

DTE ENERGY CO  
Form 424B5  
August 05, 2005

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The information in this prospectus supplement is not complete and may be changed. This prospectus supplement is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

Filed Pursuant to Rule 424(b)(5)  
Registration No. 333-74338

*PROSPECTUS SUPPLEMENT (Subject to Completion, Dated August 5, 2005)*

*(To Prospectus dated December 11, 2001)*

\$172,144,000

% SENIOR NOTES DUE AUGUST 16, 2007

*This is a remarketing of our senior notes due August 16, 2007 that were originally issued in June 2002 in connection with our sale of 8.75% Equity Security Units. The senior notes will mature on August 16, 2007. Interest on the senior notes is payable quarterly on February 16, May 16, August 16 and November 16 of each year. The senior notes will bear interest at a rate of % per annum. The first interest payment on the remarketed senior notes will be November 16, 2005.*

*The senior notes are unsecured and rank equally with all of our other unsecured and unsubordinated debt. We will remarket the senior notes in denominations of \$25 and whole multiples of \$25.*

*We may redeem the senior notes on not less than 30 days nor more than 60 days prior written notice, in whole but not in part, upon the occurrence and continuation of a tax event under the circumstances and at the redemption price set forth under Description of the Remarketed Senior Notes Tax Event Redemption in this prospectus supplement.*

*Investment in the senior notes involves risks. You should read carefully the entire prospectus and this prospectus supplement, including the section entitled Risk Factors that begins on page S-7 of this prospectus supplement, which describes some of these risks.*

	<i>Per Senior Note</i>	<i>Total</i>
Remarketed offering price	%	\$
Remarketing fee to remarketing agents	%	\$
Net proceeds(1)	%	\$

(1) We will not receive any proceeds from the remarketing. See Use of Proceeds.

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 are truthful or complete. Any representation to the contrary is a criminal offense.

The remarketing agents expect to deliver the senior notes in book-entry form through the facilities of The Depository Trust Company to investors on or about August , 2005.

MORGAN STANLEY

UBS INVESTMENT BANK

WEDBUSH MORGAN SECURITIES INC.

August , 2005

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The accompanying prospectus is part of a registration statement filed with the Securities and Exchange Commission. You should read this prospectus supplement and the accompanying prospectus. You should rely only on the information incorporated by reference or provided in this prospectus supplement and in the accompanying prospectus. The information in this prospectus supplement supersedes any inconsistent information contained in or incorporated by reference into the accompanying prospectus. We have not authorized anyone else to provide you with additional or different information. If anyone provides you with different or inconsistent information, you should not rely on it. We are not making an offer of these securities in any jurisdiction where the offer is not permitted. You should assume that the information appearing in this prospectus supplement or the accompanying prospectus or any document incorporated by reference is accurate only as of its date. DTE Energy's business, financial condition, results of operations and prospects may have changed since such date.

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.

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**CAUTIONARY STATEMENTS REGARDING FORWARD-LOOKING STATEMENTS**

This prospectus supplement and the documents incorporated by reference in this prospectus supplement and the accompanying prospectus contain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 ( Securities Act ) 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 supplement or in documents incorporated by reference in this prospectus supplement and the accompanying prospectus. You are cautioned not to place undue reliance on such statements, which speak only as of the date of this prospectus supplement, the accompanying 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 as described in our public filings with the SEC, including our Annual Report on Form 10-K, as amended by Form 10-K/ A, for the year ended December 31, 2004, our Quarterly Reports on Form 10-Q for the quarters ended March 31, 2005 and June 30, 2005 and our Current Reports on Form 8-K dated August 3, 2005 and filed August 4, 2005, which are incorporated by reference herein.

The factors that may impact forward-looking statements include, but are not limited to, the following:

the effects of weather and other natural phenomena on operations and sales to customers, and purchases from suppliers;

economic climate and growth or decline in the geographic areas where we do business;

environmental issues, laws and regulations, and the cost of remediation and compliance associated therewith;

nuclear regulations and operations associated with nuclear facilities;

the higher price of oil and its impact on the value of Section 29 tax credits, and the ability to utilize and/or sell interests in facilities producing such credits;

implementation of electric and gas Customer Choice programs;

impact of electric and gas utility restructuring in Michigan, including legislative amendments;

employee relations and the impact of collective bargaining agreements;

unplanned outages;

access to capital markets and capital market conditions and the results of other financing efforts which can be affected by credit agency ratings;

the timing and extent of changes in interest rates;

the level of borrowings;

changes in the cost and availability of coal and other raw materials, purchased power and natural gas;

effects of competition;

impact of regulation by the Federal Energy Regulatory Commission ( FERC ), the Michigan Public Service Commission ( MPSC ), the Nuclear Regulatory Commission and other applicable governmental proceedings and

regulations;

contributions to earnings by non-utility subsidiaries;

changes in federal, state and local tax laws and their interpretations, including the Internal Revenue Code, regulations, rulings, court proceedings and audits;

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the ability to recover costs through rate increases;

the availability, cost, coverage and terms of insurance;

the cost of protecting assets against, or damage due to, terrorism;

changes in accounting standards and financial reporting regulations;

changes in federal or state laws and their interpretation with respect to regulation, energy policy and other business issues; and

changes in the economic and financial viability of our suppliers, customers and trading counterparties, and the continued ability of such parties to perform their obligations to DTE Energy.

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.

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*This summary highlights important information about DTE Energy and this offering. It does not contain all the information that is important to you in connection with your decision to invest in the senior notes. You should read this entire prospectus supplement and the accompanying prospectus, including the information set forth in Risk Factors and all the information incorporated by reference, before making an investment decision.*

**DTE Energy Company**

In 1995, we incorporated in the State of Michigan. Our utility operations consist primarily of The Detroit Edison Company ( Detroit Edison ) and Michigan Consolidated Gas Company ( MichCon ). We also have numerous non-utility subsidiaries engaged in energy marketing and trading, energy services, and various other electricity, coal and gas related businesses. We are an exempt holding company under the Public Utility Holding Company Act of 1935, except Section 9(a)(2) that relates to the acquisition of securities of public utility companies and Section 33 that relates to the acquisition of foreign (non-U.S.) utility companies.

Detroit Edison is a Michigan corporation organized in 1903 and is a public utility subject to regulation by the MPSC and the FERC. Detroit Edison is engaged in the generation, purchase, distribution and sale of electricity to 2.1 million customers in southeastern Michigan.

MichCon is a Michigan corporation organized in 1898 and is a public utility subject to regulation by the MPSC. MichCon is engaged in the purchase, storage, transmission, distribution and sale of natural gas to 1.2 million customers throughout Michigan.

The mailing address of DTE Energy's principal executive office is 2000 2nd Avenue, Detroit, Michigan, 48226-1279, and its telephone number is (313) 235-4000.

**Summary of the Remarketing**

Issuer	DTE Energy Company.
Securities	\$172,144,000 aggregate principal amount of % Senior Notes due August 16, 2007. The senior notes are being remarketed on behalf of holders of equity units for which the senior notes serve as collateral.
Maturity	The senior notes will mature on August 16, 2007.
Interest Rate	The senior notes will bear interest at a rate of %.
Interest Payment Dates	February 16, May 16, August 16 and November 16 of each year. The first interest payment on the remarketed senior notes will be November 16, 2005.
Redemption	We may redeem the senior notes on not less than 30 days nor more than 60 days prior written notice, in whole but not in part, upon the occurrence and continuation of a tax event under the circumstances and at the redemption price set forth under Description of the Remarketed Senior Notes Tax Event Redemption in this prospectus supplement.
Use of Proceeds	We will not receive any proceeds from the remarketing of the senior notes. Instead, the proceeds from the remarketing of the senior notes, after deducting the remarketing fee, will be used to purchase the treasury securities described in this prospectus supplement, which treasury securities will be pledged to secure, and can be used to satisfy, the obligations of holders of equity

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units to purchase shares of our common stock under related stock purchase contracts and to pay interest due on August 16, 2005 with respect to the equity units. Any remaining proceeds after the purchase of the treasury securities will be remitted to the holders of equity units whose senior notes were remarketed. See Use of Proceeds in this prospectus supplement.

**Ranking**

The senior notes are our unsecured and unsubordinated obligations and rank equally with all of our other unsecured and unsubordinated debt from time to time outstanding. The senior notes are our obligations exclusively, and not the obligations of any of our subsidiaries. Because we are a holding company and conduct substantially all of our operations through our subsidiaries, the senior notes generally will effectively have a position junior to the claims of creditors of our subsidiaries, including trade creditors. See Risk Factors in this prospectus supplement.

**Risk Factors**

Your investment in the senior notes will involve risks. You should carefully consider the discussion of risks in Risk Factors in this prospectus supplement and the other information in accompanying prospectus, including Cautionary Statements Regarding Forward- Looking Statements on page S-2 of this prospectus supplement, before deciding whether an investment in the senior notes is suitable for you.



**Table of Contents****Summary Consolidated Financial Data**

The following table sets forth our summary consolidated financial data on a historical basis for the six months ended June 30, 2005 and June 30, 2004 and the five years ended December 31, 2004. The year-end financial data have been derived from our audited financial statements. 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 data for interim periods are not necessarily indicative of results that may be expected for any other interim period or 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, as amended by Form 10-K/A, for the year ended December 31, 2004, our Quarterly Reports on Form 10-Q for the quarters ended March 31, 2005 and June 30, 2005, our Current Reports on Form 8-K dated August 3, 2005 and filed August 4, 2005 and our financial statements and the related notes and the other financial or statistical information that we include or incorporate by reference herein. See Where You Can Find More Information in the accompanying prospectus.

	Six Months Ended June 30,		Year Ended December 31,				
	2005	2004	2004	2003	2002	2001	2000
	(Unaudited)						
	(In millions, except per share amounts)						
<b>Income Statement</b>							
<b>Data</b>							
Operating Revenues	\$ 4,260	\$ 3,594	\$ 7,114	\$ 7,041	\$ 6,729	\$ 5,787	\$ 4,638
Net Income	\$ 151	\$ 225	\$ 431	\$ 521	\$ 632	\$ 332	\$ 468
<b>Earnings Per Common Share</b>							
Basic	\$ 0.87	\$ 1.31	\$ 2.50	\$ 3.11	\$ 3.85	\$ 2.17	\$ 3.27
Diluted	\$ 0.87	\$ 1.31	\$ 2.49	\$ 3.09	\$ 3.83	\$ 2.16	\$ 3.27
<b>Dividends Declared Per Share of Common Stock</b>							
	\$ 1.03	\$ 1.03	\$ 2.06	\$ 2.06	\$ 2.06	\$ 2.06	\$ 2.06
<b>Balance Sheet Data</b>							
Total Assets	\$ 21,822	\$ 21,011	\$ 21,297	\$ 20,753	\$ 19,985	\$ 19,587	\$ 13,350
Long-Term Debt(1)	\$ 6,989	\$ 7,659	\$ 7,606	\$ 7,669	\$ 7,803	\$ 7,928	\$ 4,039

- (1) Long-Term Debt is net of current portion. Includes securitization bonds issued in March 2001 by The Detroit Edison Securitization Funding LLC, which were outstanding in the amounts of \$1.345 billion at June 30, 2005, \$1.400 billion at December 31, 2004, \$1.446 billion at June 30, 2004, \$1.496 billion at December 31, 2003, \$1.585 billion at December 31, 2002 and \$1.673 billion at December 31, 2001, net of current portion.

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**RISK FACTORS**

*An investment in the senior notes involves risks. You should carefully consider the following information, together with the other information in this prospectus and the accompanying prospectus and the documents that are incorporated by reference, about risks concerning the senior notes. See also Cautionary Statements Regarding Forward-Looking Statements in this prospectus supplement.*

**Risks Related to the Senior Notes**

***The secondary market for the senior notes may be illiquid.***

We do not expect to list the senior notes. There can be no assurance as to the liquidity of any market that may develop for the senior notes, your ability to sell the senior notes or whether a trading market, if it develops, will continue.

***Because the senior notes were originally issued with original issue discount, you may have to include interest in your taxable income before you receive cash.***

Because the senior notes should be treated as contingent payment debt instruments, original issue discount may be included in your gross income for United States federal income tax purposes before you receive a cash payment to which the income is attributable. The proper application of the contingent payment debt regulations to the senior notes following the remarketing is uncertain in a number of respects, however, and it is possible that the Internal Revenue Service could successfully assert that the senior notes should be treated in a different manner than as described below under Material United States Federal Income Tax Consequences. A different treatment of the senior notes could affect the amount, timing and character of income, gain or loss with respect to an investment in the senior notes.

***The trading price of the senior notes may not fully reflect the value of their accrued but unpaid interest.***

The senior notes may trade at a price that does not fully reflect the value of their accrued but unpaid interest. If you dispose of your senior notes between record dates for interest payments, you will be required to include in gross income the daily portions of original issue discount through the date of disposition as ordinary income and to add this amount to your adjusted tax basis in the senior notes disposed of. To the extent the selling price is less than your adjusted tax basis, you will recognize a loss.

***We depend on payments from our subsidiaries, and claims of holders rank junior to those of creditors of our subsidiaries.***

Because we are a holding company that conducts substantially all of our operations through subsidiaries, holders of the senior notes 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 shareholders, 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. At June 30, 2005, our subsidiaries had approximately \$3.906 billion of outstanding indebtedness, which would rank effectively senior to the senior notes.

Our assets consist primarily of investment in subsidiaries. Our ability to service indebtedness, including the senior notes, 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 senior notes or to make payments to us in order for us to pay our obligations under the senior notes. 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.

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**Risks Relating to Our Business**

***Michigan's electric Customer Choice program is negatively impacting our financial performance.***

Without regulatory relief or legislative changes, the Michigan electric Customer Choice program will continue to have a negative impact on our financial performance. The electric Customer Choice program, as originally contemplated in Michigan, anticipated an eventual transition to a totally deregulated and competitive environment where customers would be charged market-based rates for their electricity. The MPSC has continued to regulate electric rates for some of our customers, while alternative suppliers can charge market-based rates. In addition, such regulated electric rates for certain groups of our customers exceed the cost of service to those customers. This has resulted in high levels of participation in the electric Customer Choice program by those customers that have the highest price relative to their cost of service. While lost margins, sometimes referred to as stranded costs, may be recoverable in whole or in part through the regulatory process, there can be no assurances that legislative changes or the MPSC will allow for recovery of stranded costs.

Even with the Customer Choice-related rate relief received in Detroit Edison's 2004 rate orders, there continues to be considerable financial risk associated with the Customer Choice program. Choice migration is sensitive to market price, transition charges and electric bundled price increases.

***Weather significantly affects our utility operations.***

Deviations from normal hot and cold weather conditions affect our earnings and cash flow. Mild temperatures can result in decreased utilization of our assets, lowering income and cash flow. Damage due to ice storms, tornadoes, or high winds can damage our infrastructure and require us to perform emergency repairs and incur material unplanned expenses. The expenses of storm restoration efforts may not be recoverable through the regulatory process.

***Our electric utility continues to be negatively affected by competition.***

Deregulation and restructuring in the electric industry has resulted in increased competition and unrecovered costs that have affected and may continue to affect our financial condition, results of operations or cash flows. We are a regulated public utility, and this regulation has hindered our ability to retain customers in a competitive marketplace.

***We are subject to rate regulation.***

We operate in a regulated industry. Our electric and gas rates are set by the MPSC and the FERC and cannot be increased without regulatory authorization. We may be impacted by new regulations or interpretations by the MPSC, the FERC or other regulatory bodies. New legislation, regulations or interpretations could change how our business operates, impact our ability to recover costs through rate increases or require us to incur additional expenses.

***Our ability to utilize Section 29 tax credits may be limited.***

We have generated Section 29 tax credits from our synfuel, coke battery, biomass and gas production operations. We have received favorable private letter rulings on all of our synfuel facilities. All Section 29 tax credits taken after 1997 are subject to audit by the Internal Revenue Service. If our Section 29 tax credits were disallowed in whole or in part as a result of an IRS audit, there could be additional tax liabilities owed for previously recognized tax credits that could significantly impact our earnings and cash flows. The value of future credits generated may be affected by new tax legislation. Moreover, Section 29 tax credits related to generation of synfuels expire at the end of 2007. The combination of overall industry audits of Section 29 tax credits, supply and demand for investment in credit producing activities and new tax legislation could have an impact on our earnings and cash flows. We have also provided certain guarantees and indemnities in conjunction with the sales of interests in our synfuel facilities.

In addition, the value of a Section 29 tax credit in a given year is reduced if the Reference Price of oil within the year exceeds a threshold price and is eliminated entirely if the Reference Price exceeds a

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phase-out price. The Reference Price of a barrel of oil is an estimate of the annual average wellhead price per barrel for domestic crude oil, which in recent years has been \$3 - \$4 lower than the New York Mercantile Exchange (NYMEX) price for light, sweet crude oil.

***Adverse changes in our credit ratings may negatively affect us.***

Increased scrutiny of the energy industry and regulatory changes, as well as changes in our economic performance could result in credit agencies reexamining our credit rating. While credit ratings reflect the opinions of the credit agencies issuing such ratings and may not necessarily reflect actual performance, a downgrade in our credit rating could restrict or discontinue our ability to access capital markets at attractive rates and increase our borrowing costs. In addition, a reduction in credit rating may require us to post collateral related to various trading contracts, which would impact our liquidity.

***Regional and national economic conditions may unfavorably impact us.***

Our businesses follow the economic cycles of the customers we serve. Should national or regional economic conditions decline, reduced volumes of electricity and gas we supply will result in decreased earnings and cash flow. Economic conditions in our service territory also impact our collections of accounts receivable and financial results.

***Environmental laws and liability may be costly.***

We are subject to numerous environmental regulations. These regulations govern air emissions, water quality, wastewater discharge, and disposal of solid and hazardous waste. Compliance with these regulations can significantly increase capital spending, operating expenses and plant down times. These laws and regulations require us to seek a variety of environmental licenses, permits, inspections and other regulatory approvals. We may also incur liabilities because of emission of gases from our generating facilities that may cause changes in the climate. The regulatory environment is subject to significant change and, therefore, we cannot predict future issues.

Additionally, we may become a responsible party for environmental clean up at sites identified by a regulatory body. We cannot predict with certainty the amount and timing of future expenditures related to environmental matters because of the difficulty of estimating clean up costs. There is also uncertainty in quantifying liabilities under environmental laws that impose joint and several liability on all potentially responsible parties.

Since there can be no assurances that environmental costs may be recovered through the regulatory process, our financial performance may be negatively impacted as a result of environmental matters.

***Operation of a nuclear facility subjects us to risk.***

Ownership of an operating nuclear generating plant subjects Detroit Edison to significant additional risks. These risks include, among others, plant security, environmental regulation and remediation, and operational factors that can significantly impact the performance and cost of operating a nuclear facility. While Detroit Edison maintains insurance for various nuclear-related risks, there can be no assurances that such insurance will be sufficient to cover our costs in the event of an accident or business interruption at our nuclear generating plant, which may affect our financial performance.

***The supply and price of fuel and other commodities may impact our financial results.***

We are dependent on coal for much of our electrical generating capacity. Price fluctuation and coal and other fuel supply disruptions could have a negative impact on our ability to profitably generate electricity. Our access to natural gas supplies is critical to ensure reliability of service for our utility gas customers. We have hedging strategies in place to mitigate negative fluctuations in commodity supply prices, but there can be no assurances that our financial performance will not be negatively impacted by price fluctuations. The price of natural gas also impacts the market for distributed generation products and other non-utility businesses that compete with utilities and alternative energy suppliers.

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***A work interruption may adversely affect us.***

Unions represent a majority of our employees. A union choosing to strike as a negotiating tactic would have an impact on our business.

***Unplanned power plant outages may be costly.***

Unforeseen maintenance may be required to safely produce electricity or comply with environmental regulations. Our financial performance may be negatively affected if we are unable to recover such increased costs.

***Our ability to access capital markets at attractive interest rates is important.***

Our ability to access capital markets is important to operate our businesses. Heightened concerns about the energy industry, the level of borrowing by other energy companies and the market as a whole could limit our access to capital markets. Changes in interest rates could increase our borrowing costs and negatively impact our financial performance.

***We rely on cash flows from subsidiaries.***

Cash flows from subsidiaries are required to pay interest expenses and dividends on DTE Energy debt and securities. Should a major subsidiary not be able to pay dividends or transfer cash flows to DTE Energy, our ability to pay dividends and interest would be restricted.

***Property tax reform may be costly.***

We are one of the largest payers of property taxes in the State of Michigan. Should the legislature change how schools are financed, we could face increased property taxes on our Michigan facilities.

***We may not be fully covered by insurance.***

While we have a comprehensive insurance program in place to provide coverage for various types of risks, catastrophic damage as a result of acts of God, terrorism, war or a combination of significant unforeseen events could impact our operations and economic losses might not be covered in full by insurance.

***Terrorism could affect our business.***

Damage to downstream infrastructure or our own assets by terrorist groups would impact our operations. We have increased security as a result of recent events and further security increases are expected.

***Failure to successfully implement new information systems could interrupt our operations.***

Our businesses depend on numerous information systems for operations and financial information and billings. We are in the process of launching the first phase of our DTE2 project, a multiyear Company-wide initiative to improve existing processes and implement new core information systems. Failure to successfully implement DTE2 and other new systems could interrupt our operations.

***Our participation in energy trading markets subjects us to additional risk.***

Events in the energy trading industry have increased the level of scrutiny on the energy trading business and the energy industry as a whole. A decline in the confidence in the energy trading market along with stricter credit requirements has led to a decrease in the number of trading entities resulting in decreased liquidity in the energy trading market. Also, in certain situations we may be required to post collateral to support trading operations.

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

	<b>Six Months Ended June 30,</b>	<b>Year Ended December 31,</b>				
	<b>2005</b>	<b>2004</b>	<b>2003</b>	<b>2002</b>	<b>2001</b>	<b>2000</b>
Ratios of Earnings to Fixed Charges	1.27	1.73	1.51	1.88	1.46	2.37

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

earnings, which consist of net income before deducting income taxes and fixed charges; and

fixed charges, which consist of total interest charges, interest factor of rents and amortization of debt discount, premium and expense.

**USE OF PROCEEDS**

We will not receive any of the proceeds from the remarketing. The total proceeds from the remarketing of the senior notes comprising a part of the equity units will be used to purchase a specified portfolio of treasury securities described in this prospectus supplement, which portfolio will serve as the substitute collateral for the senior note component of the equity units and can be used to provide the consideration to fulfill stock purchase contracts on August 16, 2005 and to pay interest due on August 16, 2005 with respect to the equity units. Any excess proceeds from the sale of those senior notes will be remitted to the holders of the equity units, after deducting a remarketing fee of up to 0.25% of the total proceeds of the remarketing.

We will receive proceeds of \$172,144,000 from the settlement of the stock purchase contracts on August 16, 2005. Those proceeds will be used to reduce short-term borrowings and for general corporate purposes.

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**DESCRIPTION OF THE REMARKETED SENIOR NOTES**

We summarize below the principal terms of the senior notes. The following description is only a summary. It supplements the description of debt securities in the accompanying prospectus under the caption "Description of Debt Securities" and, to the extent it is inconsistent with the description contained in the accompanying prospectus, replaces the description in the accompanying prospectus. You should read these descriptions together with the indenture and the form of note, as well as the Trust Indenture Act, for a complete understanding of the provisions that may be important to you. See "Where You Can Find More Information" in the accompanying prospectus for more information about how to obtain a copy of the indenture and form of note.

**General**

The senior notes were issued under an amended and restated indenture between us and BNY Midwest Trust Company, successor to The Bank of New York, as trustee, dated as of April 9, 2001. The aggregate principal amount of senior notes was limited initially to \$172,500,000. We may, without the consent of the holders, reopen the series of senior notes to increase such principal amount in the future, as long as the additional senior notes have the same tenor and terms as the senior notes being remarketed. At June 30, 2005, there was \$2.411 billion aggregate principal amount of debt securities issued and outstanding under the indenture. The indenture does not limit the amount of additional indebtedness that we or any of our subsidiaries may incur.

The senior notes will mature on August 16, 2007.

The senior notes are not redeemable prior to their stated maturity except in the event of a tax event as described under "Tax Event Redemption."

The senior notes will be remarketed in denominations of \$25 and whole multiples of \$25.

The senior notes will not have the benefit of a sinking fund.

Payment of the principal of and interest on the senior notes will rank equally with all of our other unsecured and unsubordinated debt. As of June 30, 2005, there existed approximately \$1.950 billion of other indebtedness that would rank equally with the senior notes.

Because we are a holding company that conducts substantially all of our operations through subsidiaries, holders of the senior notes 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 shareholders, 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. At June 30, 2005, our subsidiaries had approximately \$3.906 billion of outstanding indebtedness, which would rank effectively senior to the senior notes. In addition, at such date, our subsidiaries had approximately \$1.495 billion of non-recourse indebtedness, including securitization bonds issued in March 2001, appearing on our balance sheet.

Our assets consist primarily of investment in subsidiaries. Our ability to service indebtedness, including the senior notes, 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 senior notes or to make payments to us in order for us to pay our obligations under the senior notes. 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.

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**Interest**

The remarketed senior notes will bear interest at an annual rate of \_\_\_\_\_ %, effective on and after the remarketing closing date. Interest will be payable on each February 16, May 16, August 16 and November 16, commencing on November 16, 2005. Interest on the senior notes will be payable to holders of record of the senior notes on the first day of the month in which the related interest payment date occurs.

The amount of interest payable for any period will be computed (1) for any full quarterly period on the basis of a 360-day year of twelve 30-day months, (2) for any period shorter than a full quarterly period, on the basis of a 30-day month and (3) for periods of less than a month, on the basis of the actual number of days elapsed per 30-day month. If any date on which interest is payable on the senior notes is not a business day, the payment of the interest payable on that date will be made on the next day that is a business day, without any interest or other payment in respect of the delay, except that if the next business day is in the next calendar year, then the payment will be made on the immediately preceding business day, in each case with the same force and effect as if made on the scheduled payment date.

**Tax Event Redemption**

If a tax event occurs, we may, at our option, redeem the senior notes in cash, in whole but not in part, at any time at a redemption price equal to, for each senior note, the principal amount thereof plus accrued and unpaid interest to, but not including, the date of redemption. Installments of interest on senior notes which are due and payable on or prior to a redemption date will be payable to holders of the senior notes registered as such at the close of business on the relevant record dates.

Tax event means the receipt by us of an opinion of nationally recognized tax counsel experienced in such matters to the effect that there is more than an insubstantial risk that interest payable by us on the senior notes on the next interest payment date would not be deductible, in whole or in part, by us for United States federal income tax purposes as a result of:

any amendment to, change in, or announced proposed change in, the laws, or any regulations thereunder, of the United States or any political subdivision or taxing authority thereof or therein affecting taxation; or

any amendment to or change in an official interpretation or application of any such laws or regulations by any legislative body, court, governmental agency or regulatory authority; or

any official interpretation or pronouncement that provides for a position with respect to any such laws or regulations that differs from the generally accepted position on June 19, 2002; which amendment, change, or announced proposed change is effective or which interpretation or pronouncement is announced on or after June 19, 2002.

Notice of any tax event redemption will be mailed at least 30 days but not more than 60 days before the redemption date to each registered holder of senior notes to be redeemed at its registered address. Unless we default in payment of the redemption price, on and after the redemption date interest shall cease to accrue on the senior notes. In the event any senior notes are called for tax event redemption, neither we nor the trustee will be required to register the transfer of or exchange the notes to be redeemed.

**Covenants**

The covenants set forth in the indenture, including Section 1009 of the indenture pertaining to limitations on secured debt, will be applicable to the senior notes. See Description of Debt Securities Covenants and Consolidation, Merger and Sale of Assets in the accompanying prospectus.



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**Defeasance**

We may defease the senior notes or certain covenants relating to the senior notes as described under Description of Debt Securities Discharge, Defeasance and Covenant Defeasance in the accompanying prospectus.

**Book-Entry and Settlement**

The senior notes will trade through The Depository Trust Company ( DTC ). The senior notes will be represented by one or more global certificates and will be registered in the name of Cede & Co., as DTC s nominee. DTC may discontinue providing its services as securities depository with respect to the senior notes at any time by giving reasonable notice to us. Under those circumstances, in the event that a successor securities depository is not obtained, securities certificates will be printed and delivered to the holders of record. Additionally, we may decide to discontinue use of the system of book entry transfers through DTC (or a successor depository) with respect to the senior notes. Upon receipt of a withdrawal request from us, DTC will notify its participants of the receipt of a withdrawal request from us reminding participants that they may utilize DTC s withdrawal procedures if they wish to withdraw their securities from DTC, and DTC will process withdrawal requests submitted by participants in the ordinary course of business. To the extent that the book-entry system is discontinued, certificates for the senior notes will be printed and delivered to the holders of record. We have no responsibility for the performance by DTC or its direct and indirect participants of their respective obligations as described in this prospectus supplement and the accompanying prospectus or under the rules and procedures governing their respective operations. Payments of principal, premium, if any, and interest will be made to DTC in immediately available funds as described in the accompanying prospectus. See Book-Entry Securities in the accompanying prospectus.

**Governing Law**

The indenture and the senior notes are governed by, and construed in accordance with, the laws of the State of New York.

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**MATERIAL UNITED STATES FEDERAL INCOME TAX CONSEQUENCES**

The following discussion describes the material United States ( U.S. ) federal income tax consequences of the purchase, ownership, and disposition of the Senior Notes acquired by holders in the remarketing at the price to the public set forth on the cover of this prospectus supplement, and held by holders as capital assets. This discussion does not describe all of the tax consequences that may be relevant to holders in light of a holder's particular circumstances or if a holder is subject to special rules under U.S. federal income tax law, such as, for example:

financial institutions;

insurance companies;

tax-exempt investors;

dealers and certain traders in securities;

persons holding the Senior Notes as part of a straddle, hedge, conversion or similar transaction;

holders of Senior Notes that are being remarketed in the remarketing;

U.S. holders (as defined below) whose functional currency is not the U.S. dollar;

certain former citizens or residents of the United States;

partnerships or other entities treated as partnerships for U.S. federal income tax purposes; and

persons subject to the alternative minimum tax.

In addition, this summary does not address any non-income tax considerations or any aspects of state, local, or foreign tax laws. This summary is based on the Internal Revenue Code of 1986, as amended (the Code ), the Treasury regulations thereunder, administrative pronouncements, and judicial decisions in effect as of the date hereof, all of which are subject to change, possibly on a retroactive basis. No statutory, administrative or judicial authority directly addresses the treatment of Senior Notes or instruments similar to Senior Notes for U.S. federal income tax purposes, and we have not sought any ruling from the Internal Revenue Service (the IRS ) with respect to the statements made and conclusions reached herein. As a result, no assurance can be given that the IRS will agree with the tax consequences described herein. Holders are urged to consult their tax advisors with regard to the application of the U.S. federal income tax laws to their particular situation as well as any tax consequences arising under the laws of any state, local or foreign taxing jurisdiction.

If a partnership or other entity treated as a partnership for U.S. federal income tax purposes holds Senior Notes, the tax treatment of the partnership and each partner generally will depend on the activities of the partnership and the status of the partner. Partnerships acquiring Senior Notes, and partners in such partnerships, should consult their tax advisors.

**Classification of the Senior Notes**

In connection with the issuance of the Senior Notes, Sidley Austin Brown & Wood LLP delivered an opinion that, under then-current law, based on certain representations, facts, and assumptions contained in that opinion, the Senior Notes would be classified as indebtedness for U.S. federal income tax purposes. Generally, characterization of an obligation as indebtedness for U.S. federal income tax purposes is made at the time of the issuance of the obligation. Consistent with the opinion received from Sidley Austin Brown & Wood LLP at the time of the issuance of the Senior Notes, we have treated and will continue to treat the Senior Notes as indebtedness for U.S. federal income tax purposes. An opinion of counsel is not binding on the IRS or any court, however, and it is possible that the IRS could successfully assert that the Senior Notes should not be treated as indebtedness, in which case holders' tax

consequences from the ownership and disposition of the Senior Notes may differ from those described below. By acquiring Senior

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Notes in the remarketing, holders will be deemed to have agreed to treat the Senior Notes as indebtedness for U.S. federal income tax purposes.

Because of the manner in which the interest rate on the Senior Notes is reset, and consistent with the opinion received from Sidley Austin Brown & Wood LLP at the time of the issuance of the Senior Notes, we have treated and will continue to treat the Senior Notes as indebtedness that is subject to the Treasury regulations governing contingent payment debt instruments (the contingent payment debt regulations). The proper application of the contingent payment debt regulations to the Senior Notes following the remarketing is uncertain in a number of respects, however, and it is possible that the IRS could successfully assert that the Senior Notes should be treated in a different manner than as described below. A different treatment of the Senior Notes could affect the amount, timing, and character of income, gain, or loss with respect to an investment in the Senior Notes. Accordingly, holders are urged to consult their tax advisors regarding the U.S. federal income tax consequences of owning the Senior Notes.

This discussion assumes that the Senior Notes will be respected as indebtedness subject to the contingent payment debt regulations as described above.

**Tax Consequences to U.S. Holders**

The following summary applies to U.S. holders. The term "U.S. holder" means a beneficial owner of the Senior Notes that is:

a person who is a citizen or resident of the United States;

a corporation, or other entity treated as a corporation for U.S. federal income tax purposes, created or organized in or under the laws of the United States or any state thereof or the District of Columbia;

an estate the income of which is subject to U.S. federal income taxation regardless of its source; or

a trust if (1) a court within the United States can exercise primary supervision over the administration of such trust and one or more United States persons have the authority to control all substantial decisions of such trust or (2) the trust has in effect a valid election to be treated as a domestic trust for U.S. federal income tax purposes.

**Interest Accruals Based on Comparable Yield and Projected Payment Schedule**

Under the contingent payment debt regulations (subject to the discussion below), regardless of a U.S. holder's method of accounting for U.S. federal income tax purposes, U.S. holders are required to accrue interest income on the Senior Notes on a constant-yield basis at an assumed yield (the comparable yield) that was determined at the time of issuance of the Senior Notes. The comparable yield for the Senior Notes was based on the yield at which we could have issued, at the time of issuance of the Senior Notes, a fixed-rate debt instrument with no contingent payments but with terms otherwise similar to those of the Senior Notes. Solely for purposes of determining the amount of interest income that accrues on the Senior Notes, we were required, at the time of issuance of the Senior Notes, to construct a projected payment schedule in respect of the Senior Notes representing a series of payments the amount and timing of which would produce a yield to maturity on the Senior Notes equal to the comparable yield. We determined, as of the issue date of the Senior Notes, that the comparable yield was an annual rate of 5.50%, compounded quarterly. Based on the comparable yield, the projected payment schedule for the Senior Notes per \$25 of principal amount was \$0.16 on August 16, 2002, \$0.29 for each subsequent quarter ending on or prior to May 16, 2005, \$0.43 for each quarter ending after May 16, 2005, and \$25.43 at maturity (which includes the stated principal amount of the Senior Notes as well as the final projected interest payment).

For U.S. federal income tax purposes, U.S. holders generally are required under the contingent payment debt regulations to use the comparable yield and the projected payment schedule in determining interest accruals and adjustments in respect of a Senior Note, unless U.S. holders timely disclose and

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justify the use of a different comparable yield and projected payment schedule to the IRS. However, there is uncertainty regarding the manner in which the contingent payment debt regulations apply to the remarketing, including whether there should be a change in the projected payment schedule and the precise mechanics for determining the total amount and timing of the adjustments to the interest accruals. For our own reporting purposes, we intend not to change the original projected payment schedule created at the time of the issuance of the Senior Notes. This discussion assumes that U.S. holders will use this original projected payment schedule as well.

Furthermore, assuming that U.S. holders report their income in a manner consistent with our position described below, the amount of income that U.S. holders will recognize in respect of the Senior Notes generally should correspond to the economic accrual of income on the Senior Notes to the U.S. holders and the amount of income the U.S. holders would have recognized on an accrual basis if the Senior Notes were not contingent payment debt obligations. No assurance can be given that the IRS will agree with the application of the contingent payment debt regulations to the remarketing in the manner described below.

The amount of interest on a Senior Note that accrues in an accrual period is the product of the comparable yield on the Senior Note (adjusted to reflect the length of the accrual period) and the adjusted issue price of the Senior Note. The daily portions of interest in respect of a Senior Note are determined by allocating to each day in an accrual period the ratable portion of interest on the Senior Note that accrues in the accrual period. The initial adjusted issue price of a Senior Note acquired by a holder in the remarketing will equal \$ per \$25 principal amount as of the date of the remarketing (the initial adjusted issue price). For any accrual period thereafter, the adjusted issue price will be (x) the sum of the initial adjusted issue price of the Senior Note and all interest previously accrued on such Senior Note starting from the remarketing date (disregarding any positive or negative adjustments described below, including the adjustments reflecting the actual reset rate and additional potential adjustments) minus (y) the total amount of the projected payments on the Senior Note for all previous accrual periods starting from the remarketing date.

**Adjustments to Reflect the Actual Reset Rate**

Following the remarketing of the Senior Notes, the Senior Notes will be subject to special rules that are applicable to contingent payment debt instruments for which all of the contingent payments have become fixed at the same time. Under these rules, you must take into account positive or negative adjustments to the projected payment schedule in a reasonable manner over the period to which such adjustments relate. Based on the reset rate of %, actual payments on the Senior Notes, per \$25 principal amount, will be approximately [\$ on August 16, 2005], \$ on November 16, 2005 and \$ for each quarterly payment date thereafter. Because these payments will differ from the projected quarterly payments of \$0.43, you and we will be required to account for these differences as a adjustment to interest accrued based on the comparable yield of 5.50% in a reasonable manner over the period to which they relate. For our own reporting purposes, we intend to treat the difference between the projected payment of \$0.43 and the actual payments on the Senior Notes as a adjustment to the interest accrued (based on the 5.50% comparable yield) during each quarter. You are not required to use the same method to account for the differences between the actual payments and the projected payment schedule so long as you make these adjustments in a reasonable manner.

**Adjusted Tax Basis of the Senior Notes; Additional Potential Adjustments**

A U.S. holder's initial adjusted tax basis in a Senior Note acquired by the U.S. holder in the remarketing will equal the amount that the U.S. holder pays for the Senior Note. The U.S. holder's adjusted tax basis in the Senior Note for any accrual period after the remarketing will equal (x) the sum of the U.S. holder's initial adjusted tax basis in the Senior Note and any interest previously accrued on such Senior Note starting from the date of the remarketing (disregarding any positive or negative adjustments, other than those described in the next paragraph) minus (y) the total amount of the projected payments on the Senior Note for all previous accrual periods starting from the date of the remarketing.

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If a U.S. holder's initial adjusted tax basis in a Senior Note acquired in the remarketing differs from the initial adjusted issue price in such Senior Note, the U.S. holder will be required to make additional negative or positive adjustments to interest accrued in each period. A U.S. holder should take into account any difference between its initial adjusted tax basis in the Senior Note and the initial adjusted issue price of the Senior Note by reasonably allocating this difference to daily portions of original issue discount or to projected payments over the remaining term of the Senior Note. If the U.S. holder's initial adjusted tax basis in a Senior Note is greater than its initial adjusted issue price, the U.S. holder will take the difference into account as a negative adjustment on the date the daily portion accrues or the projected payment is made. If the U.S. holder's initial adjusted tax basis in a Senior Note is less than its initial adjusted issue price, the U.S. holder will take the difference into account as a positive adjustment on the date the daily portion accrues or the projected payment is made. The adjusted tax basis of a Senior Note will be decreased by any such negative adjustments and increased by any such positive adjustments.

Certain U.S. holders will receive IRS Forms 1099-OID reporting interest accruals on their Senior Notes. Those forms will not, however, reflect the effect of any positive or negative adjustments resulting from your purchase of a Senior Note in the remarketing at a price that differs from its adjusted issue price on the date of purchase. You are urged to consult your tax advisor as to whether, and how, such adjustments should be made to the amounts reported on any IRS Form 1099-OID.

**Sale, Exchange, or Other Disposition of the Senior Notes**

Upon a sale, exchange, or other disposition of a Senior Note (including a Tax Event Redemption), a U.S. holder generally will recognize gain or loss equal to the difference between the amount realized on the disposition and the U.S. holder's adjusted tax basis in the Senior Note. Gain or loss on the sale, exchange, or other disposition of a Senior Note that occurs during the six month period following the date the interest rate is reset generally will be treated as ordinary income or loss, unless no further payments are due during the remainder of the six month period. The amount of any ordinary loss may not exceed your prior net interest inclusions (reduced by the total net negative adjustments previously allowed as an ordinary loss). Any gain or loss recognized on a sale, exchange, or other disposition of a Senior Note which is not treated as ordinary income or loss (as described above) generally will be treated as capital gain or loss (except to the extent of any positive adjustment that you have not yet accrued and included in income, which will be treated as interest income), and generally will be long-term capital gain or loss if the holder held the Senior Note for more than one year immediately prior to such disposition. Long-term capital gains of individuals are eligible for reduced rates of taxation. The deductibility of capital losses is subject to limitations.

**Tax Consequences to Non-U.S. Holders**

The following applies to a holder if the holder is a beneficial owner of a Senior Note and is not a U.S. holder or a partnership (or entity treated as a partnership for U.S. federal income tax purposes) (hereinafter a non-U.S. holder). Special rules which will not be addressed herein may apply if a non-U.S. holder is a controlled foreign corporation or a passive foreign investment company for U.S. federal income tax purposes. If a non-U.S. holder is such an entity, the non-U.S. holder should consult its tax advisor to determine the tax consequences that may be relevant to the non-U.S. holder.

All payments on a Senior Note made to a non-U.S. holder and any gain realized on a sale, exchange, or other disposition of a Senior Note will be exempt from U.S. federal income and withholding tax, provided that:

the non-U.S. holder does not own, actually or constructively, 10% or more of the total combined voting power of all classes of our voting stock within the meaning of the Code and the Treasury regulations;

the non-U.S. holder is not a controlled foreign corporation related, directly or indirectly, to us through stock ownership;

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the non-U.S. holder is not a bank whose receipt of interest on the Senior Notes is described in section 881(c)(3)(A) of the Code;

the non-U.S. holder has fulfilled the certification requirement described below;

such payments are not effectively connected with the conduct by the non-U.S. holder of a trade or business in the United States; and

in the case of gain realized on the sale, exchange, or other disposition of a Senior Note, if the non-U.S. holder is a nonresident alien individual, the non-U.S. holder is not present in the United States for 183 or more days in the taxable year of the disposition where certain other conditions are met.

The certification requirement referred to above will be fulfilled if the non-U.S. holder provides its name and address, and taxpayer identification number, if any, to us on IRS Form W-8BEN (or an acceptable substitute), and certifies, under penalties of perjury, that the holder is not a United States person.

If the non-U.S. holder is engaged in a trade or business in the United States, and if payments on a Senior Note are effectively connected with the conduct of that trade or business and, if a treaty applies, are attributable to a permanent establishment maintained by the non-U.S. holder in the United States, the holder will generally be taxed in the same manner as a U.S. holder (see Tax Consequences to U.S. Holders above), except that the non-U.S. holder will be required to provide a properly executed IRS Form W-8ECI in order to claim an exemption from or reduction of withholding tax. In addition, if you are a foreign corporation, you may be subject to a branch profits tax equal to 30% (or lower applicable tax treaty rate) of your effectively connected earnings and profits, subject to certain adjustments.

**Information Reporting and Backup Withholding**

Information returns may be filed with the IRS in connection with payments on the Senior Notes and the proceeds from a sale, exchange, or other disposition of the Senior Notes. Holders may receive statements containing the information reflected on these returns. The amounts reported to holders may not reflect the amounts that holders will be required to include in income in respect of the Senior Notes, even if holders take adjustments into account in the manner described above. Holders should consult their tax advisors regarding calculating their taxable income from the Senior Notes based on the amounts reported to holders and other information available to holders, including the information provided in this prospectus supplement or the accompanying prospectus.

If the holder is a U.S. holder, the holder may be subject to U.S. backup withholding tax on these payments if it fails to provide its taxpayer identification number to the paying agent and comply with certification procedures or otherwise establish an exemption from backup withholding. If the holder is a non-U.S. holder, it may be subject to U.S. backup withholding tax on these payments unless the holder complies with certification procedures to establish that the holder is not a United States person. The certification procedures required of the non-U.S. holder to claim the exemption from withholding tax on certain payments on the Senior Notes described above will satisfy the certification requirements necessary to avoid the backup withholding tax as well.

The amount of any backup withholding made from a payment will be allowable as a credit against the holder's U.S. federal income tax liability and may entitle the holder to a refund, provided that the holder timely furnishes the required information to the IRS.

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**REMARKETING**

The remarketing is being made under the terms and subject to the conditions contained in a remarketing agreement as supplemented by a supplemental remarketing agreement, dated as of August , 2005. This agreement requires Morgan Stanley & Co. Incorporated, UBS Securities LLC and Wedbush Morgan Securities Inc., as the remarketing agents, to use their commercially reasonable best efforts to remarket the senior notes that are included in the equity units at a price equal to approximately, but not less than, 100.50% of the remarketing value. The remarketing value with respect to each senior note that is being remarketed is equal to the sum of:

(1) the value at August , 2005 of such amount of U.S. treasury securities that will pay, on August 15, 2005, an amount of cash equal to the aggregate interest payments that are scheduled to be payable on August 16, 2005; and

(2) the value at August , 2005 of such amount of U.S. treasury securities that will pay, on August 15, 2005, an amount of cash equal to \$25.

For purposes of (1) and (2) above, the value at August , 2005 of the U.S. treasury securities will assume that (a) the U.S. treasury securities are highly liquid treasury securities maturing on or within 35 days prior to August 16, 2005 (as determined in good faith by the remarketing agents in a manner intended to minimize the cash value of the U.S. treasury securities) and (b) those U.S. treasury securities are valued based on the ask-side price of the U.S. treasury securities at a time between 9:00 a.m. and 11:00 a.m., New York City time, selected by the remarketing agents, on August , 2005 (as determined on a third-day settlement basis by a reasonable and customary means selected in good faith by the remarketing agents) plus accrued interest to that date.

On August , 2005, the remarketing agents will attempt to reset the rate of interest payable on the remarketed senior notes to a rate that is sufficient to cause the market value of each senior note to be equal to approximately, but not less than, 100.50% of the remarketing value. Upon the closing of a successful remarketing, the total proceeds from the remarketing of the senior notes will be used to purchase the treasury securities described above, which treasury securities will be pledged to secure the obligations of holders of the equity units to purchase shares of our common stock under the stock purchase contracts. The remaining portion, if any, of the proceeds, net of the remarketing fee referred to below, will be remitted by the remarketing agents to the holders of the equity units.

The remarketing agents will retain a remarketing fee not exceeding 25 basis points (0.25%) of the total proceeds from the remarketing. Neither we nor equity unit holders will otherwise be responsible for the payment of any remarketing fee or commission in connection with the remarketing.

The remarketing agreement provides that the remarketing is subject to customary conditions precedent, including the delivery of legal opinions and accountants' comfort letters.

The senior notes have no established trading market. The remarketing agents have advised us that they intend to make a market in the senior notes, but they have no obligation to do so and may discontinue market making at any time without providing any notice. No assurance can be given as to the liquidity of any trading market for the senior notes.

In order to facilitate the remarketing of the senior notes, the remarketing agents may engage in transactions that stabilize, maintain or otherwise affect the price of the senior notes. These transactions consist of bids or purchases for the purpose of pegging, fixing or maintaining the price of the senior notes. In general, purchases of a security for the purpose of stabilization could cause the price of the security to be higher than it might be in the absence of these purchases. We and the remarketing agents make no representation or prediction as to the direction or magnitude of any effect that the transactions described above may have on the price of the senior notes. In addition, we and the remarketing agents make no representation that the remarketing agents will engage in these transactions or that these transactions, once commenced, will not be discontinued without notice.



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We have agreed to indemnify the remarketing agents against certain liabilities, including liabilities under the Securities Act.

The remarketing agents and certain of their affiliates have in the past provided, and may in the future provide, financial advisory, investment banking, commercial banking and other financial services to us and our subsidiaries.

**EXPERTS**

The consolidated financial statements and the related financial statement schedule incorporated in this prospectus supplement by reference from the Company's Current Report on Form 8-K dated August 3, 2005 and filed August 4, 2005, and management's report on the effectiveness of internal control over financial reporting incorporated in this prospectus supplement by reference from the Company's Annual Report on Form 10-K, as amended by Form 10-K/A, for the year ended December 31, 2004 have been audited by Deloitte & Touche LLP, an independent registered public accounting firm, as stated in their reports, which are incorporated herein by reference (which reports (1) express an unqualified opinion and include an explanatory paragraph relating to the change in method of accounting for asset retirement obligations, energy trading contracts and gas inventories in 2003, and goodwill and energy trading contracts in 2002, (2) express an unqualified opinion on management's assessment regarding the effectiveness of internal control over financial reporting, and (3) express an unqualified opinion on the effectiveness of internal control over financial reporting), and have been so incorporated in reliance upon the reports of such firm given upon their authority as experts in accounting and auditing.

With respect to the unaudited interim financial information for the periods ended March 31, 2005 and 2004 and June 30, 2005 and 2004 which is incorporated herein by reference, Deloitte & Touche LLP, an independent registered public accounting firm, have applied limited procedures in accordance with the Standards of the Public Company Accounting Oversight Board (United States) for a review of such information. However, as stated in their reports included in the Company's Current Report on Form 8-K dated August 3, 2005 and filed August 4, 2005 for the quarter ended March 31, 2005 and the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2005 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 Act.

**LEGAL MATTERS**

The validity of the notes will be passed upon for DTE Energy by Thomas A. Hughes, Associate General Counsel. Mr. Hughes beneficially owns shares of DTE Energy common stock and holds options to purchase additional shares. Certain matters relating to this offering will be passed upon for DTE Energy by Hunton & Williams LLP, New York, New York, special counsel to DTE Energy. Certain legal matters relating to this offering will be passed upon for the remarketing agents by Dewey Ballantine LLP, New York, New York. Hunton & Williams LLP and Dewey Ballantine LLP will rely on the opinion of Mr. Hughes with respect to Michigan law.

Dewey Ballantine LLP has represented, and may in the future continue to represent, us and certain of our affiliates as to certain energy regulatory, commercial and other matters unrelated to this offering.

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**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.



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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.

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**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

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<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.

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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;

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- 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.



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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.

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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.

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**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.

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**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

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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

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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

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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.

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**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;



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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;

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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.

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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.

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No payments o