock in the open market. These transactions may include short sales, syndicate covering transactions and stabilizing transactions. Short sales involve syndicate sales in excess of the number of shares to be purchased by the underwriters in this offering, which creates a syndicate short position. Covered short sales are sales made in an amount up to the number of shares represented by the underwriters' over-allotment option. In determining the source of shares to close out the covered syndicate short position, the underwriters will consider, among other things, the price of shares available for purchase in the open market as compared to the price at which they may purchase shares through the over-allotment option. Transactions to close out the covered syndicate short involve either purchases of shares in the open market after the distribution has been completed or the exercise of the over-allotment option. The underwriters may also make naked short sales of shares in excess of the over-allotment option. The underwriters must close out any naked short position by purchasing shares in the open market. A naked short position is more likely to be created if the underwriters are concerned that there may be downward pressure on the price of the shares in the open market after pricing that will adversely affect investors who purchase in the offering. Stabilizing transactions consist of bids for or purchases of shares in the open market while this offering is in progress.

The underwriters also may impose a penalty bid. Penalty bids permit the underwriters to reclaim a selling concession from a syndicate member when Salomon Smith Barney Inc. repurchases shares originally sold by that syndicate member in order to cover syndicate short positions or make stabilizing purchases.

Any of these activities may have the effect of preventing or retarding a decline in the market price of our common stock. They may also cause the price of our common stock to be higher than the price that would otherwise exist in the open market in the absence of these transactions. The underwriters may conduct these transactions on the New York Stock Exchange, the Chicago Stock Exchange or in the over-the-counter market, or otherwise. If the underwriters commence any of these transactions, they may discontinue them at any time.

Each underwriter severally represents and agrees that: it has not offered or sold and, prior to the expiration of the period of six months from the closing date for the issue of the shares of common stock, will not offer or sell any shares of common stock to persons in the United Kingdom, except to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or otherwise in circumstances which have not resulted and will not result in an offer to the public in the United Kingdom, within the meaning of the Public Offers of Securities Regulations 1995; it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000 (FSMA)) received by it in connection with the issue or sale of any shares of common stock in circumstances which section 21(1) of the FSMA does not apply to DTE Energy; and it has complied with and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the shares of common stock in, from or otherwise involving the United Kingdom.

We estimate that our portion of the total expenses of this offering will be \$250,000.

The underwriters and/ or their affiliates have performed investment banking, commercial banking and advisory services for us from time to time for which they have received customary fees and expenses. The

**Table of Contents**

underwriters and/or their affiliates may, from time to time, engage in transactions with and perform services for us in the ordinary course of their business.

We have agreed to indemnify the underwriters against some liabilities, including liabilities under the Securities Act of 1933, or to contribute to payments the underwriters may be required to make because of any of those liabilities.

**LEGAL MATTERS**

Certain legal matters with respect to this offering of our common stock will be passed upon for DTE Energy by Thomas A. Hughes, Acting General Counsel. Mr. Hughes beneficially owns approximately 5,250 shares of DTE Energy common stock and holds options to purchase an additional 20,250 shares. Certain legal matters relating to the offering will be passed upon for the underwriters by Sidley Austin Brown & Wood LLP, New York, New York. Sidley Austin Brown & Wood LLP will rely on the opinion of Mr. Hughes with respect to Michigan law.

**EXPERTS**

The financial statements and the related financial statement schedule of DTE Energy Company incorporated in this prospectus supplement by reference from DTE Energy Company's Annual Report on Form 10-K for the year ended December 31, 2001 have been audited by Deloitte & Touche LLP, independent auditors, as stated in their report, which is incorporated herein by reference, and have been so incorporated in reliance upon the report of such firm given upon their authority as experts in accounting and auditing.

With respect to the unaudited condensed consolidated interim financial information of DTE Energy Company for the periods ended March 31, 2002 and 2001, which is incorporated herein by reference, Deloitte & Touche LLP have applied limited procedures in accordance with professional standards for a review of such information. However, as stated in their report included in the DTE Energy Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2002 and incorporated by reference herein, they did not audit and they do not express an opinion on that interim financial information. Accordingly, the degree of reliance on their reports on such information should be restricted in light of the limited nature of the review procedures applied. Deloitte & Touche LLP are not subject to the liability provisions of Section 11 of the Securities Act of 1933 for their reports on the unaudited interim financial information because those reports are not reports or a part of the registration statement prepared or certified by an accountant within the meaning of Sections 7 and 11 of the Securities Act of 1933.

The financial statements and the related financial statement schedule of MCN Energy Group Inc. incorporated in this prospectus by reference from the MCN Energy Group Inc.'s Annual Report on Form 10-K for the year ended December 31, 2000 have been audited by Deloitte & Touche LLP, independent auditors, as stated in their report, which is incorporated herein by reference, and have been so incorporated in reliance upon the report of such firm given upon their authority as experts in accounting and auditing.

With respect to the unaudited condensed consolidated interim financial information of MCN Energy Group Inc. for the periods ended March 31, 2001 and 2000, which is incorporated herein by reference, Deloitte & Touche LLP have applied limited procedures in accordance with professional standards for a review of such information. However, as stated in their report included in the MCN Energy Group Inc.'s Quarterly Report on Form 10-Q for the quarter ended March 31, 2001 and incorporated by reference herein, they did not audit and they do not express an opinion on that interim financial information. Accordingly, the degree of reliance on their reports on such information should be restricted in light of the limited nature of the review procedures applied. Deloitte & Touche LLP are not subject to the liability provisions of Section 11 of the Securities Act of 1933 for their reports on the unaudited interim financial information because those reports are not reports or a part of the registration statement prepared or certified by an accountant within the meaning of Sections 7 and 11 of the Securities Act of 1933.

**Table of Contents**

**INFORMATION INCORPORATED BY REFERENCE**

We file annual, quarterly and special reports, proxy statements and other information with the SEC. Our SEC filings are available to the public over the Internet at the SEC's web site at <http://www.sec.gov>. In addition to the information specifically incorporated by reference in the section entitled "Where You Can Find More Information" in the accompanying prospectus, we incorporate by reference the documents filed with the SEC and listed below:

DTE Energy's Annual Report on Form 10-K for the year ended December 31, 2001 (including information specifically incorporated by reference into DTE Energy's Form 10-K from DTE Energy's definitive Proxy Statement for its 2002 Annual Meeting of Common Shareholders);

DTE Energy's Quarterly Report on Form 10-Q for the quarter ended March 31, 2002;

Consolidated financial statements and related financial statement schedule of MCN, and the notes related thereto, included under the caption "Financial Statements and Supplementary Data" in MCN's Annual Report on Form 10-K for the year ended December 31, 2000; and

Consolidated financial statements of MCN, and the related notes thereto, included in MCN's Quarterly Report on Form 10-Q for the quarter ended March 31, 2001.

You may also read and copy any document we file at the SEC's public reference room located at 450 Fifth Street, N.W. Washington, D.C. 20549.

Please call the SEC at 1-800-SEC-0330 for further information on the public reference room and its copy charges.

**Table of Contents**

**Prospectus**

**\$1,000,000,000**

**DTE Energy Company**

**Common Stock**

**Debt Securities**

**Common Stock Purchase Contracts**

**Common Stock Purchase Units**

**DTE Energy Trust I**

**DTE Energy Trust II**

**Trust Preferred Securities**

**Guaranteed to the extent set forth in this prospectus by**

**DTE Energy Company**

By this prospectus, we may offer from time to time:

common stock and related rights;

senior debt securities and/or subordinated debt securities, including debt securities convertible into common stock of DTE Energy or exchangeable for other securities;

contracts to purchase shares of common stock and/or common stock purchase units.

Each of the DTE Energy Trusts, which are Delaware business trusts, may offer from time to time:

trust preferred securities guaranteed to the extent set forth in this prospectus by DTE Energy.

For each type of security listed above, the amount, price and terms will be determined at or prior to the time of sale.

This prospectus provides a general description of the securities that we may offer. We will describe the specific terms of the securities in a supplement or supplements to this prospectus. This prospectus may not be used to sell securities unless it is accompanied by a prospectus supplement that describes those securities.

We intend to sell these securities through underwriters, dealers, agents or directly to a limited number of purchasers. The names of, and any securities to be purchased by or through, these parties, the compensation of these parties and other special terms in connection with the offering and sale of these securities will be provided in the related prospectus supplement or supplements.

Before you invest, you should carefully read this prospectus, any applicable prospectus supplement and any information under the heading Where You Can Find More Information.

DTE Energy's common stock is traded on the New York Stock Exchange and the Chicago Stock Exchange under the symbol DTE.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the accuracy or adequacy of this prospectus. Any representation to the contrary is a criminal offense.

This prospectus is dated December 11, 2001.





**Table of Contents****Table of Contents**

	<b>Page</b>
Where You Can Find More Information	3
Cautionary Statements Regarding Forward-Looking Statements	5
DTE Energy Company	6
DTE Energy Trusts	7
Ratios of Earnings to Fixed Charges	8
Use of Proceeds	9
The Securities that DTE Energy and the DTE Energy Trusts May Offer	9
Description of Capital Stock	10
Description of Debt Securities	12
Description of Common Stock Purchase Contracts and Units	32
Description of Trust Preferred Securities	33
Description of Trust Preferred Securities Guarantees	41
Book-Entry Securities	44
Plan of Distribution	47
Legal Matters	48
Experts	48
Unaudited Pro Forma Combined Condensed Consolidated Statements of Income	F-1

You should rely only on the information contained or incorporated by reference in this prospectus. We have not, and the underwriters have not, authorized any person to provide you with different information. If anyone provides you with different or inconsistent information, you should not rely on it. We are not, and the underwriters are not, making an offer to sell these securities in any jurisdiction where the offer or sale is not permitted. You should assume that the information appearing in this prospectus is accurate as of the date on the front cover of the this prospectus. DTE Energy's business, financial condition, results of operations and prospects may have changed since such dates.

In this prospectus, references to DTE Energy, we, us and our refer to DTE Energy Company, unless the context indicates that the references are to DTE Energy Company and its consolidated subsidiaries, and references to the DTE Energy Trusts are to DTE Energy Trust I and DTE Energy Trust II.

**Table of Contents**

**Where You Can Find More Information**

We file annual, quarterly and special reports, proxy statements and other information with the Securities and Exchange Commission. Our Securities and Exchange Commission filings are available to the public over the Internet at the Securities and Exchange Commission's web site at <http://www.sec.gov>. You may also read and copy any document we file at the Securities and Exchange Commission's public reference rooms located at:

450 Fifth Street, N.W.  
Washington, D.C. 20549;

233 Broadway  
New York, New York 10007; and

Citicorp Center  
500 West Madison Street  
Chicago, Illinois 60661.

Please call the Securities and Exchange Commission at 1-800-SEC-0330 for further information on the public reference rooms and their copy charges.

You can also inspect reports, proxy statements and other information about DTE at the offices of the New York Stock Exchange, 20 Broad Street, New York, New York 10005 and the offices of the Chicago Stock Exchange, 440 South LaSalle Street, Chicago, Illinois 60605.

The Securities and Exchange Commission allows us to incorporate by reference the information we file with them, which means that we can disclose important information to you by referring you to those documents. The information incorporated by reference is an important part of this prospectus, and information that we file later with the Securities and Exchange Commission will automatically update and supersede this information. Until we sell all of the securities covered by this prospectus, we incorporate by reference the documents listed below and any future filings we make with the Securities and Exchange Commission under Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934 (other than information in such documents that is deemed not to be filed):

<b>SEC Filing</b>	<b>Period/Date</b>
<b>DTE Energy:</b> Annual Report on Form 10-K (including information specifically incorporated by reference into DTE's Form 10-K from DTE Energy's definitive Proxy Statement for its 2001 annual meeting of shareholders, filed on March 26, 2001)	Year ended December 31, 2000
Quarterly Report on Form 10-Q	Quarter ended March 31, 2001
Quarterly Report on Form 10-Q	Quarter ended June 30, 2001
Quarterly Report on Form 10-Q	Quarter ended September 30, 2001
Current Report on Form 8-K	Filed March 8, 2001
Current Report on Form 8-K	Filed May 25, 2001
Current Report on Form 8-K	Filed June 1, 2001
Current Report on Form 8-K	Filed June 5, 2001

**Table of Contents**

<b>SEC Filing</b>	<b>Period/Date</b>
Current Report on Form 8-K	Filed July 6, 2001
Current Report on Form 8-K/ A	Filed August 14, 2001
Current Report on Form 8-K	Filed August 27, 2001
Current Report on Form 8-K	Filed October 29, 2001
Description of DTE Energy common stock on Form 8-B	Filed January 2, 1996
Description of the Rights Agreement on Form 8-A	Filed September 23, 1997
<b>MCN Energy Group Inc.:</b>	
Consolidated financial statements and related financial statement schedule of MCN Energy Group Inc., and the notes related thereto, included under the caption "Financial Statements and Supplementary Data" in MCN Energy Group Inc.'s Annual Report on Form 10-K	Year ended December 31, 2000
Consolidated financial statements of MCN Energy Group Inc., and the related notes thereto, included in MCN Energy Group Inc.'s Quarterly Report on Form 10-Q	Quarter ended March 31, 2001

Each of these documents is available from the Securities and Exchange Commission's web site and public reference rooms described above. You may also request a copy of these filings, excluding exhibits, at no cost by writing or telephoning DTE Energy, at the address of our principal executive offices, which is:

DTE Energy Company  
 2000 2nd Avenue,  
 Detroit, Michigan 48226-1279,  
 (313) 235-4000

There are no separate financial statements of the DTE Energy Trusts in this prospectus. We do not believe these financial statements would be helpful because:

the DTE Energy Trusts are wholly-owned subsidiaries of DTE Energy, which files consolidated financial information under the Securities Exchange Act;

the DTE Energy Trusts will not have any independent operations other than issuing trust preferred securities and trust common securities, purchasing debt securities of DTE Energy and other necessary or incidental activities as described in this prospectus;

DTE Energy guarantees the trust preferred securities of the DTE Energy Trusts;

no other subsidiary of DTE Energy guarantees the trust preferred securities of the DTE Energy Trusts; and

the guarantee of the DTE Energy Trusts by DTE Energy is full and unconditional.

Our web site address is <http://www.dteenergy.com>. The information on our web site is not incorporated by reference into this prospectus. You should rely only on the information incorporated by reference or provided in this prospectus or any prospectus supplement.

**Table of Contents**

Neither DTE Energy nor either DTE Energy Trust has authorized anyone to provide you with different information.

Neither DTE Energy nor either DTE Energy Trust is making an offer of the securities covered by this prospectus in any state where the offer is not permitted. You should not assume that the information in this prospectus or any prospectus supplement or in any other document incorporated by reference in this prospectus is accurate as of any date other than the date of those documents.

**Cautionary Statements Regarding Forward-Looking Statements**

This prospectus and the documents incorporated by reference in this prospectus contain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934, with respect to the financial condition, results of operations and business of DTE Energy. You can find many of these statements by looking for words such as believes, expects, anticipates, estimates or similar expressions in this prospectus or in documents incorporated herein. You are cautioned not to place undue reliance on such statements, which speak only as of the date of this prospectus or the date of any document incorporated by reference.

These forward-looking statements are subject to numerous assumptions, risks and uncertainties. Our actual results may differ from those expected due to a number of variables including, but not limited to:

- interest rates;
- the use of derivative instruments and their related accounting treatment;
- the level of borrowings;
- the effects of weather and other natural phenomena on utility and energy operations;
- actual sales;
- the capital intensive nature of our business;
- economic climate and growth in the geographic areas in which we, and our subsidiaries, do business;
- the uncertainty of gas and oil reserve estimates;
- the timing and extent of changes in commodity prices for electricity, natural gas, natural gas liquids, methanol and crude oil;
- unscheduled generation outages, maintenance or repairs;
- nuclear power plant performance;
- the nature, availability and projected profitability of potential projects and other investments available to us;
- conditions of capital markets and equity markets;
- the timing and results of major transactions;

**Table of Contents**

- changes in and recovery of the cost of fuel, natural gas and purchased power due to ongoing regulatory proceedings;
- the effects of increased competition from other energy suppliers and the phased-in implementation of customer choice, as well as alternative forms of energy;
- the implementation of utility restructuring in Michigan (which involves pending regulatory and related judicial proceedings, and actual and possible reductions in authorized rates and earnings);
- the effects of changes in governmental policies, including income taxes and environmental compliance and nuclear requirements;
- the impact of Federal Energy Regulatory Commission proceedings and regulations; and
- the contributions to earnings by our non-regulated businesses.

Expected results will also be effected by our acquisition of MCN Energy Group Inc., which we refer to as MCN, on May 31, 2001, and the timing of the accretive effect of this acquisition. While DTE Energy believes that estimates given accurately measure the expected outcome, actual results could vary materially due to the variables mentioned, as well as others.

All subsequent written and oral forward-looking statements attributable to us or any person acting on our behalf are expressly qualified in their entirety by the cautionary statements contained or referred to in this section. We undertake no obligation to release publicly any revisions to the forward-looking statements to reflect events or circumstances after the date of this document or to reflect the occurrence of unanticipated events.

**DTE Energy Company**

We are a national energy company. We are the parent holding company of The Detroit Edison Company, which we refer to as Detroit Edison, Michigan Consolidated Gas Company, which we refer to as MichCon, DTE Enterprises Inc. (formerly MCN), which we refer to as DTEE, and other subsidiaries engaged in energy-related businesses.

Detroit Edison is a Michigan public utility engaged in the generation, purchase, distribution and sale of electric energy to 2.1 million customers in a 7,600-square-mile Southeastern Michigan Service area. Detroit Edison's service area includes about 13% of Michigan's total land area and approximately five million people, which is about half of Michigan's population. Detroit Edison's residential customers reside in urban and rural areas, including an extensive shoreline along the Great Lakes and connecting waters.

On May 31, 2001, DTE Energy completed the acquisition of MCN (now DTEE). DTEE is a Michigan corporation primarily involved in natural gas production, gathering, processing, transmission, storage and distribution and energy marketing. DTEE's largest subsidiary, MichCon, is a natural gas utility serving 1.2 million customers in a 14,700-square-mile area in Michigan.

**Table of Contents**

We also have affiliates that engage in non-regulated businesses, including the following energy-related services and products:

The operation of pulverized coal facilities and coke oven batteries;

Coal sourcing, blending and transportation;

Landfill gas-to-energy facilities;

Providing expertise in the application of new energy technologies;

Real estate development; and

Power marketing and trading.

The mailing address of our principal executive offices is 2000 2nd Avenue, Detroit, Michigan, 48226-1279, and its telephone number is (313) 235-4000.

Unaudited pro forma combined condensed consolidated statements of income giving effect to DTE Energy's merger with MCN are included in this prospectus beginning on page F-1.

**DTE Energy Trusts**

We created DTE Energy Trust I and DTE Energy Trust II. They are Delaware business trusts, created by way of trust agreements and the filing of certificates of trust with the Delaware Secretary of State. We will execute amended and restated trust agreements for the DTE Energy Trusts, referred to in this prospectus as the trust agreements. These trust agreements will state the terms and conditions for the DTE Energy Trusts to issue and sell their trust preferred securities and trust common securities. We filed a form of trust agreement as an exhibit to the registration statement of which this prospectus forms a part.

The DTE Energy Trusts will exist solely to:

issue and sell their trust preferred securities and trust common securities;

use the proceeds from the sale of their trust preferred securities and trust common securities to purchase DTE Energy's debt securities; and

engage in other activities that are necessary or incidental to the above purposes.

We will hold directly or indirectly all of the trust common securities of each of the DTE Energy Trusts. The trust common securities will represent an aggregate liquidation amount equal to at least 3% of each DTE Energy Trust's total capitalization. The trust preferred securities will represent the remaining percentage of each DTE Energy Trust's total capitalization. The trust common securities will have terms substantially identical to, and will rank equal in priority of payment with, the trust preferred securities. However, if DTE Energy defaults on the debt securities owned by a DTE Energy Trust or another event of default under the trust agreement occurs, then, so long as the default continues, cash distributions and liquidation, redemption and other amounts payable or deliverable on the securities of that trust must be paid or delivered to the holders of the trust preferred securities of that trust before the holders of the common securities of that trust.

**Table of Contents**

The DTE Energy Trusts may not borrow money, issue debt, execute mortgages or pledge any of their assets.

The trust preferred securities will be guaranteed by us as described in this prospectus and the applicable prospectus supplement.

Unless otherwise specified in the applicable prospectus supplement, the following trustees will conduct each DTE Energy Trust's business and affairs:

The Bank of New York, as property trustee;

The Bank of New York (Delaware), as Delaware trustee; and

one or more of our officers, as administrative trustees.

Only we, as direct or indirect owner of the trust common securities, can remove or replace the administrative trustees. In addition, we can increase or decrease the number of administrative trustees. Also, we, as direct or indirect holder of the trust common securities, will generally have the sole right to remove or replace the property and Delaware trustees. However, if DTE Energy defaults on the debt securities owned by a DTE Energy Trust or another event of default under the trust agreement occurs, then, so long as that default is continuing, the holders of a majority in liquidation amount of the outstanding trust preferred securities of that trust may remove and replace the property and Delaware trustees for that trust.

We will pay all fees and expenses related to the DTE Energy Trusts and the offering of the trust preferred securities. We will also pay all ongoing costs and expenses of the DTE Energy Trusts, except each trust's obligations under the trust preferred securities and trust common securities.

**Ratios of Earnings to Fixed Charges**

Our ratios of earnings to fixed charges were as follows for the periods indicated in the table below.

	Nine Months Ended September 30, 2001	Year Ended December 31,				
		2000	1999	1998	1997	1996
Ratio of earnings to fixed charges	1.14	2.37	2.48	2.68	2.95	2.52

Our ratios of earnings to fixed charges were computed based on:

earnings, which consist of consolidated income plus income taxes and fixed charges; and

fixed charges, which consist of consolidated interest on indebtedness, including capitalized interest, amortization of debt discount and expense, the estimated portion of rental expense attributable to interest, and preferred stock dividends of consolidated subsidiaries.

**Table of Contents**

**Use of Proceeds**

Unless otherwise specified in the supplement which accompanies this prospectus, we intend to use the net proceeds from the sale of our securities for general corporate purposes, which may include financing the development and construction of new facilities, additions to working capital and repurchase or refinancing of securities. We may also invest funds not immediately required for such purposes in short-term investment grade securities. The amount and timing of sales of the securities will depend on market conditions and the availability of other funds.

The DTE Energy Trusts will use all proceeds from the sale of the trust common and trust preferred securities to purchase debt securities of DTE Energy.

**The Securities that DTE Energy and the  
DTE Energy Trusts May Offer**

The descriptions of the securities contained in this prospectus, together with the applicable prospectus supplements, summarize all the material terms and provisions of the various types of securities that DTE Energy and the DTE Energy Trusts may offer. The particular terms of the securities offered by any prospectus supplement will be described in that prospectus supplement. If indicated in the applicable prospectus supplement, the terms of the securities may differ from the terms summarized below. The prospectus supplement will also contain information, where applicable, about material U.S. federal income tax considerations relating to the securities, and the securities exchange, if any, on which the securities will be listed.

We may sell from time to time, in one or more offerings:

common stock and related rights;

senior or subordinated debt securities, including debt securities convertible into common stock of DTE Energy or exchangeable for other securities;

common stock purchase contracts; and/or

common stock purchase units.

The DTE Energy Trusts may offer and sell from time to time their trust preferred securities guaranteed by us.

In this prospectus, DTE Energy and the DTE Energy Trusts refer to the common stock and related rights, senior debt securities, subordinated debt securities, common stock purchase contracts, common stock purchase units, trust preferred securities and our guarantees of the trust preferred securities collectively as securities.

If DTE Energy and/or the DTE Energy Trusts issue securities at a discount from their original stated principal or liquidation amount, then, for purposes of calculating the total dollar amount of all securities issued under this prospectus, DTE Energy and/or the DTE Energy Trusts will treat the initial offering price of the securities as the total original principal or liquidation amount of the securities.



**Table of Contents**

**Description of Capital Stock**

**Authorized Capital Stock**

The authorized capital stock of DTE Energy currently consists of 400,000,000 shares of DTE Energy common stock, without par value, and 5,000,000 shares of preferred stock, without par value. As of October 31, 2001, there were 162,652,459 shares of DTE Energy common stock issued and outstanding. All outstanding shares of common stock are duly authorized, validly issued, fully paid and nonassessable. As of October 31, 2001, there were no shares of preferred stock issued and outstanding and 1,500,000 shares of Series A Junior Participating Preferred Stock were reserved for issuance pursuant to the rights agreement, dated September 23, 1997, between DTE Energy and The Detroit Edison Company. Each outstanding share of DTE Energy common stock currently has attached to it one preferred share purchase right, issued under the rights agreement.

Under the DTE Energy amended and restated articles of incorporation, which we refer to as the articles of incorporation, our board of directors may cause the issuance of one or more new series of the authorized shares of preferred stock, determine the number of shares constituting any such new series and fix the voting, distribution, dividend, liquidation and all other rights and limitations of the preferred stock. These rights may be superior to those of the DTE Energy common stock. To the extent any shares of DTE Energy's preferred stock have voting rights, no share of preferred stock may be entitled to more than one vote per share, except with respect to election of directors, in which case cumulative voting may be available.

**Common Stock**

The following description of our common stock, together with the additional information included in any applicable prospectus supplement, summarizes the material terms and provisions of this type of security. We will describe the specific terms of any common stock we may offer in a prospectus supplement. If indicated in a prospectus supplement, the terms of any common stock offered under that prospectus supplement may differ from the terms described below. For the complete terms of our common stock, please refer to our articles of incorporation, bylaws and rights agreement that are incorporated by reference into the registration statement that includes this prospectus or may be incorporated by reference in this prospectus. The terms of our common stock may also be affected by the laws of the State of Michigan.

***Voting***

Subject to any special voting rights which may vest in the holders of preferred stock, the holders of DTE common stock are entitled to vote as a class and are entitled to one vote per share for each share held of record on all matters voted on by shareholders, except with respect to the election of directors, in which case cumulative voting is available. All questions other than election of directors are decided by a majority of the votes cast by the holders of shares entitled to vote on that question, unless a greater vote is required by the articles of incorporation or Michigan law. Directors are elected by a plurality of the votes cast.

We are subject to Chapter 7A of the Michigan Business Corporation Act, which provides that business combinations subject to Chapter 7A between a Michigan corporation and a beneficial owner of shares entitled to 10% or more of the voting power of

## **Table of Contents**

such corporation generally require the affirmative vote of 90% of the votes of each class of stock entitled to vote, and not less than 2/3 of each class of stock entitled to vote (excluding voting shares owned by such 10% owner), voting as a separate class. These requirements do not apply if (i) the corporation's board of directors approves the transaction prior to the time the 10% owner becomes such or (ii) the transaction satisfies certain fairness standards, certain other conditions are met and the 10% owner has been such for at least five years.

In addition, our bylaws provide that Chapter 7B of the Michigan Business Corporation Act, which we refer to as the Act, does not apply to DTE Energy. The Act regulates shareholder rights when an individual's stock ownership reaches at least 20 percent of a Michigan corporation's outstanding shares. Accordingly, pursuant to DTE Energy's bylaws, a shareholder seeking control of DTE Energy cannot require the DTE Energy's board of directors to call a meeting to vote on issues related to corporate control within 10 days, as stipulated by the Act.

### ***Board of Directors***

Our bylaws provide for a board of directors that is divided into three classes. Each class serves a three-year term and the classes are as nearly equal in size as possible. The number of directors is fixed by the board of directors from time to time but not less than 10 nor more than 18, subject to the board of director's authority to change the minimum and maximum number of directors. We currently have 13 directors. Under our bylaws, the provision providing for the classification of the board of directors may not be amended or repealed without the vote of a majority of the shares of DTE Energy's common stock.

### ***Amendments to DTE Energy's Articles of Incorporation***

Under Michigan law, our articles of incorporation may be amended by the affirmative vote of the holders of a majority of the outstanding shares entitled to vote on the proposed amendment (which would include the common stock and any series of preferred stock which, by its terms or applicable law, was so entitled to vote), and, if any class or series of shares is entitled to vote as a class, then the proposed amendment must be approved by the required vote of each class or series of shares entitled to vote as a class.

### ***Dividends***

Holders of common stock are entitled to participate equally in respect of dividends as and when dividends are declared by our board of directors out of funds legally available for their payment. As a Michigan corporation, we are subject to statutory limitations on the declaration and payment of dividends. In the event of a liquidation, dissolution or winding-up of DTE Energy, holders of our common stock have the right to DTE Energy's assets remaining after satisfaction in full of the prior rights of creditors, and all liabilities and the aggregate liquidation preferences of any outstanding shares of DTE Energy preferred stock. The holders of our common stock have no conversion, redemption or preemptive rights. However, this dividend right is subject to any preferential dividend rights we may grant to future holders of preferred stock. Dividends on common stock of DTE Energy will depend in the foreseeable future primarily upon the earnings, financial condition and capital requirements of Detroit Edison and MichCon. Our ability to pay dividends on our common stock may be limited by existing or future covenants limiting the right of Detroit Edison or

**Table of Contents**

MichCon to pay dividends on or acquire common stock of Detroit Edison or MichCon. See Description of Debt Securities Ranking.

***Listing***

Our common stock is listed on the New York Stock Exchange and the Chicago Stock Exchange under the symbol DTE.

***Transfer Agent and Registrar***

The transfer agent and registrar for our common stock is The Detroit Edison Company, 2000 2nd Avenue, Detroit, Michigan 48226-1279.

**Rights Agreement**

The following is a description of the rights issued or to be issued under the DTE Energy rights agreement. The following description of the DTE Energy rights and the DTE Energy rights agreement does not purport to be complete and is subject to, and is qualified in its entirety by reference to, the text of the DTE Energy rights agreement, which is incorporated herein by reference to the DTE Energy rights agreement filed as an exhibit to the registration statement of which this prospectus is a part.

Our rights agreement provides for the issuance of a right to the holder of each share of DTE Energy common stock. Under DTE Energy's rights agreement, each right entitles the holder of the DTE Energy right to purchase from DTE Energy one one-hundredth of a share of Series A Junior Participating Preferred Stock, without par value, of DTE Energy at a price of \$90.00 per one one-hundredth of a preferred share, subject to adjustment as provided for in the DTE Energy rights agreement. The rights, which are attached to and trade with the shares of DTE Energy common stock until they are exercisable, may not be exercised until the close of business 10 calendar days, or such later time as the DTE Energy board of directors may specify, after the earlier of:

The date of the first public announcement that a person, together with its affiliates and associates, has acquired beneficial ownership of 10% or more of the outstanding shares of DTE Energy common stock; or

Any person commences a tender offer or exchange offer, the consummation of which would result in beneficial ownership by such person of 10% or more of the outstanding shares of DTE Energy common stock.

DTE Energy, its subsidiaries, employee benefit or stock ownership plans, and affiliates or associates of DTE Energy are not persons whose ownership triggers the exercisability of the rights. The rights will expire on October 6, 2007, unless earlier redeemed, exchanged or amended by DTE Energy.

**Description of Debt Securities**

The following description, together with any applicable prospectus supplement, summarizes all the material terms and provisions of the debt securities that DTE Energy may offer under this prospectus and the related trust indenture. We will issue the debt securities under an amended and restated indenture, dated as of April 9, 2001, as

**Table of Contents**

supplemented or amended from time to time, between us and The Bank of New York, as trustee. We refer to the senior debt securities and the subordinated debt securities in this prospectus collectively as the debt securities. The Bank of New York or any successor or additional trustee, in its capacity as trustee under the indenture, is referred to as the trustee for purposes of this section. The indenture may, but need not, have separate trustees for senior and subordinated debt securities. The indenture contains and the debt securities, when issued, will contain additional important terms and provisions. The indenture and the forms of the debt securities are filed as exhibits to the registration statement that includes this prospectus.

This summary of the indenture and the debt securities relates to terms and conditions applicable to the debt securities generally. The particular terms of any series of debt securities will be summarized in the applicable prospectus supplement. If indicated in the prospectus supplement, the terms of any series may differ from the terms summarized below.

Because the summary of the material provisions of the indenture and the debt securities set forth below and the summary of the material terms of a particular series of debt securities set forth in the applicable prospectus supplement are not complete, you should refer to the forms of the indenture and the debt securities for complete information regarding the terms and provisions of the indenture (including defined terms) and the debt securities. Wherever particular articles, sections or defined terms of the indenture are referred to, those articles, sections or defined terms are incorporated herein by reference, and the statement in connection with which such reference is made is qualified in its entirety by such reference.

The indenture does not limit the amount of debt securities we may issue under it, and it provides that additional debt securities of any series may be issued up to the aggregate principal amount that we authorize from time to time. Debt securities may also be issued pursuant to the indenture in transactions exempt from the registration requirements of the Securities Act of 1933. Those debt securities will not be considered in determining the aggregate amount of securities issued under this prospectus. As of September 30, 2001, approximately \$1.750 billion aggregate principal amount of debt securities was issued and outstanding under the indenture.

Unless otherwise indicated in the applicable prospectus supplement, we will issue registered debt securities in denominations of \$1,000 and integral multiples of \$1,000 and bearer securities in denominations of \$5,000.

Principal and any premium and interest in respect to the debt securities will be payable, and the debt securities will be transferable, at the corporate trust office of the trustee, unless we specify otherwise in the applicable prospectus supplement. At our option, however, payment of interest may be made by check mailed to the registered holders of the debt securities at their registered addresses.

We will describe special U.S. federal income tax and other considerations relating to debt securities denominated in foreign currencies or units of two or more foreign currencies in the applicable prospectus supplement.

**Table of Contents**

**General**

The prospectus supplement relating to the particular series of debt securities being offered will specify whether they are senior or subordinated debt securities and the amounts, prices and terms of those debt securities. These terms may include:

the title or designation of the debt securities, which may include medium-term notes;

the aggregate principal amount of the debt securities;

whether the debt securities are to represent senior or subordinated indebtedness and, if subordinated debt securities, the specific subordination provisions applicable to the securities;

in the case of subordinated debt securities, the relative degree, if any, to which such subordinated debt securities of the series will be senior to or be subordinated to other series of subordinated debt securities or other indebtedness of DTE Energy in right of payment, whether such other series of subordinated debt securities or other indebtedness is outstanding or not;

whether the debt securities will be issued as registered securities, bearer securities or a combination of the two;

the person to whom any interest on any registered security shall be payable, if other than the person in whose name that security is registered at the close of business on the record date, the manner in which, or the person to whom, any interest on any bearer security shall be payable, if other than upon presentation and surrender of coupons, and the extent to which, or the manner in which, any interest payable on a temporary global security will be paid if other than in the manner provided in the indenture;

whether the debt securities will be issued in the form of one or more global securities and whether such global securities will be issued in a temporary global form or permanent global form;

the date or dates on which the principal of (and premium, if any, on) the debt securities will be payable or the method or methods, if any, by which such date or dates will be determined;

the date or dates from which any interest will accrue or the method or methods, if any, by which such date or dates will be determined and the date or dates on which such interest will be payable;

the rate or rates, which may be fixed or variable, or the method or methods of determining the rate or rates at which the debt securities will bear any interest;

whether and under what circumstances we will pay additional amounts, as defined in the indenture, on the debt securities to any holder who is a United States alien, as defined in the indenture, in respect of any tax, assessment or governmental charge, and, if so, whether we will have the option to redeem the debt securities rather than pay the additional amounts; the term interest, as used in this prospectus, includes any additional amounts;

**Table of Contents**

the place or places where the principal of (and premium, if any) and interest on the debt securities shall be payable, and where any registered securities may be surrendered for registration of transfer, conversion or exchange;

a description of any provisions providing for redemption or repurchase of the debt securities at our option, a holder's option or otherwise, and the terms and provisions of such a redemption or repurchase;

any sinking fund terms;

whether the debt securities will be convertible into shares of common stock of DTE Energy and/or exchangeable for other securities, whether or not issued by DTE Energy, property or cash, or a combination of any of the foregoing, and, if so, the terms and conditions of such conversion or exchange, either mandatory, at the option of the holder, or at the option of DTE Energy, and any deletions from or modifications or additions to the indenture to allow the issuance of such convertible or exchangeable debt securities;

if other than the principal amount thereof, the portion of the principal amount of the debt securities or any of them which shall be payable upon declaration of acceleration of the maturity in accordance with section 502 of the indenture or the method by which such portion is to be determined;

if other than U.S. dollars, the currency or currencies or currency unit or units of two or more currencies in which debt securities are denominated, for which they may be purchased, and in which principal and any premium and interest is payable;

if the currency or currencies or currency unit or units for which debt securities may be purchased or in which principal and any premium and interest may be paid is at our election or at the election of a purchaser, the manner in which an election may be made and its terms;

any index or other method used to determine the amount of payments of principal of, and any premium and interest on, the debt securities;

if either or both of the sections of the indenture relating to defeasance and covenant defeasance are applicable to the debt securities, or if any covenants in addition to or other than those specified in the indenture shall be subject to covenant defeasance;

any deletions from, or modifications or additions to, the provisions of the indenture relating to satisfaction and discharge in respect of the debt securities;

if there is more than one trustee, the identity of the trustee and, if not the trustee, the identity of each security registrar, paying agent and/or authenticating agent with respect to the debt securities;

whether the debt securities shall be issued as original issue discount securities;

whether a credit facility or other form of credit support will apply to the debt securities;

any deletions from, modifications of or additions to the events of default or covenants with respect to the debt securities whether or not such events of default or covenants are consistent with the events of default or covenants in the indenture, and whether Section 1009 of the indenture will be applicable;

**Table of Contents**

any other specific terms of the debt securities, which terms will not be inconsistent with the provisions of the indenture.

We are not obligated to issue all debt securities of any one series at the same time. The debt securities of any one series may not bear interest at the same rate or mature on the same date.

Under the indenture, the terms of the debt securities of any series may differ and we, without the consent of the holders of the debt securities of any series, may reopen a previous series of debt securities and issue additional debt securities of such series or establish additional terms of such series.

If any of the debt securities are sold for foreign currencies or foreign currency units or if the principal of, or any premium or interest on, any series of debt securities is payable in foreign currencies or foreign currency units, we will describe the restrictions, elections, tax consequences, specific terms and other information with respect to those debt securities and such foreign currencies or foreign currency units in the applicable prospectus supplement.

Other than as described below under **Covenants** with respect to any applicable series of debt securities and as may be described in the applicable prospectus supplement, the indenture does not limit our ability to incur indebtedness or afford holders of debt securities protection in the event of a decline in our credit quality or if we are involved in a takeover, recapitalization or highly leveraged or similar transaction. Accordingly, we could in the future enter into transactions that could increase the amount of indebtedness outstanding at that time or otherwise affect our capital structure or credit rating. You should refer to the prospectus supplement relating to a particular series of debt securities for information regarding the applicability of the covenant described below under **Covenants Limitation on Secured Debt** or any deletions from, modifications of or additions to the events of default described below or covenants contained in the indenture, including any addition of a covenant or other provisions providing event risk or similar protection.

**Ranking**

Because we are a holding company that conducts substantially all of its operations through subsidiaries, holders of debt securities and guarantees of DTE Energy will generally have a junior position to claims of creditors of those subsidiaries, including trade creditors, debtholders, secured creditors, taxing authorities, guarantee holders and preferred stockholders, if any. Our subsidiaries, principally Detroit Edison and MichCon, from time to time incur debt to finance their business activities. Substantially all of the physical properties of Detroit Edison and MichCon are subject to the liens of their respective mortgage indentures as security for the payment of outstanding mortgage bonds.

Our assets consist primarily of investment in subsidiaries. Our ability to service indebtedness, including any debt securities and guarantees, depends on the earnings of our subsidiaries and the distribution or other payment from subsidiaries of earnings to us in the form of dividends, loans or advances, and repayment of loans and advances from us. The subsidiaries are separate and distinct legal entities and have no obligation, contingent or otherwise, to pay any amounts due under the debt securities or to make payments to us in order for us to pay our obligations under the debt securities. In addition, Detroit Edison has the right to defer interest payments on its outstanding junior subordinated debentures.

**Table of Contents**

In the event it exercises this right, Detroit Edison may not declare or pay dividends on, or redeem, purchase or acquire, any of its capital stock during the deferral period. DTEE has outstanding debentures which have similar restrictions.

***Senior Debt Securities***

Unless otherwise indicated in the applicable prospectus supplement, our obligation to pay the principal of, and any premium and interest on, the senior debt securities will be unsecured and will rank equally with all of our other unsecured unsubordinated indebtedness.

***Subordinated Debt Securities***

Our obligation to pay the principal of, and any premium and interest on, any series of subordinated debt securities will be unsecured and will rank subordinate and junior in right of payment to all Senior Indebtedness (as defined below) to the extent provided in the supplemental indenture relating to the series and the terms of those subordinated debt securities, as described below and in any applicable prospectus supplement, which may make deletions from, or modifications or additions to, the subordination terms described below.

Upon any payment or distribution of assets or securities of DTE Energy to creditors upon any liquidation, dissolution, winding-up, reorganization, or any bankruptcy, insolvency, receivership or similar proceedings in connection with any insolvency or bankruptcy proceeding of DTE Energy, the holders of Senior Indebtedness will first be entitled to receive payment in full of the Senior Indebtedness before the holders of subordinated debt securities will be entitled to receive any payment or distribution in respect of the subordinated debt securities, and to that end the holders of Senior Indebtedness will be entitled to receive, for application to the payment thereof, any payment or distribution of any kind or character, whether in cash, property or securities, including any such payment or distribution which may be payable or deliverable by reason of the payment of any other Indebtedness of DTE Energy being subordinated to the payment of subordinated debt securities of such series, which may be payable or deliverable in respect of the subordinated debt securities of such series upon any such dissolution, winding-up, liquidation or reorganization or in any such bankruptcy, insolvency, receivership or other proceeding.

By reason of such subordination, in the event of liquidation or insolvency of DTE Energy, holders of Senior Indebtedness with respect to the subordinated debt securities of any series and holders of other obligations of DTE Energy that are not subordinated to such Senior Indebtedness may recover more, ratably, than the holders of the subordinated debt securities of such series.

Subject to the payment in full of all Senior Indebtedness with respect to the subordinated debt securities of any series, the rights of the holders of the subordinated debt securities of such series will be subrogated to the rights of the holders of Senior Indebtedness to receive payments or distributions of cash, property or securities of DTE Energy applicable to such Senior Indebtedness until the principal of, any premium and interest on, and any additional amounts with respect to, the subordinated debt securities of such series have been paid in full.



**Table of Contents**

No payments on account of principal or any premium or interest in respect of the subordinated debt securities may be made if there has occurred and is continuing a default in any payment with respect to Senior Indebtedness or an event of default with respect to any Senior Indebtedness resulting in the acceleration of its maturity, or if any judicial proceeding is pending with respect to any default.

Indebtedness means

indebtedness for borrowed money,

obligations for the deferred purchase price of property or services (other than trade payables not overdue by more than 60 days incurred in the ordinary course of business),

obligations evidenced by notes, bonds, debentures or other similar instruments,

obligations created or arising under any conditional sale or other title retention agreement with respect to acquired property,

obligations as lessee under leases that have been or should be, in accordance with accounting principles generally accepted in the United States, recorded as capital leases,

obligations, contingent or otherwise, in respect of acceptances, letters of credit or similar extensions of credit,

obligations in respect of interest rate swap, cap or collar agreements, interest rate future or option contracts, currency swap agreements, currency future or option contracts and other similar agreements,

guarantees of obligations of others, directly or indirectly, or Indebtedness in effect guaranteed directly or indirectly through an agreement (1) to pay or purchase such Indebtedness or to advance or supply funds for the payment or purchase of such Indebtedness, (2) to purchase, sell or lease property, or to purchase or sell services, primarily for the purpose of enabling the debtor to make payment of such Indebtedness or to assure the holder of such Indebtedness against loss, (3) to supply funds to or in any other manner invest in the debtor or (4) otherwise to assure a creditor against loss, and

all Indebtedness described above secured by any Lien (as defined below) on property.

Senior Indebtedness, for purposes of subordinated debt securities of each series, means all Indebtedness, whether outstanding on the date of issuance of subordinated debt securities of the applicable series or thereafter created, assumed or incurred, except Indebtedness ranking equally with the subordinated debt securities or Indebtedness ranking junior to the subordinated debt securities. Senior Indebtedness does not include obligations to trade creditors or indebtedness of DTE Energy to its subsidiaries. Senior Indebtedness with respect to the subordinated debt securities of any particular series will continue to be Senior Indebtedness with respect to the subordinated debt securities of such series and be entitled to the benefits of the subordination provisions irrespective of any amendment, modification or waiver of any term of such Senior Indebtedness.

Indebtedness ranking equally with the subordinated debt securities, for purposes of subordinated debt securities of the applicable series, means Indebtedness, whether

**Table of Contents**

outstanding on the date of issuance of the subordinated debt securities or thereafter created, assumed or incurred, to the extent the Indebtedness specifically by its terms ranks equally with and not prior to the subordinated debt securities in the right of payment upon the happening of the dissolution, winding-up, liquidation or reorganization of DTE Energy. The securing of any Indebtedness otherwise constituting Indebtedness ranking equally with the subordinated debt securities will not prevent the Indebtedness from constituting Indebtedness ranking equally with the subordinated debt securities.

Indebtedness ranking junior to the subordinated debt securities, for purposes of subordinated debt securities of the applicable series, means any Indebtedness, whether outstanding on the date of issuance of the subordinated debt securities of the applicable series or thereafter created, assumed or incurred, to the extent the Indebtedness by its terms ranks junior to and not equally with or prior to

the subordinated debt securities, and

any other Indebtedness ranking equally with the subordinated debt securities, in right of payment upon the happening of the dissolution, winding-up, liquidation or reorganization of DTE Energy. The securing of any Indebtedness otherwise constituting Indebtedness ranking junior to the subordinated debt securities will not prevent the Indebtedness from constituting Indebtedness ranking junior to the subordinated debt securities.

**Covenants**

The indenture contains covenants for the benefit of holders of debt securities of each series. The following covenant will apply to a series of debt securities only to the extent specified in the applicable prospectus supplement.

***Limitation on Secured Debt***

If this covenant is made applicable to the debt securities of any particular series, we have agreed that we will not create, issue, incur or assume any Secured Debt (as defined below) without the consent of the holders of a majority in principal amount of the outstanding debt securities of all series with respect to which this covenant is made, considered as one class; provided, however, that the foregoing covenant will not prohibit the creation, issuance, incurrence or assumption of any Secured Debt if we either:

secure all debt securities then outstanding with respect to which this covenant is made equally and ratably with the Secured Debt; or

deliver to the trustee bonds, notes or other evidences of indebtedness secured by the Lien (as defined below) which secures the Secured Debt in an aggregate principal amount equal to the aggregate principal amount of the debt securities then outstanding with respect to which this covenant is made and meeting certain other requirements in the indenture.

Debt means

indebtedness for borrowed money evidenced by a bond, debenture, note or other written instrument or agreement by which we are obligated to repay such borrowed money; and

**Table of Contents**

any guaranty by DTE Energy of any such indebtedness of another person.

Lien means any mortgage, pledge, security interest, encumbrance, lien or charge of any kind (including, without limitation, any conditional sale or other title retention agreement or lease in the nature thereof or any agreement to give any security interest).

Secured Debt means Debt created, issued, incurred or assumed by DTE Energy which is secured by a Lien upon any shares of stock of any Significant Subsidiary, as defined in Regulation S-X of the rules and regulations under the Securities Act, whether owned at the date of the initial authentication and delivery of the debt securities of any series or thereafter acquired.

**Consolidation, Merger and Sale of Assets**

We may, without the consent of the holders of the debt securities, consolidate or merge with or into, or convey, transfer or lease our properties and assets as an entirety or substantially as an entirety to, any person that is a corporation, partnership or trust, organized and validly existing under the laws of any domestic jurisdiction. We may also permit any of those persons to consolidate with or merge into us or convey, transfer or lease its properties and assets substantially as an entirety to us, as long as:

such person is a corporation, partnership or trust, organized and validly existing under the laws of the United States of America, any state thereof or the District of Columbia;

any successor person assumes by supplemental indenture, the due and punctual payment of the principal of, any premium and interest on and any additional amounts with respect to all the debt securities issued thereunder, and the performance of our obligations under the indenture and the debt securities issued thereunder, and provides for conversion or exchange rights in accordance with the provisions of the debt securities of any series that are convertible or exchangeable into common stock or other securities;

no event of default under the indenture has occurred and is continuing after giving effect to the transaction;

no event which, after notice or lapse of time or both, would become an event of default under the indenture has occurred and is continuing after giving effect to the transaction; and

certain other conditions are met.

**Events of Default**

Unless otherwise specified in the applicable prospectus supplement, an event of default with respect to any series of debt securities will be any of the following events:

(i) failure to pay interest on the debt securities of that series, or any additional amounts payable with respect to the debt securities, for 30 days after payment is due;

(ii) failure to pay principal or any premium on the debt securities of that series, or any additional amounts payable with respect to the debt securities, when due;

(iii) failure to pay any sinking fund installment or analogous payment when due;

**Table of Contents**

(iv) failure to perform other covenants in the indenture for 60 days after we are given written notice by the trustee or we and the trustee are given written notice by the registered owners of at least 25% in principal amount of the debt securities of that series;

(v) default occurs under any bond, note, debenture or other instrument evidencing any indebtedness for money borrowed by DTE Energy (including a default with respect to any other series of debt securities issued under the indenture), or under any mortgage, indenture or other instrument under which there may be issued or by which there may be secured or evidenced any indebtedness for money borrowed by DTE Energy (or the payment of which is guaranteed by DTE Energy), whether such indebtedness or guarantee exists on the date of the indenture or is issued or entered into following the date of the indenture, if:

either:

such default results from failure to pay any such indebtedness when due and such defaulted payment will not have been made, waived or extended within 30 days of such payment default; or

as a result of such default the maturity of such indebtedness has been accelerated prior to its expressed maturity and such indebtedness shall not have been discharged in full or such acceleration will not have been rescinded or annulled within 30 days of such acceleration; and

the principal amount of such indebtedness, together with the principal amount of any other such indebtedness in default for failure to pay any such indebtedness when due or the maturity of which has been so accelerated, aggregates at least \$40 million;

(vi) certain events of bankruptcy, insolvency, reorganization, receivership or liquidation relating to DTE Energy; or

(vii) any other event of default provided with respect to debt securities of that series.

If an event of default with respect to the debt securities of any series, other than an event of default described in the item above pertaining to certain events of bankruptcy, insolvency or reorganization, occurs and is continuing, either the trustee or the holders of at least 25% in aggregate principal amount of the outstanding debt securities of that series may declare the principal amount of the debt securities of that series to be due and payable immediately. At any time after a declaration of acceleration has been made, but before a judgment or decree for payment of money has been obtained by the trustee, and subject to applicable law and certain other provisions of the indenture, the holders of a majority in aggregate principal amount of the debt securities of that series may, under certain circumstances, rescind and annul the acceleration. If an event of default occurs pertaining to certain events of bankruptcy, insolvency or reorganization, the principal amount and accrued and unpaid interest and any additional amounts payable in respect of the debt securities of that series or a lesser amount as provided for in the debt securities of that series will be immediately due and payable without any declaration or other act by the trustee or any holder.

The indenture provides that within 90 days after the occurrence of any default under the indenture with respect to the debt securities of any series, the trustee must transmit, in

**Table of Contents**

the manner set forth in the indenture, notice of the default to the holders of the debt securities of such series unless the default has been cured or waived. But, in the case of a default in the payment of the principal of (or premium, if any) or interest or any additional amounts or in the payment of any sinking fund installment, on any debt security of such series, the trustee may withhold such notice if and so long as the board of directors, the executive committee or a trust committee of directors or responsible officers of the trustee has in good faith determined that the withholding of such notice is in the interest of the holders of debt securities of such series. And further, in the case of any event of default as described in paragraph (iv) above, no such notice to holders will be given until at least 30 days after the occurrence of the event of default.

If an event of default occurs and is continuing with respect to the debt securities of any series, the trustee may in its discretion proceed to protect and enforce its rights and the rights of the holders of debt securities of such series by all appropriate judicial proceedings.

The indenture further provides that, subject to the duty of the trustee during any default to act with the required standard of care, the trustee will be under no obligation to exercise any of its rights or powers under the indenture at the request or direction of any of the holders of debt securities, unless that requesting holder has offered to the trustee reasonable indemnity. Subject to such provisions for the indemnification of the trustee, and subject to applicable law and certain other provisions of the indenture, the holders of a majority in aggregate principal amount of the outstanding debt securities of a series will have the right to direct the time, method and place of conducting any proceeding for any remedy available to the trustee, or exercising any trust or power conferred on the trustee, with respect to the debt securities of such series.

Notwithstanding any other provision of the indenture, the holder of any debt security will have the right, which is absolute and unconditional, to receive payment of the principal of and premium, if any, and interest, if any, on such debt security on the respective due dates for the respective debt security (as the same may be extended in accordance with the terms of such debt security) and to institute a suit for enforcement of any such payment, and such right shall not be impaired without the consent of such holder.

**Interest Rates and Discounts**

The debt securities will earn interest at a fixed or floating rate or rates for the period or periods of time specified in the applicable prospectus supplement. Unless otherwise specified in the applicable prospectus supplement, the debt securities will bear interest on the basis of a 360-day year consisting of twelve 30-day months.

We may sell debt securities at a substantial discount below their stated principal amount, bearing no interest or interest at a rate that at the time of issuance is below market rates. U.S. Federal income tax consequences and special considerations that apply to any series will be described in the applicable prospectus supplement.

**Exchange, Registration and Transfer**

Registered securities of any series that are not global securities will be exchangeable for other registered securities of the same series and of like aggregate principal amount and tenor in different authorized denominations. In addition, if debt securities of any series are

**Table of Contents**

issuable as both registered securities and bearer securities, the holder may choose, upon written request, and subject to the terms of the indenture, to exchange bearer securities and the appropriate related coupons of that series into registered securities of the same series of any authorized denominations and of like aggregate principal amount and tenor. Bearer securities with attached coupons surrendered in exchange for registered securities between a regular record date or a special record date and the relevant date for interest payment shall be surrendered without the coupon relating to the interest payment date. Interest will not be payable with respect to the registered security issued in exchange for that bearer security. That interest will be payable only to the holder of the coupon when due in accordance with the terms of the indenture. Bearer securities will not be issued in exchange for registered securities.

Holders may present registered securities for registration of transfer, together with a duly executed form of transfer, at the office of the security registrar or at the office of any transfer agent designated by us for that purpose with respect to any series of debt securities and referred to in the applicable prospectus supplement. This may be done without service charge but upon payment of any taxes and other governmental charges as described in the indenture. The security registrar or the transfer agent will effect the transfer or exchange upon being satisfied with the documents of title and identity of the person making the request. We have appointed the trustee as security registrar for the indenture. If a prospectus supplement refers to any transfer agents initially designated by us with respect to any series of debt securities in addition to the security registrar, we may at any time rescind the designation of any of those transfer agents or approve a change in the location through which any of those transfer agents acts. However, if debt securities of a series are issuable solely as registered securities, we will be required to maintain a transfer agent in each place of payment for that series, and if debt securities of a series are issuable as bearer securities, we will be required to maintain a transfer agent in a place of payment for that series located in Europe in addition to the security registrar. We may at any time designate additional transfer agents with respect to any series of debt securities.

In the event of any redemption, we will not be required to:

issue, register the transfer of or exchange debt securities of any series during a period beginning at the opening of business 15 days before any selection of debt securities of that series to be redeemed and ending at the close of business on the redemption date;

register the transfer of or exchange any registered security, or portion thereof, called for redemption, except the unredeemed portion of any registered security being redeemed in part;

exchange any bearer security called for redemption, except to exchange such bearer security for a registered security of that series and like tenor that is simultaneously surrendered for redemption; or

issue, register the transfer of or exchange any debt security that has been surrendered for repayment at the option of the holder, except the portion, if any, of such debt security not to be so repaid.

**Payment and Paying Agents**

Unless we specify otherwise in the applicable prospectus supplement, payment of principal of, and any premium and interest on, bearer securities will be payable in

**Table of Contents**

accordance with any applicable laws and regulations, at the offices of those paying agents outside the United States that we may designate at various times. We will make interest payments on bearer securities and the attached coupons on any interest payment date only against surrender of the coupon relating to that interest payment date. No payment with respect to any bearer security will be made at any of our offices or agencies in the United States by check mailed to any U.S. address or by transfer to an account maintained with a bank located in the United States. If, however, but only if, payment in U.S. dollars of the full amount of principal of, and any premium and interest on, bearer securities denominated and payable in U.S. dollars at all offices or agencies outside the United States is illegal or effectively precluded by exchange controls or other similar restrictions, then those payments will be made at the office of our paying agent in the Borough of Manhattan, The City of New York.

Unless we specify otherwise in the applicable prospectus supplement, payment of principal of, and any premium and interest on, registered securities will be made at the office of the paying agent or paying agents that we designate at various times. However, at our option, we may make interest payments by check mailed to the address, as it appears in the security register, of the person entitled to the payments. Unless we specify otherwise in the applicable prospectus supplement, we will make payment of any installment of interest on registered securities to the person in whose name that registered security is registered at the close of business on the regular record date for such interest.

Unless we specify otherwise in the applicable prospectus supplement, the corporate trust office of the trustee in the Borough of Manhattan, The City of New York, will be designated:

as our sole paying agent for payments with respect to debt securities that are issuable solely as registered securities; and

as our paying agent in the Borough of Manhattan, The City of New York, for payments with respect to debt securities, subject to the limitation described above in the case of bearer securities, that are issuable solely as bearer securities or as both registered securities and bearer securities.

We will name any paying agents outside the United States and any other paying agents in the United States initially designated by us for the debt securities in the applicable prospectus supplement. We may at any time designate additional paying agents or rescind the designation of any paying agent or approve a change in the office through which any paying agent acts. However, if debt securities of a series are issuable solely as registered securities, we will be required to maintain a paying agent in each place of payment for that series. If debt securities of a series are issuable as bearer securities, we will be required to maintain:

a paying agent in the Borough of Manhattan, The City of New York, for payments with respect to any registered securities of the series and for payments with respect to bearer securities of the series in the circumstance described above, but not otherwise; and

a paying agent in a place of payment located outside the United States where debt securities of that series and any attached coupons may be presented and surrendered for payment.

**Table of Contents**

However, if the debt securities of that series are listed on The Stock Exchange of the United Kingdom and the Republic of Ireland, the Luxembourg Stock Exchange or any other stock exchange located outside the United States, and if the stock exchange requires it, we will maintain a paying agent in London or Luxembourg or any other required city located outside the United States for those debt securities.

All monies we pay to a paying agent for the payment of principal of, and any premium or interest on, any debt security or coupon that remains unclaimed at the end of two years after becoming due and payable will be repaid to us. After that time, the holder of the debt security or coupon will look only to us for payments out of those repaid amounts.

**Global Securities**

The debt securities of a series may be issued in whole or in part in the form of one or more global certificates that we will deposit with a depository identified in the applicable prospectus supplement. Global securities may be issued in either registered or bearer form and in either temporary or permanent form. Unless and until it is exchanged in whole or in part for the individual debt securities it represents, a global security may not be transferred except as a whole:

by the applicable depository to a nominee of the depository;

by any nominee to the depository itself or another nominee;

by the depository or any nominee to a successor depository or any nominee of the successor.

To the extent not described below and under the heading **Book-Entry Securities**, we will describe the terms of the depository arrangement with respect to a series of debt securities in the applicable prospectus supplement. We anticipate that the following provisions will generally apply to depository arrangements.

As long as the depository for a global security, or its nominee, is the registered owner of that global security, the depository or nominee will be considered the sole owner or holder of the debt securities represented by the global security for all purposes under the indenture. Except as provided under **Book-Entry Securities** or in any applicable prospectus supplement, owners of beneficial interests in a global security:

will not be entitled to have any of the underlying debt securities registered in their names;

will not receive or be entitled to receive physical delivery of any of the underlying debt securities in definitive form;

will not be considered the owners or holders under the indenture relating to those debt securities; and

will not be able to transfer or exchange the global debt securities, except in the limited circumstances as described in this prospectus or any supplement.

The laws of some states require that certain purchasers of securities take physical delivery of securities in definitive form. These laws may impair the owner's ability to transfer beneficial interests in a global security.



**Table of Contents**

Payments of principal of, and any premium and interest on, individual debt securities represented by a global security registered in the name of a depository or its nominee will be made to the depository or its nominee as the registered owner of the global security representing such debt securities. Neither we, the trustee, any paying agent nor the registrar for the debt securities will be responsible for any aspect of the records relating to or payments made by the depository or any participants on account of beneficial interests of the global security.

For a description of the depository arrangements for global securities held by The Depository Trust Company, see **Book-Entry Securities**.

**Discharge, Defeasance and Covenant Defeasance**

We may discharge certain obligations to holders of any series of debt securities that have not already been delivered to the trustee for cancellation and that:

- have become due and payable;
- will become due and payable within one year; or
- are scheduled for redemption within one year.

To discharge the obligations with respect to a series of debt securities, we must deposit with the trustee, in trust, an amount of funds in U.S. dollars or in the foreign currency in which those debt securities are payable. The deposited amount must be sufficient to pay the entire amount of principal of, and any premium or interest on, those debt securities to the date of the deposit if those debt securities have become due and payable or to the maturity of the debt securities, as the case may be; provided, however, we have paid all other sums payable under the indenture with respect to the debt securities, and certain other conditions are met.

Unless we specify otherwise in the applicable prospectus supplement, we may elect

to defease and be discharged from any and all obligations with respect to those debt securities, which we refer to as **defeasance** ;

with respect to any debt securities, to be released from certain covenant obligations as described in the related prospectus supplement, as may be provided for under Section 301 of the indenture, which we refer to as **covenant defeasance** .

In the case of defeasance we will still retain some obligations in respect of the debt securities, including our obligations:

- to pay additional amounts, if any, upon the occurrence of certain events of taxation, assessment or governmental charge with respect to payments on the debt securities;
- to register the transfer or exchange of the debt securities;
- to replace temporary or mutilated, destroyed, lost or stolen debt securities; and
- to maintain an office or agency with respect to the debt securities and to hold monies for payment in trust.

**Table of Contents**

After a covenant defeasance, any omission to comply with the obligations or covenants that have been defeased shall not constitute a default or an event of default with respect to the debt securities.

To elect either defeasance or covenant defeasance we must deposit with the trustee, in trust, an amount, in U.S. dollars or in the foreign currency in which the relevant debt securities are payable at stated maturity, or in government obligations, as defined below, or both, applicable to such debt securities. The deposit will provide through the scheduled payment of principal and interest in accordance with their terms, money in an amount sufficient to pay the principal of and any premium and interest on (and, to the extent that (x) the debt securities of such series provide for the payment of additional amounts and (y) we may reasonably determine the amount of any such additional amounts at the time of deposit (in the exercise of our sole discretion), any such additional amounts with respect to) such debt securities, and any mandatory sinking fund or analogous payments thereon, on their scheduled due dates.

In addition, we can only elect defeasance or covenant defeasance if, among other things:

the defeasance or covenant defeasance does not result in a breach or violation of, or constitute a default under, the indenture or any other material agreement or instrument to which we are a party or by which we are bound;

no event of default or event which with notice or lapse of time or both would become an event of default with respect to the debt securities to be defeased will have occurred and be continuing on the date of the deposit of funds with the trustee and, with respect to defeasance only, at any time during the period ending on the 123rd day after the date of the deposit of funds with the trustee; and

we have delivered to the trustee an opinion of counsel to the effect that the holders of the debt securities will not recognize income, gain or loss for U.S. federal income tax purposes as a result of the defeasance or covenant defeasance and will be subject to U.S. federal income tax on the same amounts, in the same manner and at the same times as would have been the case if the defeasance had not occurred, and the opinion of counsel, in the case of defeasance, must refer to and be based upon a letter ruling of the Internal Revenue Service received by us, a Revenue Ruling published by the Internal Revenue Service or a change in applicable U.S. federal income tax law occurring after the date of the indenture.

The indenture deems a foreign currency to be any currency, currency unit or composite currency including, without limitation, the euro, issued by the government of one or more countries other than the United States or by any recognized confederation or association of governments.

The indenture defines government obligations as securities which are not callable or redeemable at the option of the issuer or issuers and are:

direct obligations of the United States or the government or governments in the confederation which issued the foreign currency in which the debt securities of a particular series are payable, for the payment of which its full faith and credit is pledged; or

obligations of a person or entity controlled or supervised by and acting as an agency or instrumentality of the United States or the government or governments which

**Table of Contents**

issued the foreign currency in which the debt securities of a particular series are payable, the timely payment of which is unconditionally guaranteed as a full faith and credit obligation by the United States or that other government or governments.

Government obligations also include a depositary receipt issued by a bank or trust company as custodian with respect to any government obligation described above or a specific payment of interest on or principal of or any other amount with respect to any government obligation held by that custodian for the account of the holder of such depositary receipt, as long as, except as required by law, that custodian is not authorized to make any deduction from the amount payable to the holder of the depositary receipt from any amount received by the custodian with respect to the government obligation or the specific payment of interest on or principal of or any other amount with respect to the government obligation evidenced by the depositary receipt.

Unless otherwise specified in the applicable prospectus supplement, if, after we have deposited funds and/or government obligations to effect defeasance or covenant defeasance with respect to debt securities of any series, either:

the holder of a debt security of that series is entitled to, and does, elect to receive payment in a currency other than that in which such deposit has been made in respect of that debt security; or

a conversion event, as defined below, occurs in respect of the foreign currency in which the deposit has been made, the indebtedness represented by that debt security shall be deemed to have been, and will be, fully discharged and satisfied through the payment of the principal of, and any premium and interest on, that debt security as that debt security becomes due out of the proceeds yielded by converting the amount or other properties so deposited in respect of that debt security into the currency in which that debt security becomes payable as a result of the election or conversion event based on:

in the case of payments made pursuant to the first of the two items in the list above, the applicable market exchange rate for the currency in effect on the second business day prior to the date of the payment; or

with respect to a conversion event, the applicable market exchange rate for such foreign currency in effect, as nearly as feasible, at the time of the conversion event.

The indenture defines a conversion event as the cessation of use of:

a foreign currency both by the government of the country or the confederation which issued such foreign currency and for the settlement of transactions by a central bank or other public institutions of or within the international banking community; or

any currency unit or composite currency for the purposes for which it was established.

Unless otherwise provided in the applicable prospectus supplement, all payments of principal of, and any premium and interest on, any debt security that are payable in a foreign currency that ceases to be used by the government or confederation of issuance shall be made in U.S. dollars.

**Table of Contents**

If we effect a covenant defeasance with respect to any debt securities and the debt securities are declared due and payable because of the occurrence of any event of default other than an event of default with respect to which there has been covenant defeasance, the amount in the foreign currency in which the debt securities are payable, and government obligations on deposit with the trustee, will be sufficient to pay amounts due on the debt securities at the time of the stated maturity but may not be sufficient to pay amounts due on the debt securities at the time of the acceleration resulting from the event of default. However, we would remain liable for payment of the amounts due at the time of acceleration.

The applicable prospectus supplement may further describe the provisions, if any, permitting defeasance or covenant defeasance, including any modifications to the provisions described above, with respect to the debt securities of or within a particular series.

Under the indenture, we are required to furnish to the trustee annually a statement as to our performance of certain of our obligations under the indenture and as to any default in such performance. We are also required to deliver to the trustee, within five days after occurrence thereof, written notice of any event which after notice or lapse of time or both would constitute an event of default.

**Modification and Waiver**

We and the trustee may, without the consent of holders, modify provisions of the indenture for certain purposes, including, among other things, curing ambiguities and maintaining the qualification of the indenture under the Trust Indenture Act. We and the trustee may modify certain other provisions of the indenture with the consent of the holders of not less than a majority in aggregate principal amount of the debt securities of each series issued under the indenture affected by the modification. However, the provisions of the indenture may not be modified without the consent of the holder of each debt security affected thereby if the modification would:

change the stated maturity of the principal of, or any installment of principal of, or any premium or interest on, or any additional amounts with respect to, any debt security issued under the indenture;

reduce the principal amount of, or premium or interest on, or any additional amounts with respect to, any debt security issued under the indenture;

change the place of payment, coin or currency in which any debt security issued under that indenture or any premium or any interest on that debt security or any additional amounts with respect to that debt security is payable;

reduce the percentage and principal amount of the outstanding debt securities, the consent of whose holders is required under the indenture in order to take certain actions;

change any of our obligations to maintain an office or agency in the places and for the purposes required by the indenture; or

if the debt securities are convertible or exchangeable, modify the conversion or exchange provision in a manner adverse to holders of that debt security;

in the case of a subordinated debt security, modify any of the subordination provisions in a manner adverse to holders of that debt security;

**Table of Contents**

impair the right to institute suit for the enforcement of any payment on or after the stated maturity of any debt securities issued under that indenture or, in the case of redemption, exchange or conversion, if applicable, on or after the redemption, exchange or conversion date or, in the case of repayment at the option of any holder, if applicable, on or after the date for repayment;

modify any of the above provisions.

We and the trustee may, without the consent of holders, modify provisions of the indenture for certain purposes, including, among other things:

to evidence the succession of another person to DTE Energy and the assumption by any such successor of the covenants of DTE Energy in the indenture and in the debt securities; or

to add to the covenants of DTE Energy for the benefit of the holders of debt securities (and if such covenants are to be for the benefit of less than all series of debt securities, stating that such covenants are expressly being included solely for the benefit of such series) or to surrender any right or power herein conferred upon DTE Energy with respect to the debt securities; or

to add any additional events of default with respect to the debt securities (and, if such event of default is applicable to less than all series of debt securities, specifying the series to which such event of default is applicable); or

to add to or change any provisions of the indenture to provide that bearer debt securities may be registrable, to change or eliminate any restrictions on the payment of principal of (or premium, if any) or interest on or any additional amounts with respect to bearer debt securities, to permit bearer debt securities to be issued in exchange for registered debt securities, to permit bearer debt securities to be issued in exchange for bearer debt securities of other authorized denominations or facilitate the issuance of debt securities in uncertificated form provided that any such action shall not adversely affect the interests of the holders of the debt securities; or

to establish the form or terms of debt securities of any series; or

to evidence and provide for the acceptance of appointment of a successor trustee and to add to or change any of the provisions of the indenture to facilitate the administration of the trusts; or

to cure any ambiguity, to correct or supplement any provision herein which may be defective or inconsistent with any other provision therein, or to make or amend any other provisions with respect to matters or questions arising under the indenture which shall not adversely affect the interests of the holders of debt securities of any series in any material respect; or

to modify, eliminate or add to the provisions of the indenture to maintain the qualification of the indenture under the Trust Indenture Act as the same may be amended from time to time; or

to add to, delete from or revise the conditions, limitations and restrictions on the authorized amount, terms or purposes of issue, authentication and delivery of debt securities, as therein set forth; or

**Table of Contents**

to modify, eliminate or add to the provisions of any security to allow for such security to be held in certificated form; or

to secure the debt securities; or

to make provisions with respect to conversion or exchange rights of holders of securities of any series;

to amend or supplement any provision contained therein or in any supplemental indenture, provided that no such amendment or supplement shall adversely affect the interests of the holders of any debt securities then outstanding in any material respect; or

to modify, delete or add to any of the provisions of the indenture other than as contemplated above.

The holders of at least a majority in aggregate principal amount of debt securities of any series issued under the indenture may, on behalf of the holders of all debt securities of that series, waive our compliance with certain restrictive provisions of the indenture. The holders of not less than a majority in aggregate principal amount of debt securities of any series issued under the indenture may, on behalf of all holders of debt securities of that series, waive any past default and its consequences under the indenture with respect to the debt securities of that series, except:

payment default with respect to debt securities of that series; or

a default of a covenant or provision of the indenture that cannot be modified or amended without the consent of the holder of the debt securities of that series.

**Enforcement of Certain Rights by Holders of Trust Preferred Securities**

The following applies only in the event that debt securities are held by a DTE Energy Trust.

To the extent that any action under any debt securities held by a DTE Energy Trust is entitled to be taken by the holders of at least a specified percentage of those debt securities, and unless otherwise specified in the applicable prospectus supplement, holders of the trust preferred securities issued by that DTE Energy Trust may take action if the action is not taken by the property trustee of that DTE Energy Trust. Notwithstanding the foregoing, if an event of default under those debt securities has occurred and is continuing and is attributable either to:

the failure of DTE Energy to pay the principal of, or any premium or interest on, those debt securities on the due date; or

the failure by DTE Energy to deliver the required securities or other property upon an appropriate conversion or exchange election, if any, and an event of default has occurred and is continuing under the applicable trust agreement, a holder of the related trust preferred securities may institute a direct action.

A **direct action** is a legal proceeding directly against DTE Energy for enforcement of payment to the holder of trust preferred securities issued by a DTE Energy Trust of the principal of or any premium or interest on the debt securities held by that trust having a principal amount equal to the liquidation amount of those trust preferred securities held by

## **Table of Contents**

that holder or for enforcement of any conversion or exchange rights, as the case may be. DTE Energy may not amend an indenture to remove this right to bring a direct action without the prior written consent of the holders of all of the trust preferred securities outstanding that have an interest in the related debt securities. If the right to bring a direct action is removed, the DTE Energy Trusts may become subject to the reporting obligations under the Securities Exchange Act. Notwithstanding any payments made to a holder of trust preferred securities by DTE Energy in connection with a direct action, DTE Energy will remain obligated to pay the principal of, and any premium and interest on, the related debt securities, and DTE Energy will be subrogated to the rights of the holders of those trust preferred securities with respect to payments on the trust preferred securities to the extent of any payments made by DTE Energy to the holder in any direct action.

The holders of the trust preferred securities will not be able to exercise directly any remedies, other than those set forth in the preceding paragraph, available to the holders of the related debt securities unless an event of default has occurred and is continuing under the applicable trust agreement. See [Description of Trust Preferred Securities](#) [Events of Default](#); [Notice](#) below.

## **Governing Law**

The indenture and the debt securities will be governed by, and construed in accordance with, the laws of the State of New York.

## **Regarding the Trustee**

The trustee under the indenture will be The Bank of New York. In addition to acting as trustee, The Bank of New York, as described in this prospectus, also acts as property trustee under the trust agreement and the guarantee trustee under the guarantee; The Bank of New York (Delaware) acts as the Delaware trustee under the trust agreement. The Bank of New York also acts as trustee with respect to the securitization bonds issued by The Detroit Edison Securitization Funding LLC and may act as trustee under various other indentures, trusts and guarantees of DTE Energy and its affiliates and perform other banking, trust and investment banking services for DTE Energy and its affiliates in the ordinary course of business.

The Trust Indenture Act contains limitations on the rights of the trustee, should it become a creditor of DTE Energy, to obtain payment of claims in certain cases or to realize on certain property received by it in respect of any such claims, as security or otherwise. The trustee is permitted to engage in other transactions with DTE Energy and its subsidiaries from time to time, provided that if the trustee acquires any conflicting interest it must eliminate such conflict upon the occurrence of an event of default under the indenture, or else resign.

## **Description of Common Stock Purchase Contracts and Units**

We may issue stock purchase contracts, representing contracts entitling or obligating holders to purchase from DTE Energy, and DTE Energy to sell to the holders, a specified number of shares of common stock at a future date or dates. The price per share of common stock may be fixed at the time the contracts are issued or may be determined by reference to a specific formula set forth in the contracts. The common stock purchase contracts may be issued separately or as a part of units, which are referred to in this

**Table of Contents**

prospectus as common stock purchase units, consisting of a common stock purchase contract and, as security for the holder's obligations to purchase the common stock under the contracts, the following:

senior debt securities or subordinated debt securities of DTE Energy;

debt obligations of third parties, including U.S. Treasury securities;

trust preferred securities of a DTE Energy Trust;

any other security described in the applicable prospectus supplement; or

any combination of the foregoing.

The common stock purchase contracts may require us to make periodic payments to the holders of the common stock purchase units or vice versa, and such payments may be unsecured or prefunded on some basis. The common stock purchase contracts may require holders to secure their obligations thereunder in a specified manner, and in certain circumstances we may deliver newly issued prepaid common stock purchase contracts, which are referred to as prepaid securities, upon release to a holder of any collateral securing such holder's obligations under the original contract.

The applicable prospectus supplement will describe the terms of any common stock purchase contracts or units and, if applicable, prepaid securities. The description in the prospectus supplement will not purport to be complete and will be qualified in its entirety by reference to the contracts, the collateral arrangements and depositary arrangements, if applicable, relating to such contracts or units and, if applicable, the prepaid securities and the document pursuant to which such prepaid securities will be issued.

**Description of Trust Preferred Securities**

Each DTE Energy Trust will issue under its trust agreement only one series of trust preferred securities, which will represent beneficial interests in that DTE Energy Trust. Each DTE Energy Trust will qualify its trust agreement under the Trust Indenture Act. Each trust agreement is subject to, and governed by, the Trust Indenture Act. This summary of certain terms and provisions of the trust preferred securities and the trust agreement does not purport to be complete and is subject to, and is qualified in its entirety by reference to, all of the provisions of the trust preferred securities and the trust agreement, including the definitions of certain terms, and those made a part of the trust agreement by the Trust Indenture Act. A form of trust agreement, including a form of trust securities, is filed as an exhibit to the registration statement that includes this prospectus.

**General**

The trust preferred securities of each DTE Energy Trust will rank equally, and payments will be made on the trust preferred securities proportionately, with the trust common securities of each DTE Energy Trust except as described under Subordination of Trust Common Securities. Each DTE Energy Trust will use the proceeds from the sale of trust preferred securities and trust common securities to purchase an aggregate principal amount of debt securities of DTE Energy equal to the aggregate liquidation amount of those trust preferred securities and trust common securities. The property



**Table of Contents**

trustee of each DTE Energy Trust will hold legal title to the debt securities for the benefit of the holders of the related trust securities. In addition, DTE Energy will execute a guarantee for the benefit of the holders of the related trust preferred securities. The guarantees will not guarantee payment of distributions or amounts payable or securities or other property deliverable, if any, on redemption, repayment, conversion or exchange of the trust preferred securities or liquidation of a DTE Energy Trust when the trust does not have funds or other property legally available for payment or delivery. See Description of Trust Preferred Securities Guarantees.

The revenue of a DTE Energy Trust available for distribution to holders of its trust preferred securities will be limited to payments under the related debt securities and any other assets held by that DTE Energy Trust. If DTE Energy fails to make a required payment in respect of those debt securities or any other assets, that DTE Energy Trust will not have sufficient funds to make the related payments, including distributions, in respect of its trust preferred securities.

Each DTE Energy Trust will describe the specific terms of the trust preferred securities it is offering in the applicable prospectus supplement, including:

the designation, number, purchase price and liquidation amount, if any, of the trust preferred securities;

the distribution rate, or method of calculation of the distribution rate, for the trust preferred securities and, if applicable, any deferral provisions;

whether the distributions on the trust preferred securities will be cumulative and, if so, the dates from which and upon which distributions will accumulate and be payable and the record dates;

if other than U.S. dollars, the currency in which cash payments are payable;

the liquidation amount per trust preferred security which will be paid out of the assets of that DTE Energy Trust to the holders upon voluntary or involuntary dissolution and liquidation of that trust;

the obligation or right, if any, of that DTE Energy Trust to purchase or redeem its trust preferred securities, whether pursuant to a sinking fund or otherwise, and the price or prices at which, the date or dates on which or period or periods within which and the terms and conditions upon which, it will or may purchase or redeem, in whole or in part, the trust preferred securities pursuant to its obligation or right to purchase or redeem;

the terms and conditions, if any, upon which the trust preferred securities may be converted or exchanged, in addition to the circumstances described herein, into other securities or property, or a combination of the foregoing;

the obligation or right, if any, of DTE Energy, that DTE Energy Trust or any other party to liquidate that DTE Energy Trust and any terms and conditions of such liquidation;

the voting rights, if any, of the holders;

if applicable, any securities exchange upon which the trust preferred securities will be listed;

**Table of Contents**

if applicable, a description of any remarketing, auction or other similar arrangements;

whether the trust preferred securities are issuable in book-entry only form and, if so, the identity of the depository and disclosure relating to the depository arrangements; and

any other rights, preferences, privileges, limitations or restrictions of the trust preferred securities consistent with the trust agreement or with applicable law, which may differ from those described herein.

Each DTE Energy Trust will also describe certain material United States federal income tax considerations applicable to any offering of trust preferred securities in the applicable prospectus supplement.

If indicated in the applicable prospectus supplement, the terms of a DTE Energy Trust may differ from the terms summarized below.

**Subordination of Trust Common Securities**

Each DTE Energy Trust will pay distributions on, and the applicable redemption price of, and any other amounts payable or property deliverable under, the trust securities it issues equally among its trust preferred securities and its trust common securities based on their respective liquidation amounts. But, if on any distribution date, redemption date, repayment date or conversion or exchange date, or upon liquidation or an event of default under the debt securities held by that DTE Energy Trust or any other event of default under the trust agreement has occurred and is continuing, that DTE Energy Trust will not pay any distribution on, or applicable redemption or repayment price of, or convert or exchange any of its trust common securities. Further, it will not make any other payment on account of the redemption, repayment, conversion, exchange, liquidation or other acquisition of the trust common securities, unless payment in full in cash of all accumulated distributions on all of the outstanding trust preferred securities of that DTE Energy Trust for all distribution periods terminating on or before the redemption, repayment, conversion, exchange, liquidation or other acquisition, and, in the case of payment of the applicable redemption or repayment price, the full amount of the redemption or repayment price, will have been made or provided for. And, in the case of conversion or exchange, no such payments will be made unless the trust preferred securities have been converted or exchanged in full and other amounts payable have been paid. The property trustee will apply all available funds first to the payment in full in cash of all distributions on, or the applicable redemption price of, the trust preferred securities issued by that DTE Energy Trust then due and payable.

Until any event of default under the trust agreement for a DTE Energy Trust has been cured, waived or otherwise eliminated, the property trustee will act solely on behalf of the holders of the trust preferred securities of that DTE Energy Trust and not on behalf of DTE Energy as the direct or indirect trust common securities owner, and only the holders of the trust preferred securities issued by that DTE Energy Trust will have the right to direct the property trustee to act on their behalf.

## **Table of Contents**

### **Events of Default; Notice**

The occurrence of an event of default under the debt securities held by a DTE Energy Trust will constitute an event of default under the trust agreement for that DTE Energy Trust. Within 90 days after the occurrence of an event of default actually known to the property trustee, the property trustee will transmit notice of that event of default to the holders of the trust preferred securities of that DTE Energy Trust, the administrative trustees and DTE Energy, as sponsor, unless the event of default shall have been cured or waived.

For a discussion of the limited circumstances in which holders of trust preferred securities may bring a direct action against DTE Energy under the debt securities, see [Description Of Debt Securities Enforcement of Certain Rights by Holders of Trust Preferred Securities](#). The applicable prospectus supplement may describe additional events of default under the trust agreement.

### **Removal of Trustees**

Unless an event of default under the debt securities held by a DTE Energy Trust has occurred and is continuing, DTE Energy, as the direct or indirect owner of trust common securities of that DTE Energy Trust, may remove the property trustee, the Delaware trustee and the administrative trustees at any time. If an event of default under the debt securities held by a DTE Energy Trust has occurred and is continuing, only the holders of a majority in liquidation amount of the outstanding trust preferred securities of that DTE Energy Trust may remove and replace the property trustee and the Delaware trustee for that DTE Energy Trust. In no event will the holders of the trust preferred securities have the right to vote to appoint, remove or replace the administrative trustees, which voting rights are vested exclusively in DTE Energy as the direct or indirect trust common securities owner. No resignation or removal of a property or Delaware trustee, and no appointment of a successor to that trustee, will be effective until the acceptance of appointment by the successor trustee in accordance with the provisions of the applicable trust agreement.

### **Merger or Consolidation of Property or Delaware Trustees**

Any person into which the property trustee or the Delaware trustee may be merged or converted or with which it may be consolidated, or any person resulting from any merger, conversion or consolidation to which the property trustee or the Delaware trustee will be a party, or any person succeeding to all or substantially all the corporate trust business of the property trustee or the Delaware trustee, will be the successor of the property trustee or the Delaware trustee under the trust agreement, provided that the person will be otherwise qualified and eligible.

### **Mergers, Conversions, Consolidations, Amalgamations or Replacements of a DTE Energy Trust**

A DTE Energy Trust may not merge with or into, convert into, consolidate, amalgamate, or be replaced by, or convey, transfer or lease its properties and assets as an entirety or substantially as an entirety, to any other person, except as described below or as otherwise described in the applicable prospectus supplement. A DTE Energy Trust may, at the request of DTE Energy, as sponsor, with the consent of the administrative trustees but

**Table of Contents**

without the consent of the holders of its trust preferred securities, the Delaware trustee or the property trustee, merge with or into, convert into, consolidate, amalgamate, or be replaced by a trust organized as such under the laws of any state of the United States; provided, that:

the successor entity expressly assumes all of the obligations of that DTE Energy Trust under any agreement to which the trust is a party and either:

expressly assumes all of the obligations of that DTE Energy Trust with respect to the trust securities of that DTE Energy Trust, or

substitutes for the trust securities of that DTE Energy Trust other securities having substantially the same terms as those trust securities, so long as the successor trust securities rank the same as the trust securities rank with respect to distributions and payments upon liquidation, redemption and otherwise;

DTE Energy expressly appoints a trustee of the successor entity possessing substantially the same powers and duties as the property trustee with respect to the debt securities held by that DTE Energy Trust;

the successor securities are listed, or any successor securities will be listed upon notification of issuance, if applicable, on each national securities exchange or other organization on which the trust securities of that DTE Energy Trust are then listed, if any;

the merger, conversion, consolidation, amalgamation or replacement does not cause the trust securities, including any successor securities, of that DTE Energy Trust to be downgraded or placed under surveillance or review by any nationally recognized statistical rating organization;

the merger, conversion, consolidation, amalgamation or replacement does not adversely affect the rights, preferences and privileges of the holders of the trust securities, including any successor securities, of that DTE Energy Trust in any material respect;

the successor entity has a purpose substantially identical to that of that DTE Energy Trust;

prior to the merger, conversion, consolidation, amalgamation or replacement, DTE Energy has received an opinion from nationally recognized independent counsel to that DTE Energy Trust experienced in these matters to the effect that:

the merger, conversion, consolidation, amalgamation or replacement does not adversely affect the rights, preferences and privileges of the holders of the trust securities, including any successor securities, of that DTE Energy Trust in any material respect,

following the merger, conversion, consolidation, amalgamation or replacement, neither that DTE Energy Trust nor the successor entity, if any, will be required to register as an investment company under the Investment Company Act of 1940, as amended, and

following the merger, conversion, consolidation, amalgamation or replacement, that DTE Energy Trust or the successor entity, as the case may be, will continue to be classified as a grantor trust for United States federal income tax purposes;

**Table of Contents**

DTE Energy or any permitted successor or assignee directly or indirectly owns all of the common securities of the successor entity and guarantees the obligations of the successor entity under the successor securities at least to the extent provided by the applicable guarantee; and

the property trustee has received an officer's certificate of DTE Energy and an opinion of counsel, each to the effect that all conditions precedent to the transaction as set forth in the trust agreement have been satisfied.

Despite the foregoing, a DTE Energy Trust may, with the consent of holders of 100% in liquidation amount of the trust securities, consolidate, amalgamate, merge with or into, or be replaced by any other entity or permit any other entity to consolidate, amalgamate, merge with or into, or replace it, if the consolidation, amalgamation, merger or replacement would cause the DTE Energy Trust or the successor entity to be classified as other than a grantor trust for United States federal income tax purposes.

**Voting Rights; Amendment of Trust Agreement**

Except as provided under Mergers, Conversions, Consolidations, Amalgamations or Replacements of a DTE Energy Trust and Description of Trust Preferred Securities Guarantees Amendments and Assignment and as otherwise required by law and the trust agreement or specified in the applicable prospectus supplement, the holders of trust preferred securities will have no voting rights.

DTE Energy, the property trustee, the Delaware trustee and the administrative trustees may amend from time to time the trust agreement for a DTE Energy Trust, without the consent of the holders of the trust securities of that DTE Energy Trust,

to cure any ambiguity, or correct or supplement any provisions in the trust agreement that may be defective or inconsistent with any other provision,

to add to the covenants, restrictions or obligations of the sponsor,

to conform to any change in the Investment Company Act or Trust Indenture Act or the rules promulgated thereunder, or any written change in interpretation of such acts or rules by any governmental authority, or

to cause that DTE Energy Trust to continue to be classified for United States federal income tax purposes as a grantor trust; *provided, however*, that in the case of the first bullet point above, the modification will not adversely affect in any material respect the interests of the holders of the trust securities issued by that DTE Energy Trust.

Without the consent of each holder of trust securities issued by a DTE Energy Trust, the trust agreement for that DTE Energy Trust may not be amended to:

change the distribution rate, or manner of calculation of the distribution rate, amount, timing or currency or otherwise adversely affect the method of any required payment;

change its purpose;

authorize the issuance of any additional beneficial interests;

**Table of Contents**

change the conversion, exchange or redemption provisions, if any;

change the conditions precedent for DTE Energy to elect to dissolve that DTE Energy Trust and distribute the debt securities held by that DTE Energy Trust to the holders of the trust securities, if applicable;

change the liquidation, distribution or other provisions relating to the distribution of amounts payable upon the dissolution and liquidation of that DTE Energy Trust;

affect the limited liability of any holder of its trust securities; or

restrict the right of a holder of its trust securities to institute suit for the enforcement of any required distribution on or, if applicable, after the due date therefor or for the conversion or exchange of the trust securities in accordance with their terms.

So long as the property trustee holds any debt securities for a DTE Energy Trust, the property trustee, the Delaware trustee and the administrative trustees for that DTE Energy Trust will not:

direct the time, method and place of conducting any proceeding for any remedy available to the debt securities trustee, or execute any trust or power conferred on the property trustee, with respect to those debt securities;

waive certain past defaults under the indenture;

exercise any right to rescind or annul a declaration of acceleration of the maturity of the principal of those debt securities; or

consent to any amendment, modification or termination of the indenture or those debt securities, where consent is required;

without, in each case, obtaining the prior approval of the holders of a majority in liquidation amount of all outstanding trust preferred securities of that DTE Energy Trust. But, where a consent under the indenture would require the consent of each holder of those debt securities affected thereby, the property trustee will not consent without the prior approval of each holder of the trust preferred securities issued by that DTE Energy Trust. The property trustee, the Delaware trustee and the administrative trustees may not revoke any action previously authorized or approved by a vote of the holders of trust preferred securities except by subsequent vote of the holders. The property trustee will notify each holder of trust preferred securities of any notice of default with respect to the applicable debt securities. In addition to obtaining approvals of holders of trust preferred securities referred to above, prior to taking any of the foregoing actions (other than directing the time, method and place of conducting any proceeding for any remedy available to the debt securities trustee), the property trustee will obtain an opinion of counsel experienced in these matters to the effect that the applicable DTE Energy Trust will not be classified as other than a grantor trust for United States federal income tax purposes on account of such action.

Any required approval of holders of trust preferred securities may be given at a meeting of the holders convened for this purpose or by written consent without prior notice. The property trustee will cause a notice of any meeting at which holders of trust preferred securities are entitled to vote to be given to each holder of record of trust preferred securities in the manner set forth in the trust agreement.

## **Table of Contents**

Notwithstanding that holders of trust preferred securities are entitled to vote or consent under any of the circumstances referred to above, any trust preferred securities that are owned by DTE Energy or any affiliate of DTE Energy will, for purposes of this vote or consent, be treated as if they were not outstanding.

### **Global Trust Preferred Securities**

Unless otherwise specified in the applicable prospectus supplement, trust preferred securities will be represented by one or more global certificates deposited with, or on behalf of, The Depository Trust Company, also referred to as DTC, or other depository identified in the prospectus supplement, or a nominee of DTC or other depository, in each case for credit to an account of a participant in DTC or other depository. The identity of the depository and the specific terms of the depository arrangements with respect to the trust preferred securities to be represented by one or more global certificates to the extent not discussed under **Book-Entry Securities** will be described in the applicable prospectus supplement. However, unless otherwise specified in the applicable prospectus supplement, DTC will be the depository and the depository arrangements described with respect to the debt securities will apply to those trust preferred securities as well, except all references to DTE Energy shall include DTE Energy Trust I and DTE Energy Trust II and all references to the indenture will refer to the applicable trust agreement. See **Description of Debt Securities**, **Global Securities** and **Book-Entry Securities**.

### **Payment and Paying Agent**

Payments in respect of any global certificate representing trust preferred securities will be made to Cede & Co. as nominee of DTC or other applicable depository or its nominee, which will credit the relevant accounts at DTC or other depository on the applicable payment dates, while payments in respect of trust preferred securities in certificated form will be made by check mailed to the address of the holder entitled thereto as the address will appear on the register. The paying agent will initially be the property trustee and any co-paying agent chosen by the property trustee and acceptable to the administrative trustees and DTE Energy. The paying agent will be permitted to resign as paying agent upon 30 days prior written notice to the property trustee, the administrative trustees and DTE Energy. In the event that the property trustee will no longer be the paying agent, the administrative trustees will appoint a successor, which will be a bank or trust company acceptable to the administrative trustees and DTE Energy, to act as paying agent.

### **Registrar and Transfer Agent**

The property trustee will act as registrar and transfer agent for the trust preferred securities.

Registration of transfers of trust preferred securities will be effected without charge by or on behalf of a DTE Energy Trust, upon payment of any tax or other governmental charges that may be imposed in connection with any transfer or exchange. A DTE Energy Trust will not be required to register or cause to be registered the transfer of its trust preferred securities after they have been converted, exchanged, redeemed, repaid or called for redemption or repayment.

**Table of Contents**

**Information Concerning the Property Trustee**

The property trustee, other than during the occurrence and continuance of an event of default under the trust agreement, will undertake to perform only the duties that are specifically set forth in the trust agreement and, during the continuance of that event of default, must exercise the same degree of care and skill as a prudent person would exercise or use in the conduct of his or her own affairs. Subject to the foregoing, the property trustee will not be under any obligation to exercise any of the powers vested in it by the trust agreement at the request of any holder of the related trust securities unless the holder offers the property trustee reasonable indemnity against the costs, expenses and liabilities that it might incur thereby.

**Miscellaneous**

The administrative trustees are authorized and directed to conduct the affairs of and to operate each DTE Energy Trust in such a way that:

that DTE Energy Trust will not be deemed to be an investment company required to be registered under the Investment Company Act;

that DTE Energy Trust will be classified as a grantor trust for United States federal income tax purposes; and

the debt securities held by that DTE Energy Trust will be treated as indebtedness of DTE Energy for United States federal income tax purposes.

DTE Energy and the administrative trustees are authorized to take any action, not inconsistent with applicable law, the certificate of trust of each DTE Energy Trust or each trust agreement, that the administrative trustees determine in their discretion to be necessary or desirable for those purposes, as long as that action does not materially adversely affect the interests of the holders of the related trust securities.

Holders of trust preferred securities will not have any preemptive or similar rights.

**Accounting Treatment**

Each DTE Energy Trust will be treated as a subsidiary of ours for financial reporting purposes. Accordingly, our consolidated financial statements will include the accounts of each trust. The trust preferred securities for each DTE Energy Trust, along with other trust preferred securities that we guarantee on an equivalent basis, will be presented as a separate line item in our consolidated balance sheets, and appropriate disclosures about the trust preferred securities, the applicable guarantee and the debt securities will be included in the notes to the consolidated financial statements. We will record distributions that each DTE Energy Trust pays on its trust preferred securities as an expense in our consolidated statement of income.

**Description of Trust Preferred Securities Guarantees**

DTE Energy will execute and deliver a guarantee concurrently with the issuance by a DTE Energy Trust of its trust preferred securities for the benefit of the holders from time to time of those trust preferred securities. That guarantee will be held for those holders by a guarantee trustee. DTE Energy will qualify each of the guarantees as an indenture under



**Table of Contents**

the Trust Indenture Act. The guarantees will be subject to, and governed by, the Trust Indenture Act. This summary of certain terms and provisions of a guarantee does not purport to be complete and is subject to, and qualified in its entirety by reference to, all of the provisions of each guarantee, including the definitions of terms, and those made a part of each guarantee by the Trust Indenture Act. A form of guarantee is filed as an exhibit to the registration statement that includes this prospectus. If indicated in the applicable prospectus supplement, the terms of a particular guarantee may differ from the terms discussed below.

**General**

Pursuant to and to the extent set forth in the guarantee, DTE Energy will irrevocably and unconditionally agree to pay in full the guarantee payments to the holders of the related trust preferred securities, as and when due, regardless of any defense, right of set-off or counterclaim that a DTE Energy Trust may have or assert. The following payments constitute guarantee payments with respect to trust preferred securities and, to the extent not paid by or on behalf of a DTE Energy Trust, will be subject to the applicable guarantee:

any accumulated and unpaid distributions that are required to be paid on the applicable trust preferred securities, to the extent that a DTE Energy Trust has funds legally available therefor at such time;

the applicable redemption or repayment price and all accumulated and unpaid distributions to the date of redemption or repayment with respect to the trust preferred securities called for redemption or repayment, to the extent that a DTE Energy Trust has funds legally available therefor at such time; or

upon a voluntary or involuntary dissolution and liquidation of the applicable DTE Energy Trust, other than in connection with the distribution of the debt securities to holders of its trust preferred securities or the redemption, repayment, conversion or exchange of its trust preferred securities, if applicable, the lesser of:

the aggregate of the liquidation amount and all accrued and unpaid distributions on the trust preferred securities to the date of payment, to the extent the DTE Energy Trust has funds available therefor, and

the amount of assets of that DTE Energy Trust remaining available for distribution to holders of its trust preferred securities in liquidation of that DTE Energy Trust.

DTE Energy's obligation to make a guarantee payment may be satisfied by direct payment of the required amounts by DTE Energy to the holders of the applicable trust preferred securities entitled to those payments or by causing the applicable DTE Energy Trust to pay those amounts to the holders.

If the trust preferred securities are exchangeable or convertible into other securities, DTE Energy will also irrevocably agree to cause the applicable DTE Energy Trust to deliver to holders of those trust preferred securities those other securities in accordance with the applicable exchange or conversion provisions.

DTE Energy will, through the guarantee, the applicable trust agreement, the related debt securities and the applicable indenture, taken together, fully, irrevocably and

## **Table of Contents**

unconditionally guarantee all of each DTE Energy Trust's obligations under its trust preferred securities. No single document standing alone or operating in conjunction with fewer than all of the other documents constitutes a guarantee. It is only the combined operation of these documents that has the effect of providing a full, irrevocable and unconditional guarantee of each DTE Energy Trust's obligations under its trust preferred securities.

### **Ranking**

Unless otherwise specified in the applicable prospectus supplement, each guarantee will constitute an unsecured obligation of DTE Energy and will rank equal to the debt securities held by the DTE Energy Trust that issued the preferred trust securities covered by the guarantee. Each trust agreement provides that each holder of trust preferred securities, by acceptance of the applicable trust preferred securities, agrees to the terms of the related guarantee, including any subordination provisions.

The guarantees will not limit the amount of secured or unsecured debt, including indebtedness under the indenture, that may be incurred by DTE Energy or any of its subsidiaries.

### **Guarantee of Payment**

Each guarantee will constitute a guarantee of payment and not of collection. This means that the guaranteed party may institute a legal proceeding directly against DTE Energy to enforce its rights under a guarantee without first instituting a legal proceeding against any other person or entity. A guarantee will not be discharged except by payment of the related guarantee payments in full to the extent not paid by the applicable DTE Energy Trust or upon distribution of the debt securities or other assets held by the DTE Energy Trust to the holders of the trust preferred securities.

### **Amendments and Assignment**

Except with respect to any changes that do not materially adversely affect the rights of holders of the related trust preferred securities, in which case no approval will be required, a guarantee may not be amended without the prior approval of the holders of a majority of the liquidation amount of the outstanding trust preferred securities covered by that guarantee. The manner of obtaining any approval will be as set forth under "Description Of Trust Preferred Securities - Voting Rights; Amendment of a Trust Agreement." All guarantees and agreements contained in a guarantee will bind the successors, assigns, receivers, trustees and representatives of DTE Energy and will inure to the benefit of the holders of the related trust preferred securities then outstanding.

### **Events of Default**

An event of default under a guarantee will occur upon the failure of DTE Energy to perform any of its payment or other obligations under that guarantee, provided that, except with respect to a default in respect of any guarantee payment or delivery of any securities upon conversion or exchange of the trust securities, DTE Energy has not cured the default 90 days from the date the guarantee trustee obtains knowledge of the event of default. The holders of a majority in liquidation amount of the trust preferred securities covered by a guarantee will have the right to direct the time, method and place of conducting any

## **Table of Contents**

proceeding for any remedy available to the guarantee trustee in respect of that guarantee or to direct the exercise of any trust or power conferred upon the guarantee trustee under that guarantee.

If the guarantee trustee fails to enforce a guarantee, any holder of the related trust preferred securities may institute a legal proceeding directly against DTE Energy to enforce its rights under that guarantee without first instituting a legal proceeding against the applicable DTE Energy Trust, the guarantee trustee or any other person or entity.

## **Termination**

A guarantee will terminate and be of no further force and effect upon full payment of the applicable redemption or repayment price of the related trust preferred securities, upon full payment of all amounts or delivery of all securities or other property due upon the dissolution and liquidation of the applicable DTE Energy Trust or upon the conversion or exchange of all of the related trust preferred securities. A guarantee will continue to be effective or will be reinstated, as the case may be, if at any time any holder of the related trust preferred securities must restore payment of any sums paid or other property distributed under those trust preferred securities or the related guarantee.

## **Information Concerning the Guarantee Trustee**

The Bank of New York will be the guarantee trustee under the guarantee.

The guarantee trustee, other than during the occurrence and continuance of a default by DTE Energy in performance of a guarantee, will undertake to perform only the duties that are specifically set forth in that guarantee and, during the continuance of that default, must exercise the same degree of care and skill as a prudent person would exercise or use in the conduct of his or her own affairs. Subject to the foregoing, the guarantee trustee will not be under any obligation to exercise any of the powers vested in it by a guarantee at the request of any holder of the related trust preferred securities unless it is offered reasonable indemnity against the costs, expenses and liabilities that it might incur.

## **Rights Upon Dissolution**

Unless the debt securities held by a DTE Energy Trust are distributed to holders of the related trust preferred securities, upon any voluntary or involuntary dissolution and liquidation of that DTE Energy Trust, after satisfaction of the liabilities of its creditors as required by applicable law, the holders of those trust preferred securities will be entitled to receive, out of assets held by that DTE Energy Trust, the liquidation distribution in cash. Upon any voluntary or involuntary liquidation or bankruptcy of DTE Energy, the property trustee, as holder of the debt securities, would be a creditor of DTE Energy.

## **Book-Entry Securities**

Unless otherwise specified in the applicable prospectus supplement, we will issue to investors securities, other than our common stock, in the form of one or more book-entry certificates registered in the name of a depository or a nominee of a depository. Unless otherwise specified in the applicable prospectus supplement, the depository will be DTC. We have been informed by DTC that its nominee will be Cede & Co. Accordingly, Cede

**Table of Contents**

is expected to be the initial registered holder of all securities that are issued in book-entry form.

No person that acquires a beneficial interest in securities issued in book-entry form will be entitled to receive a certificate representing those debt securities, except as set forth in this prospectus or in the applicable prospectus supplement. Unless and until definitive securities are issued under the limited circumstances described below, all references to actions by holders or beneficial owners of securities issued in book-entry form will refer to actions taken by DTC upon instructions from its participants, and all references to payments and notices to holders or beneficial owners will refer to payments and notices to DTC or Cede, as the registered holder of such securities.

DTC has informed us that it is:

- a limited-purpose trust company organized under New York banking laws;
- a banking organization within the meaning of the New York banking laws;
- a member of the Federal Reserve System;
- a clearing corporation within the meaning of the New York Uniform Commercial Code; and
- a clearing agency registered under the Securities Exchange Act.

DTC has also informed us that it was created to:

hold securities for participants ; and

facilitate the computerized settlement of securities transactions among participants through computerized electronic book-entry changes in participants accounts, thereby eliminating the need for the physical movement of securities certificates.

Participants have accounts with DTC and include securities brokers and dealers, banks, trust companies and clearing corporations. Indirect access to the DTC system also is available to indirect participants such as banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with a participant, either directly or indirectly.

Persons that are not participants or indirect participants but desire to buy, sell or otherwise transfer ownership of or interests in securities may do so only through participants and indirect participants. Under the book-entry system, beneficial owners may experience some delay in receiving payments, as payments will be forwarded by our agent to Cede, as nominee for DTC. DTC will forward these payments to its participants, which thereafter will forward them to indirect participants or beneficial owners. Beneficial owners will not be recognized by the applicable registrar, transfer agent or trustee as registered holders of the securities entitled to the benefits of the certificate or the indenture. Beneficial owners that are not participants will be permitted to exercise their rights as an owner only indirectly through participants and, if applicable, indirect participants.

Under the current rules and regulations affecting DTC, DTC will be required to make book-entry transfers of securities among participants and to receive and transmit payments to participants. Participants and indirect participants with which beneficial owners of securities have accounts are also required by these rules to make book-entry transfers and receive and transmit such payments on behalf of their respective account holders.

**Table of Contents**

Because DTC can act only on behalf of participants, who in turn act only on behalf of other participants or indirect participants, and on behalf of certain banks, trust companies and other persons approved by it, the ability of a beneficial owner of securities issued in book-entry form to pledge those securities to persons or entities that do not participate in the DTC system may be limited due to the unavailability of physical certificates for the securities.

DTC has advised us that it will take any action permitted to be taken by a registered holder of any securities under the certificate, the indenture or any deposit agreement only at the direction of one or more participants to whose accounts with DTC the securities are credited.

According to DTC, the information with respect to DTC has been provided to its participants and other members of the financial community for informational purposes only and is not intended to serve as a representation, warranty, or contract modification of any kind.

Unless otherwise specified in the applicable prospectus supplement, a book-entry security will be exchangeable for definitive securities registered in the names of the persons other than DTC or its nominee only if:

DTC notifies us that it is unwilling or unable to continue as depository for the book-entry security or DTC ceases to be a clearing agency registered under the Securities Exchange Act at a time when DTC is required to be so registered; or

we execute and deliver to the trustee an order complying with the requirements of the indenture that the book-entry security will be so exchangeable; or

an event of default has occurred and is continuing.

Any book-entry security that is exchangeable in accordance with the preceding sentence will be exchangeable for securities registered in such names as DTC directs.

If one of the events described in the immediately preceding paragraph occurs, DTC is generally required to notify all participants of the availability through DTC of definitive securities. Upon surrender by DTC of the book-entry security representing the securities and delivery of instructions for re-registration, the trustee will reissue the securities as definitive securities. After reissuance of the securities, such persons will recognize the beneficial owners of such definitive securities as registered holders of securities.

Except as described above:

a book-entry security may not be transferred except as a whole book-entry security by or among DTC, a nominee of DTC and/or a successor depository appointed by us; and

DTC may not sell, assign or otherwise transfer any beneficial interest in a book-entry security unless the beneficial interest is in an amount equal to an authorized denomination for the securities evidenced by the book-entry security.

None of DTE Energy, the DTE Trusts, the trustees or any registrar and transfer agent, or any agent of any of them, will have any responsibility or liability for any aspect of DTC's or any participant's records relating to, or for payments made on account of, beneficial interests in a book-entry security.

**Table of Contents**

**Plan of Distribution**

DTE Energy and the DTE Energy Trusts may sell the securities through agents, underwriters or dealers, or directly to one or more purchasers without using underwriters or agents.

DTE Energy and the DTE Energy Trusts may designate agents who agree to use their reasonable efforts to solicit purchases for the period of their appointment or to sell securities on a continuing basis.

If DTE Energy and/or a DTE Energy Trust use underwriters for a sale of securities, the underwriters will acquire the securities for their own account. The underwriters may resell the securities in one or more transactions, including negotiated transactions, at a fixed public offering price or at varying prices determined at the time of sale. The obligations of the underwriters to purchase the securities will be subject to the conditions set forth in the applicable underwriting agreement. The underwriters will be obligated to purchase all the securities offered if any of those securities are purchased. Any initial public offering price and any discounts or concessions allowed or re-allowed or paid to dealers will be described in the applicable prospectus supplement and may be changed from time to time.

Underwriters, dealers and agents that participate in the distribution of the securities may be underwriters as defined in the Securities Act and any discounts or commissions they receive from DTE Energy and/or a DTE Energy Trust and any profit on their resale of the securities may be treated as underwriting discounts and commissions under the Securities Act. The applicable prospectus supplement will identify any underwriters, dealers or agents and will describe their compensation. DTE Energy and the DTE Energy Trusts may have agreements with the underwriters, dealers and agents to indemnify them against certain civil liabilities, including liabilities under the Securities Act. Underwriters, dealers and agents may engage in transactions with or perform services for us or our subsidiaries in the ordinary course of their businesses.

**Trading Markets and Listing of Securities**

Unless otherwise specified in the applicable prospectus supplement, each class or series of securities will be a new issue with no established trading market, other than the common stock, which is listed on the New York Stock Exchange and the Chicago Stock Exchange. DTE Energy and the DTE Energy Trusts may elect to list any other class or series of securities on any exchange but are not obligated to do so. It is possible that one or more underwriters may make a market in a class or series of securities, but the underwriters will not be obligated to do so and may discontinue any market making at any time without notice. Neither DTE Energy nor the DTE Energy Trusts can give any assurance as to the liquidity of the trading market for any of the securities.

**Stabilization Activities**

Any underwriter may engage in over-allotment, stabilizing transactions, short-covering transactions and penalty bids in accordance with Regulation M under the Securities Exchange Act. Over-allotment involves sales in excess of the offering size, which create a short position. Stabilizing transactions permit bids to purchase the underlying security so long as the stabilizing bids do not exceed a specified maximum. Short-covering transactions involve purchases of the securities in the open market after the distribution is

**Table of Contents**

completed to cover short positions. Penalty bids permit the underwriters to reclaim a selling concession from a dealer when the securities originally sold by the dealer are purchased in a covering transaction to cover short positions. Those activities may cause the price of the securities to be higher than it would otherwise be. If commenced, the underwriters may discontinue any of the activities at any time.

**Legal Matters**

The validity of the securities issued by DTE Energy will be passed upon for DTE Energy by Thomas A. Hughes, Associate General Counsel. In addition, other customary legal matters relating to the offering of the securities, including matters relating to our due incorporation, legal existence and authorized capitalization, will be passed upon for DTE Energy by Thomas A. Hughes, Associate General Counsel. Mr. Hughes owns approximately 1,000 shares of DTE Energy common stock and holds options to purchase an additional 30,750 shares. The validity of the securities issued by the DTE Energy Trusts and certain matters of Delaware law will be passed upon for the DTE Energy Trusts by Richards, Layton & Finger, P.A., special Delaware counsel to the DTE Energy Trusts. Except as otherwise set forth in a prospectus supplement, the validity of the securities will be passed upon for any underwriters, dealers or agents by Sidley Austin Brown & Wood LLP, New York, New York. Sidley Austin Brown & Wood LLP will rely on the opinion of Mr. Hughes with respect to Michigan law.

**Experts**

The financial statements and the related financial statement schedule of DTE Energy Company incorporated in this prospectus by reference from the DTE Energy Company's Annual Report on Form 10-K have been audited by Deloitte & Touche LLP, independent auditors, as stated in their report, which is incorporated herein by reference, and have been so incorporated in reliance upon the report of such firm given upon their authority as experts in accounting and auditing.

With respect to the unaudited condensed consolidated interim financial information of DTE Energy included in DTE Energy's Quarterly Reports on Form 10-Q for the quarters ended March 31, 2001, June 30, 2001, and September 30, 2001 which are incorporated herein by reference, Deloitte & Touche LLP have applied limited procedures in accordance with professional standards for a review of such information. However, as stated in their reports included in DTE Energy's Quarterly Reports on Form 10-Q for the quarters ended March 31, 2001, June 30, 2001 and September 30, 2001 and incorporated by reference herein, they did not audit and they did not express an opinion on that interim financial information. Accordingly, the degree of reliance on their reports on such information should be restricted in light of the limited nature of the review procedures applied. Deloitte & Touche LLP are not subject to the liability provisions of Section 11 of the Securities Act of 1933 for their reports on the unaudited condensed consolidated interim financial information because those reports are not reports or a part of the registration statement prepared or certified by an accountant within the meaning of Sections 7 and 11 of the Securities Act of 1933.

The financial statements and the related financial statement schedule of MCN Energy Group Inc. incorporated in this prospectus by reference from the MCN Energy Group Inc.'s Annual Report on Form 10-K for the year ended December 31, 2000 have been

**Table of Contents**

audited by Deloitte & Touche LLP, independent auditors, as stated in their report, which is incorporated herein by reference, and have been so incorporated in reliance upon the report of such firm given upon their authority as experts in accounting and auditing.

With respect to the unaudited condensed consolidated interim financial information of MCN included in MCN's Quarterly Report on Form 10-Q for the quarter ended March 31, 2001 which is incorporated herein by reference, Deloitte & Touche LLP have applied limited procedures in accordance with professional standards for a review of such information. However, as stated in their report included in MCN's Quarterly Report on Form 10-Q for the quarter ended March 31, 2001 and incorporated by reference herein, they did not audit and they did not express an opinion on that interim financial information. Accordingly, the degree of reliance on their report on such information should be restricted in light of the limited nature of the review procedures applied. Deloitte & Touche LLP are not subject to the liability provisions of Section 11 of the Securities Act of 1933 for their report on the unaudited condensed consolidated interim financial information because that report is not a report or a part of the registration statement prepared or certified by an accountant within the meaning of Sections 7 and 11 of the Securities Act of 1933.



**Table of Contents**

**Unaudited Pro Forma Combined Condensed  
Consolidated Statements of Income**

The following unaudited pro forma information reflects the historical combined condensed consolidated statements of income of DTE Energy and MCN after accounting for the merger as a purchase business combination. Accordingly, the following information should be read together with the historical consolidated financial statements and the related notes thereto, of both DTE Energy and MCN, which are incorporated into this prospectus by reference. The unaudited pro forma combined condensed consolidated statements of income assume the merger became effective as of the beginning of the periods presented.

The following unaudited pro forma information does not include a combined condensed consolidated balance sheet since the merger is reflected in DTE Energy's consolidated financial statements on Form 10-Q for the quarter ended September 30, 2001, filed on November 14, 2001, which are incorporated into this prospectus by reference.

The information presented below is not necessarily indicative of the results of operations that might have occurred had the merger actually closed as of the beginning of the periods presented. The information is not necessarily indicative of the future results of operations of DTE Energy after the merger.

The unaudited pro forma combined condensed consolidated statements of income do not reflect the non-recurring costs and expenses associated with integrating the operations of the two companies, nor any of the anticipated recurring expense savings arising from the integration.

The allocation of the purchase price included in the pro forma statements is preliminary and may be revised up to one year from the date of acquisition due to adjustments in the estimated fair value of the assets acquired and liabilities assumed, and refinements of management's plans to divest of certain assets acquired. Accordingly, the final value of the purchase price and its allocation may differ from the amounts shown in the unaudited pro forma combined condensed consolidated statements of income that follow.

As of January 1, 2001, DTE Energy and MCN adopted Statement of Financial Accounting Standards (SFAS) No. 133, Accounting for Derivative Instruments and Hedging Activities, as amended and interpreted.

**Table of Contents****DTE Energy Company and MCN Energy Group Inc.**

**Unaudited Pro Forma Combined Condensed Consolidated  
Statement of Income Before Cumulative Effect of  
Accounting Change and Extraordinary Item  
Nine Months Ended September 30, 2001**

	(1) (4) DTE (As Reported)	(1) (4) MCN	(2) (3) (5) Pro Forma Adjustment	Pro Forma Combined
	(millions, except per share amounts)			
Operating Revenues	\$5,713	\$1,544	\$	\$7,257
Operating Expenses				
Fuel, purchased power and gas	2,940	1,241	(11)(e)	4,170
Operation and maintenance	1,308	176	4(c)	1,488
Depreciation, depletion and amortization	599	57	17(a)	673
Taxes other than income	232	31		263
Restructuring charge	266			266
(Gains) loss from sales of assets and tax credits		(128)	128(d)	
Total Operating Expenses	5,345	1,377	138	6,860
Operating Income	368	167	(138)	397
Interest Expense and Other				
Interest expense	330	49	41(b)	420
Preferred stock dividends of subsidiary	8	10		18
Other net	6	(2)	5(d)	9
Total Interest Expense and Other	344	57	46	447
Income (Loss) Before Income Taxes	24	110	(184)	(50)
Income Taxes (Benefit)	(87)	45	(57)(f)	(99)
Income (Loss) Before Cumulative Effect of Accounting Change and Extraordinary Item	\$ 111	\$ 65	\$(127)	\$ 49
Average Common Shares Outstanding				
Basic	150			166
Diluted	151			167
Earnings per Common Share Before Accounting Change and Extraordinary Item				
Basic	\$ 0.74			\$ 0.30
Diluted	\$ 0.74			\$ 0.29

See Notes to Unaudited Pro Forma Combined Condensed Consolidated Statements of Income on page F-4.

**Table of Contents**

**DTE Energy Company and MCN Energy Group Inc.**  
**Unaudited Pro Forma Combined Condensed Consolidated**  
**Statement of Income**  
**Year Ended December 31, 2000**

	(1) (4) DTE (As Reported)	(1) (4) MCN	(2) (3) (5) Pro Forma Adjustment	Pro Forma Combined
(millions, except per share amounts)				
Operating Revenues	\$5,597	\$2,791	\$	\$8,388
Operating Expenses				
Fuel, purchased power and gas	2,233	2,022	(27)(e)	4,228
Operation and maintenance	1,480	370	7(c)	1,857
Depreciation, depletion and amortization	758	138	41(a)	937
Taxes other than income	296	71		367
Property write-downs and restructuring charges		10		10
Gains from sales of assets and tax credits		(17)		(17)
Total Operating Expenses	4,767	2,594	21	7,382
Operating Income	830	197	(21)	1,006
Interest Expense and Other				
Interest expense	336	123	99(b)	558
Preferred stock dividends of subsidiary		28		28
Joint Venture Loss (Income)	26	(100)	80(d)	6
Other net	(9)	(18)		(27)
Total Interest Expense and Other	353	33	179	565
Income Before Income Taxes	477	164	(200)	441
Income Taxes (Benefit)	9	55	(53)(f)	11
Net Income	\$ 468	\$ 109	\$(147)	\$ 430
Average Common Shares Outstanding				
Basic	143	88		172
Diluted	143	89		172
Earnings per Common Share				
Basic	\$ 3.27	\$ 1.23		\$ 2.50
Diluted	\$ 3.27	\$ 1.22		\$ 2.50

See Notes to Unaudited Pro Forma Combined Condensed Consolidated Statements of Income on page F-4.

**Table of Contents**

**Notes to Unaudited Pro Forma Combined Condensed Consolidated Statements of Income**

1. Certain revenues and expenses of DTE Energy and MCN have been reclassified.
2. Routine sales and purchases between DTE Energy and MCN are not material and have not been eliminated in the Unaudited Pro Forma Combined Condensed Consolidated Statements of Income.
3. DTE Energy applies the provisions of Accounting Principles Board Opinion (APB) No. 25, Accounting for Stock Issued to Employees, for its incentive compensation plans. MCN applied the provisions of SFAS No. 123, Accounting for Stock-Based Compensation, for its incentive compensation plans. The impact of adjusting MCN's recorded compensation expense under SFAS No. 123 to the provisions of APB No. 25 is not material, and therefore, is not reflected in the pro forma adjustments.
4. MCN reflects results of operations of MCN for five months ended May 31, 2001. DTE Energy (As Reported) includes results of operations for MCN beginning with the month of June 2001.
5. The Unaudited Pro Forma Combined Condensed Consolidated Statements of Income are based on the following assumptions:
  - a. Reflects adjustments related to fair values of assets subject to depletion and the amortization of purchase price in excess of the amounts assigned to identifiable assets and liabilities of MCN using the straight-line method over 40 years. In accordance with the adoption of SFAS No. 142, Goodwill and Other Intangible Assets, on January 1, 2002, the amortization of goodwill will cease and goodwill will be tested for impairment on an annual basis.
  - b. Reflects the interest expense related to the issuance of \$1.350 billion in long-term debt of DTE Energy to finance the cash consideration of the merger. Interest expense is assumed at 7.37%, which includes the effect of the amortization of the merger debt hedges.
  - c. Reflects the elimination of net gain and transition adjustments related to pension and other post-retirement benefits.
  - d. Reflects adjustments to gains on MCN's sales of investments in joint ventures and other assets to reflect values that would have been assigned to such investments and assets in the allocation of the purchase price as of the beginning of the periods presented.
  - e. Reflects adjustments for storage and transport costs.
  - f. The estimated provision for income taxes related to the pro forma adjustments is based on the statutory federal income tax rate of 35%. Amortization of goodwill has not been tax affected.

**Table of Contents**

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**5,500,000 Shares**

**DTE Energy Company**

**Common Stock**

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**PROSPECTUS SUPPLEMENT**

**June 19, 2002**

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**Salomon Smith Barney**

**UBS Warburg**

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**Credit Suisse First Boston**

**JPMorgan**

**Lehman Brothers**

**Scotia Capital**

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