

## Community Support



## Serving our Communities as a Leading Corporate Citizen

DTE Energy builds strong relationships with people in the communities where we live and serve. This connection extends beyond our business operations. We believe it is our responsibility to help protect and shape a prosperous future for our communities. Our employees live this belief by dedicating their time, skills and energy to organizations throughout Michigan.

A few examples of the great work supported by the DTE Energy Foundation in 2016:

**Partnership with Conservation Resource Alliance in Traverse City for its River Care Program.** Over the next three years, this grant will help build trail bridges, remove barriers, improve aquatic habitat and enhance recreational access to northwest Michigan waterways.

**ArtPrize in Grand Rapids.** We provided sponsorship support for this three-week art competition that celebrates artists from around the world and draws nearly 400,000 visitors to Grand Rapids and the surrounding region.

### **DTE Energy Foundation**

The DTE Energy Foundation awarded nearly \$15 million during 2016 to 360 nonprofit organizations to positively impact communities throughout the state.

We believe it is our responsibility to sustain and protect Michigan's legacy – from its cultural institutions to its beautiful natural environment – and help build its future. Our support allows people and communities to flourish – making the homes where we live and the neighborhoods where our children play much safer. We provide educational opportunities and create jobs to ensure a strong quality of life for all Michigan residents.

### **Basic Needs and Education**

We are focused on making sure basic needs are met so people and communities can thrive through our partnerships with human service organizations like United Way and American Red Cross. We want to ensure people have affordable housing through Habitat for Humanity of Michigan and provide access to food through Kids' Food Basket. We help preserve and protect Michigan's natural resources with The Nature Conservancy. When basic needs

are met, children, students and young adults can focus on education and work opportunities. The DTE Energy Foundation provides hands-on learning opportunities through FIRST in Michigan – a nonprofit organization establishing robotics teams and competitions throughout high schools in Michigan. We also support summer work experiences for youth through United Way Lakeshore and Grow Detroit's Young Talent.

### **Community and Business Development**

From our neighborhoods to our businesses, we are helping to ensure people take pride in where they live, work and play. We support organizations focused on innovation through entrepreneurship, increasing economic growth and strengthening and developing businesses throughout Michigan. The foundation supports the Downtown Detroit Partnership, Endeavor Detroit, Ann Arbor SPARK and the Michigan Hispanic Fund for their continued efforts in our communities.

### **Arts, Culture and Diversity**

The DTE Energy Foundation recognizes the role arts, culture and diversity play in enriching lives and communities. We support events like ArtPrize in Grand Rapids, the National Cherry Festival in

## Jobs and Education



Traverse City, the Detroit Tree Lighting, the GRandJazzFest in Grand Rapids and Detroit Jazz Festival. Our support also extends to the Sphinx Organization and the Detroit Symphony Orchestra in order to enhance and promote diversity within the arts.

We also provide support for Autism Alliance, Michigan Women's Foundation and the Arab-American Chaldean Chamber.

### Corporate Giving

DTE Energy provides support to organizations across the state. With our \$2.5 million donation to The Heat and Warmth Fund (THAW), the company is committed to being a force for growth and prosperity in the communities where we live and serve.

### United Way

In 2016, DTE Energy employees, retirees and the DTE Energy Foundation collectively pledged nearly \$2.35 million to improve lives and support communities through United Way. Through charitable giving, our company supports more than 40 United Ways across Michigan.

### Volunteerism

Volunteerism is integrated into DTE

Energy's workplace culture, representing a direct employee connection to our corporate citizenship efforts. Volunteering provides opportunities for employees to develop leadership skills, connect with colleagues who have similar interests across the enterprise, build relationships and use their unique skills to help others. We are harnessing the energy and expertise of our 10,000 employees for volunteer efforts that have a real impact across Michigan.

In 2016, we rolled out a skills-based volunteer initiative to complement our DTE Care Force volunteer program. Through DTE Care Force, our employees leveraged their knowledge and professional abilities to support volunteer projects that positively impacted nonprofits and community programs.

DTE Care Force seeks to connect employee volunteers to communities in a sustainable and meaningful way. During 2016, more than 2,300 employees participated in company-sponsored volunteer events including DTE's flagship programs – Holiday Meals on Wheels, Arbor Day and our first annual Month of Caring in August. DTE employees volunteered over 21,000 hours to more than 300 organizations in 2016.



DTE Energy supports a wide range of education and employment initiatives, with a particular focus on revitalizing the skilled trades and technical education pipeline in Michigan. We are implementing programs that support summer work and high school internships, introducing young people to professional and skilled trade careers. Over time, these initiatives will be integrated into broader professional development and mentorship programs that connect students to specific training, apprenticeships and employment opportunities.

We work with public schools, community colleges and the State of Michigan to prepare students, veterans and experienced workers for careers in the energy sector. We develop programming – in partnership with universities and community colleges throughout Michigan – that includes specialized energy courses and apprenticeship training programs. These initiatives are critical for our long-term business success. They also provide tremendous economic and social benefits for our communities.

### Summer Jobs Program

In 2016, the DTE Energy Foundation provided nearly \$900,000 in grants to fund nearly 600 summer work opportunities with more than 50 nonprofits in and around Detroit and Greater Michigan. We provided funding for these employment programs through the following partnerships:

- **Grow Detroit's Young Talent** supported jobs for nearly 400 people between the ages of 14 and 24 who are working in Detroit.
- **City Connect Detroit** supported 75 summer jobs for youth in Pontiac, Inkster, Ypsilanti and Highland Park.
- **United Way Lakeshore** paid wages for 100 youth enrolled in the summer program on the west side of the state, in Muskegon, Newaygo, Oceana, Kent, Mecosta and Lake Counties.

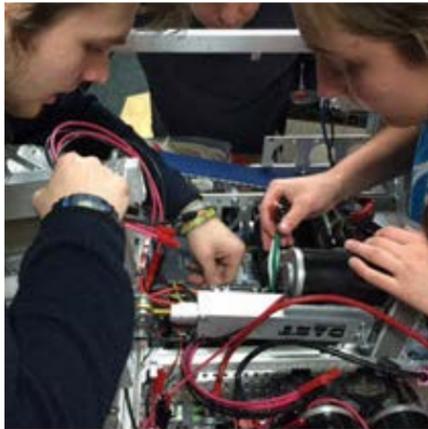
Since 2003, the DTE Energy Foundation has donated more than \$4.5 million to support summer employment initiatives, impacting more than 2,000 young people.

## Neighborhoods

### FIRST in Michigan

Students throughout Michigan are seeing firsthand how dedicated DTE employees are to the youth in our communities and the future of the energy industry. Many employees share their passion, expertise and time by volunteering with the Michigan chapter of For Inspiration and Recognition of Science and Technology (FIRST). FIRST in Michigan is a group of programs including FIRST Robotics, FIRST Tech Challenge and FIRST Lego League. These programs help prepare young people for their careers.

DTE Energy has been involved with FIRST for more than 10 years and provides support for more than 50 Michigan teams in the FIRST Tech Challenge and nine Michigan teams for the FIRST Robotics Challenge. As part of our continuing efforts to be a force for growth and prosperity in the communities where we live and serve, we are increasing our presence with existing teams and supporting the development of new teams focused on girls and at-risk youth. Volunteers guide and mentor students through the process and provide support at competition events.



In recent years, DTE has been actively revitalizing the neighborhood surrounding our downtown Detroit headquarters. The landscape is changing and the streets are more alive as pedestrians and bikers travel to downtown businesses, restaurants, renovated buildings and residences. Other initiatives we have supported to benefit our hometown community, our employees and our local customers are highlighted below.

### LED Street Lights for a Brighter City

DTE's leading project management organization facilitated the City of Detroit's Public Lighting Authority (PLA) project to install 65,000 new energy efficient light-emitting diode (LED) street lights. The dream of relighting the city began in 2012, when less than 50 percent of the city's street lights were functioning and Detroit residents needed a greater sense of security. DTE worked with state and local governments to help draft legislation to create the PLA – a separate entity with the mission of improving, modernizing and maintaining Detroit's street lighting infrastructure with brighter, more reliable and energy-efficient lights. When the project was completed in December 2016, Detroit became the largest city in the United States to have 100 percent public LED lighting.

### Detroit Solar Park

In 2016, we partnered with the City of Detroit to break ground on one of the largest urban solar power arrays in the country. The Detroit solar park is housed on surplus city-owned property and is expected to generate more than \$1 million in tax revenue for the city over the life of the 20-year lease. It will also produce enough clean energy to power approximately 450 homes. The facility is scheduled to come on line during the summer of 2017.



## Public Safety



### DTE's New Public Park

As part of our ongoing efforts to invest in the local community, DTE Energy is developing a 1.5 acre park along the western edge of downtown Detroit. The new park, opening in 2017, will help spur economic development in the area and provide a place for the enjoyment for those who live, work and play in Detroit. Part of the park development includes a year-round restaurant featuring a sustainable green roof designed to conserve and collect runoff water and a large roof-deck offering panoramic views of the city.

### Open Streets Detroit

The DTE Energy Foundation teamed up with the Downtown Detroit Partnership in 2016 to host Open Streets Detroit – a unique opportunity for individuals and families to experience the streets of Detroit by engaging in healthy, recreational and cultural activities. As part of the event, a four-mile route was closed to vehicles to allow for a variety of free community activities including: dance workshops, cycling events, exercise classes, sporting events, dog training classes and children's activities.

### Supporting Project Green Light

DTE Energy is providing incentives for businesses participating in the City of Detroit's Project Green Light, a public safety partnership. Detroit-based businesses can receive special rebates and no-interest financing when they install qualifying energy-efficient lighting systems. Project Green Light participating businesses saw a 50 percent reduction in violent crime during 2016. DTE's support of this program helps improve neighborhood safety and promote local economic growth.



### Emergency Preparedness

DTE responds with urgency to all electrical interruptions. Restoration efforts begin with the earliest forecast of severe weather. Crews and support staff prepare to work around-the-clock. When storms cause catastrophic damage, restoration crews from other energy companies in the region as well as local contractors assist DTE as needed. Likewise, when storms cause major outages in areas outside of Michigan, DTE reciprocates by sending crews to help local utilities in restoration efforts.



During storm conditions, whenever the number of reported hazards exceeds the number of restoration crews available for dispatch, we activate Public Protection teams – DTE Energy employees trained in procedures to help protect the public from potentially hazardous wires. If there is a high risk of public contact from a downed wire, a Wire Guard team is the first to arrive to tape and secure the site, which may then be guarded by a Public Protection team until restoration crews arrive. During 2016, we dispatched a total of 1,289 Wire Guard teams to prevent potentially dangerous conditions. Public Protection is a vital service our employees provide to customers and communities during storms. It is a key way we live our core value of safety as a company.

In addition to our utilities' public safety focus, we need to be prepared for any emergency that could severely impact our operations, our employees and the delivery of energy to our customers. Our business planning practices address all types of contingencies – from weather-related reliability challenges to extremely low probability events like criminal attacks or catastrophic failures. DTE Energy has a strategy for maintaining communications and restoring services in response to any emergency. We strive to identify potential risks and prevent emergencies from happening or at least minimize their impact.

Our emergency plans address issues such as electrical and natural gas safety, protection from cyberattacks and maintaining the safety and integrity of our nuclear facilities and coal ash management structures.

## Planning and Preparation Pay off in DTE Gas Incident

In July, a vehicle driven by a Michigan resident crashed through protective barriers at our Allen Road Service Center in Melvindale, Mich. The crash ruptured a natural gas line and caused an explosion and fire. The only injury was to the driver of the car. Four DTE Gas employees and a security contractor were safely evacuated from the service center. The incident, which occurred around 3 a.m., also caused the evacuation of about 1,500 nearby residents as a precaution. There were no major outages for DTE's natural gas and electric customers.

Our pipeline technology worked as designed and quickly closed a valve to the ruptured gas line that shut off the source of the fire. In addition, DTE Gas personnel and first responders from the Dearborn Fire Department had participated in an emergency training exercise two weeks prior, using a hypothetical accident scenario very similar to the actual event. Our engaged employees responded quickly to the incident. Their preparation and safety-minded focus kept this incident from being worse.

### **Nuclear Safety**

At our Fermi 2 Power Plant, we continue to implement corrective and preventive maintenance strategies to ensure the highest standards of nuclear safety. In 2016, we invested in a series of industrial safety improvements including new safety gear for employees and upgrades to plant lighting.

In 2016, Fermi 2 Power Plant received its license renewal from the Nuclear Regulatory Commission (NRC). The renewal permits the power plant to continue generating electricity until 2045. The NRC approved the license renewal request after more than two years of extensive technical and environmental reviews.

To ensure continued safety and to comply with NRC regulations, Fermi 2 Power Plant's emergency plans are tested regularly. In 2016, nearly 300 participants – including DTE Energy personnel and representatives of nearly 30 federal, state and local agency partners – were involved in an exercise of the plant's emergency response plan. The NRC found that the emergency plan and response by plant personnel demonstrated protection of public health and safety. The NRC noted the exercise was challenging, well-managed and that plant personnel executed their roles well.

## Community

## Driving Economic Progress

Our goal is to  
attract and expand  
business activity  
by bringing new  
investments  
and base jobs to  
Michigan.

DTE Energy is one of the region's largest employers. We partner with more than 38 economic development agencies, including the Michigan Economic Development Corporation (MEDC), Ann Arbor SPARK, The Right Place Program, Lake Shore Advantage and Detroit Economic Growth Corporation. Our partner organizations stretch from the Upper Peninsula, to Grand Rapids, to the City of Detroit. Through these partnerships, we provide financial support and leadership on committees and boards of organizations. The most critical component of our economic development partnerships is supporting projects that bring new business to the communities we serve. This work includes helping to answer utility-related questions and solving problems for potential customers.

Our goal is to attract and expand business activity, bringing new investment and base jobs to Michigan. Base jobs are critical to our region's success. They are created by firms that export their products outside of the community where they operate. Examples include automotive manufacturers and suppliers. These jobs in turn create non-base jobs that serve the local market, like restaurants and retailers.

As we continue to grow our non-utility businesses, our economic impact outside the state also is expanding.

## DTE Attracts Amazon and New Jobs

DTE Energy was part of the team bringing Amazon to Livonia, Mich. The online retail giant plans to open a large-volume product fulfillment center and invest nearly \$90 million. When the facility opens in October 2017, Amazon's move to Michigan will create 1,000 jobs. The project has been awarded a \$7.5 million performance-based grant from the Michigan Business Development Program to help offset recruiting costs. Amazon selected Michigan over competing sites in Indiana and Ohio.

DTE was a key team member with Michigan Economic Development Corporation, Wayne County and the City of Livonia in landing this project. We worked closely with the site owner, Ashley Capital, to meet Amazon's aggressive cost and timing needs. DTE Energy will be building an industrial substation for Ashley Capital to meet the project's requirements.

### Pure Michigan Business Connect

DTE Energy is one of seven original leaders in Pure Michigan Business Connect, an \$8 billion public-private initiative established in 2011 to increase business with Michigan suppliers throughout the state. In May 2013, we pledged to spend \$1 billion with Michigan-based businesses by 2015. We met this goal and surpassed it a full year ahead of schedule. Building on the success of this initiative, in June 2015 we announced our commitment to spend another \$5 billion with Michigan-based companies over the next five years, a significant expansion of the initial pledge.

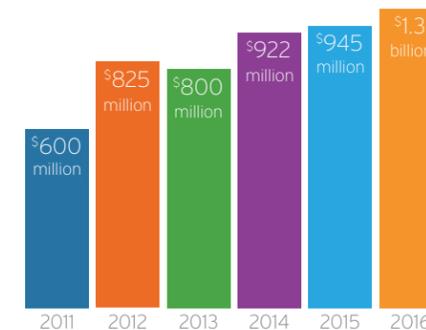
The company supported a number of Michigan-based businesses in 2016, spending \$1.3 billion throughout the year. To date, DTE, in partnership with Pure Michigan Business Connect, has spent \$2.6 billion cumulatively with Michigan businesses, creating 13,000 new jobs. Highlights of DTE's partnership with Michigan-based vendors in 2016 include:

- In Southeast Michigan and Metro Detroit, DTE exceeded \$1 billion in spending with 700 companies, which created and supported nearly 5,400 jobs.
- In Western and Northern Michigan, DTE spent \$68 million with 165 companies, which created and supported nearly 350 jobs.
- In the Greater Lansing Area, DTE spent \$17 million, doing business with 30 companies, which created more than 85 jobs.
- In Eastern Michigan, DTE spent nearly \$67 million with 190 companies, which created and supported more than 330 jobs.

## Building Job Opportunities in Michigan

Ideal Contracting, a Michigan-based supplier, has added 75 new employees in recent years to support work the company performs at DTE's Monroe, Trenton and St. Clair Power Plants. DTE spent \$25 million with the company in 2016. As a result of the increased work, Ideal Contracting now employs more than 100 full-time staff and an average of 250 skilled trade laborers.

Michigan Based Supplier Spend



In 2016, DTE spent more than \$410 million with certified diverse suppliers, representing nearly 20 percent of the company's overall spend.

### Supply Chain Management and Diversity

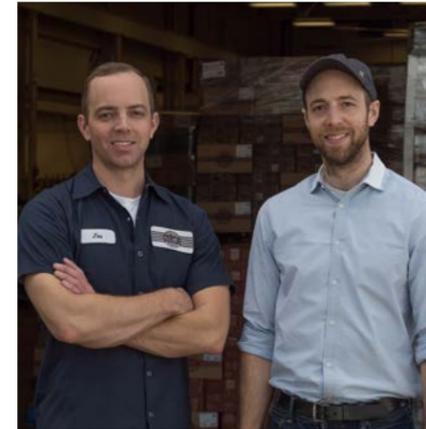
We value the business relationships we have with our suppliers and view them as strategic partners to our company's success. We expect those with whom we do business to share the same values and principles that allow our company to enjoy an excellent reputation within the communities we serve.

DTE Energy expects its suppliers to provide a safe and healthy work environment for our employees, subcontractors, customers and all visitors to the premises. Suppliers must also conduct their business operations in a way that protects and sustains the environment and is in full regulatory compliance.

We manage these supplier relationships and expectations through supplier performance scorecards and periodic executive reviews. In 2016, DTE Energy conducted 75 executive forums and reviews with top suppliers and senior leadership. Focusing on safety priorities, DTE Gas scheduled monthly contractor partnership meetings to discuss safety and quality audit results. We have more than 105 supplier scorecards in place to measure performance and develop corrective actions when necessary.

DTE Energy is committed to using a diverse supplier base, including businesses principally owned and operated by women and minorities. We require our suppliers have the same commitment in their use of materials and services from their own base of diverse suppliers and contractors.

In 2016, DTE spent more than \$410 million with certified diverse suppliers, representing nearly 20 percent of the company's overall spend. This included \$184 million in spending with minority-owned businesses and \$226 million with women-owned businesses. We also hosted and attended 37 business networking events focused on supplier diversity.



### Business Customers

Through the services we provide to our business customers, DTE supports the economic development of our region. We recognize energy costs can be a significant proportion of operating costs. We work with commercial and industrial customers ranging from small businesses to large manufacturing facilities to help them improve their energy efficiency. By helping our customers thrive, we are supporting a stronger economy across Michigan, which will expand our customer base in the future.

We want our business customers to think of us as partners in energy savings. DTE Energy employs an Energy Optimization team to help business customers learn how to use energy more efficiently through practical steps geared toward specific needs. In 2016, the energy optimization team partnered with Fluidline Components – a leading distributor of pneumatic and hydraulic equipment – to install foam insulation around electric water heater pipes, upgrade to a light-emitting diode exit sign and replace existing T12 fluorescent lights with new, high-efficiency T8 lamps. DTE Energy incentives covered nearly half the project's costs. Within 10 months, energy savings paid for the remaining investment.

# Energy Policy Leadership

As a force for growth in Michigan, we support constructive, balanced policies that benefit the state's families and businesses.

### Michigan's Energy Future

Our goal is to promote long-term energy policy that achieves affordability and reliability for our customers and is adaptable to the changing energy landscape. As a force for growth in Michigan, we believe it is our responsibility to support constructive, balanced policies that benefit the state's families and businesses.

Michigan, and the entire United States, has entered a period of the most profound transformation of the power generation sector since World War II. Many factors will affect Michigan's energy portfolio moving forward, such as:

- The aging of our coal fleet
- The emergence of cost-competitive natural gas-fired and wind-powered energy generation
- State and federal clean energy policies

This transformation is underway. Retirement of older and less-efficient coal plants has already begun. We need to determine the type of new energy generation to replace coal-fired capacity. We take many factors into account including projected costs of different technologies and fuel sources, their operating characteristics and environmental impact. Michigan needs a flexible process to integrate cost-effective technologies to ensure affordable rates for customers. Today, and for the foreseeable future, natural gas and wind are the most economical sources of energy for Michigan.

In December 2016, the Michigan Legislature and Governor Rick Snyder enacted a comprehensive new energy policy, which became effective in April 2017. We support this constructive policy as it protects reliability and affordability for our customers and promotes cleaner sources of energy. Among its provisions, the law increases the renewable energy portfolio from the previous goal of 10 percent of sales to a new goal of 15 percent by 2021.

As the state transitions to supplying cleaner forms of energy, the policy also creates a framework for fair and competitive electric supply planning processes that support Michigan's reliability and economy.

### Involvement in Energy Policy Organizations

DTE Energy believes a constructive, balanced policy is underpinned by a strong understanding of energy issues that affect safety, reliability and affordability. We participate in the following industry associations to collaborate and jointly advocate for issues benefiting our industry:

American Gas Association

- Biomass Power Association
- Edison Electric Institute
- Interstate Natural Gas Association of America
- Iron and Steel Institute
- Nuclear Energy Institute

We are also members of state and national trade associations where the company holds positions on their boards, participates on projects or serves on committees. We actively

engage in discussions with the following groups to help align our positions and participate in their advocacy to policymakers to the extent possible:

- Business Leaders for Michigan
- Detroit Regional Chamber of Commerce
- Michigan Chamber of Commerce
- Michigan Manufacturers Association
- National Association of Manufacturers
- U.S. Chamber of Commerce

We participate in a series of industry and customer advocacy coalitions that support our goal of strong customer access to information:

- Coalition to Keep Michigan Warm
- Marcellus Shale Coalition
- National Energy & Utility Affordability Coalition
- Nuclear Waste Strategy Coalition

DTE Energy is also a member of the Human Resources Policy Association and the Center on Executive Compensation.

### Political Contributions

We believe participation in the political and public policy arenas, when conducted in a legal and transparent manner, is an important and appropriate role for companies in open societies. In the United States, there are important federal and state laws that govern this participation.

The DTE Energy Political Action Committee (PAC) was formed in 1977 as a voluntary, non-partisan committee to promote and support responsible government through contributions to candidates for election to federal, state and local offices. It is designed to provide DTE Energy employees with an effective, convenient way to make financial contributions to candidates and to participate in the democratic process. The PAC is guided by a steering committee made up of employees from around the company. Information about DTE Energy's PAC contributions can be obtained via the websites of the [Federal Election Commission](#) and the [Michigan Secretary of State's Bureau of Elections](#).