DTE ENERGY CO
Form 424B2
May 24, 2006

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Filed Pursuant to Rule 424(b)(2)
Registration No.: 333-99955

**Prospectus Supplement**
**(To Prospectus Dated October 2, 2002)**

**$300,000,000**
**DTE Energy Company**
2006 Series B
6.35% Senior Notes due 2016

We will pay interest on the notes on June 1 and December 1 of each year beginning December 1, 2006 at the rate of 6.35% per year.

The notes will mature on June 1, 2016. We may redeem the notes at our option, in whole or in part, at any time at the redemption price set forth in this prospectus supplement. There is no sinking fund for the notes. The notes will be unsecured and unsubordinated obligations and will rank equally with all of our other unsecured and unsubordinated indebtedness from time to time outstanding.

**Investment in the 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-6 of this prospectus supplement, which describes some of these risks.**

| | Price to Public | Underwriting Discount | Proceeds to Us Before Expenses |
|---|---|---|---|
| Per Note | 99.940% | 0.65% | 99.290% |
| Total | $299,820,000 | $1,950,000 | $297,870,000 |

Interest on the notes will accrue from the date of original issuance. Purchasers of the notes must pay the accrued interest if settlement occurs after that date.

Delivery of the notes, in book-entry form only, will be made on or about May 26, 2006.

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

*Joint Book-Running Managers*

**Barclays Capital** **Citigroup** **JPMorgan**

*Co-Managers*

**Comerica Securities** **Credit Suisse** **Deutsche Bank Securities**
**KeyBanc Capital Markets** **Morgan Stanley** **Wachovia Securities**
**Wedbush Morgan Securities, Inc.**

The date of this prospectus supplement is May 23, 2006.

You should rely only on the information contained or incorporated by reference in this prospectus supplement and the accompanying 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 notes in any jurisdiction where the offer or sale 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. To the extent that the information in the prospectus supplement differs from the information in the prospectus, you should rely on the information in the prospectus supplement.

References in this prospectus supplement to DTE Energy, we, us, or our refer to DTE Energy Company and its consolidated subsidiaries.

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**Prospectus Supplement**



**Prospectus**

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## CAUTIONARY STATEMENTS REGARDING FORWARD-LOOKING STATEMENTS

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

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 for the year ended December 31, 2005 and our Quarterly Report on Form 10-Q for the quarter ended March 31, 2006, which are incorporated by reference herein.

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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## PROSPECTUS SUPPLEMENT SUMMARY

*This summary highlights important information about DTE Energy Company and this offering. It does not contain all the information that is important to you in connection with your decision to invest in the notes. We encourage you to read this prospectus supplement and the accompanying prospectus in their entirety as well as the information we incorporate by reference before making an investment decision.*

### DTE Energy Company

DTE Energy Company ( DTE Energy ) is a Michigan corporation engaged in utility operations through its wholly owned subsidiaries, The Detroit Edison Company ( Detroit Edison ) and Michigan Consolidated Gas Company ( MichCon ). We also have non-utility operations that are engaged in a variety of energy related businesses.

Detroit Edison is a Michigan public utility engaged in the generation, purchase, distribution and sale of electricity to approximately 2.2 million customers in southeastern Michigan.

MichCon is a Michigan public utility engaged in the purchase, storage, transmission, distribution and sale of natural gas to approximately 1.3 million customers throughout Michigan.

Our non-utility operations consist primarily of Power and Industrial Projects, Unconventional Gas Production, and Fuel Transportation and Marketing. Power and Industrial Projects primarily consists of synfuel projects, on-site energy services, steel-related energy projects, power generation with services, and waste coal recovery operations. Unconventional Gas Production primarily consists of natural gas exploration, development and production. Fuel Transportation and Marketing primarily consists of energy marketing and trading operations, coal transportation and marketing, and gas pipelines, processing and storage.

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

### The Offering

*For a more complete description of the terms of the notes, see Description of Notes.*

| | |
|---|---|
| The Issuer | DTE Energy Company. |
| Offered Securities | $300,000,000 aggregate principal amount of 2006 Series B 6.35% Senior Notes due 2016. |
| Maturity | The notes will mature on June 1, 2016. |
| Interest Payment Dates | We will pay interest on the notes in arrears on June 1 and December 1 of each year, beginning December 1, 2006. |
| Redemption | The notes may be redeemed at our option, in whole or in part, at any time at the redemption price set forth in this prospectus supplement. The notes will not be entitled to the benefit of any sinking fund. See Description of Notes Redemption. |
| Ranking | The notes will be our unsecured and unsubordinated obligations and will rank on a parity in right of payment with all of our other unsecured and unsubordinated indebtedness from time to time outstanding. The notes are our obligations exclusively, and are not the obligations of any of our subsidiaries. Because we are a holding company, our obligations on the notes will be effectively subordinated to existing and future liabilities of our subsidiaries. See Description of Notes Ranking herein, and Description of Debt Securities Ranking in the accompanying prospectus. |

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| | |
|---|---|
| Further Issues of the Notes | Initially, the notes will be issued in one series limited to $300 million in aggregate principal amount, except as provided in the indenture. We may, subject to the provisions of the indenture, reopen the series of notes and issue additional notes without the consent of the holders of the notes. See Description of Notes General herein. |
| Use of Proceeds | Net proceeds from the sale of the notes, after expenses and underwriting discount, are expected to be approximately $298 million. We expect to use the proceeds to repay a portion of our $500,000,000 aggregate principal amount of 6.45% Senior Notes due 2006 which mature on June 1, 2006, and for general corporate purposes. |
| Ratings | Our senior unsecured debt is rated Baa2 by Moody s Investors Service, Inc., BBB- by Standard & Poor s Ratings Services, a division of The McGraw-Hill Companies, Inc., and BBB by Fitch Ratings. For a description of factors affecting our credit ratings, see Risk Factors. Ratings reflect only the rating agencies views and are not recommendations to buy, sell or hold the notes. Any rating agency may revise or withdraw its rating on the notes, and, accordingly, there can be no assurance that the ratings assigned to the notes upon initial issuance or at any other time will not be lowered or withdrawn by a rating agency at any time thereafter. |
| Risk Factors | Your investment in the notes will involve risks. You should carefully consider the discussion of risks in Risk Factors in this prospectus supplement and the other information in this prospectus supplement and the accompanying prospectus, including Cautionary Statements Regarding Forward-Looking Statements on page S-2 of this prospectus supplement, before deciding whether an investment in the notes is suitable for you. |

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## Summary Consolidated Financial Data

The following table sets forth our summary consolidated financial data on a historical basis for the quarters ended March 31, 2006 and March 31, 2005 and the three years ended December 31, 2005. The year-end financial data have been derived from our audited financial statements which have been audited by Deloitte & Touche LLP, an independent registered public accounting firm. See Experts in the Prospectus Supplement. 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 financial data. Financial results for the interim periods are not necessarily indicative of results that may be expected for any other interim period for the fiscal year. The information below should be read in conjunction with Management s Discussion and Analysis of Financial Condition and Results of Operations in our Annual Report on Form 10-K for the year ended December 31, 2005, our Quarterly Report on Form 10-Q for the quarter ended March 31, 2006 and our financial statements and the related notes and the other financial or statistical information that we include or incorporate by reference in this prospectus supplement and the accompanying prospectus. See Information Incorporated by Reference and Where You Can Find More Information in the accompanying prospectus.

| | Three Months Ended March 31, | | Year Ended December 31, | | |
|---|---|---|---|---|---|
| | **2006** | **2005** | **2005** | **2004** | **2003** |
| | **(Unaudited)** | | | | |
| | **(In millions, except per share amounts)** | | | | |
| Income Statement Data | | | | | |
| Operating Revenues | $ 2,635 | $ 2,309 | $ 9,022 | $ 7,071 | $ 7,005 |
| Net Income | $ 136 | $ 122 | $ 537 | $ 431 | $ 521 |
| Earnings Per Common Share | | | | | |
| Basic | $ 0.77 | $ 0.70 | $ 3.07 | $ 2.50 | $ 3.11 |
| Diluted | $ 0.76 | $ 0.70 | $ 3.05 | $ 2.49 | $ 3.09 |
| Dividends Declared Per Share of Common Stock | $ 0.515 | $ 0.515 | $ 2.06 | $ 2.06 | $ 2.06 |
| Balance Sheet Data | | | | | |
| Total Assets | $ 22,377 | $ 21,543 | $ 23,335 | $ 21,297 | $ 20,753 |
| Long-Term Debt(1) | $ 7,004 | $ 7,541 | $ 7,080 | $ 7,606 | $ 7,669 |

(1) Includes securitization bonds issued in March 2001 by The Detroit Edison Securitization Funding LLC, which were outstanding in the amounts of $1.238 billion at March 31, 2006, $1.345 billion at March 31, 2005, $1.295 billion at December 31, 2005, $1.400 billion at December 31, 2004 , and $1.496 billion at December 31, 2003.

## Recent Developments

We announced on May 15, 2006 that as a result of the level of volatility of oil prices, and the lack of federal legislation that would have provided certainty for the production economics this year, we had idled production at all nine synthetic fuel facilities operated by us. For additional information relating to this matter, please see our Current Report on Form 8-K dated May 15, 2006 and filed with the Securities and Exchange Commission, as well as Risk Factors in this prospectus supplement.

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## RISK FACTORS

An investment in the notes involves risks. You should carefully consider the following information, together with the other information in this prospectus supplement, the accompanying prospectus and the documents that are incorporated by reference in this prospectus supplement and the prospectus (including the Risk Factors set forth in the Company s Annual Report on Form 10K for the year ended December 31, 2005) and our Quarterly Report on Form 10-Q for the quarter ended March 31, 2006, about risks concerning the notes, before buying any notes. See also Cautionary Statements Regarding Forward-Looking Statements in this prospectus supplement.

***Our ability to utilize production tax credits may be limited.***

We have generated production tax credits from our synfuel, coke battery, landfill gas recovery and gas production operations. We have received favorable private letter rulings on all of our synfuel facilities. All production tax credits taken after 2001 are subject to audit by the Internal Revenue Service ( IRS ). If our production 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 proposed legislation. Moreover, production tax credits related to generation of synfuels expire at the end of 2007. The combination of IRS audits of production tax credits, supply and demand for investment in credit producing activities and proposed 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.

The value of a production tax credit can vary each year and is adjusted annually by an inflation factor as published by the IRS in April of the following year. Additionally, the value of the production 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 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. For 2005, the monthly average wellhead prices were approximately $6 lower than the New York Mercantile Exchange ( NYMEX ) price for light, sweet crude oil. As of May 19, 2006, the realized and unrealized NYMEX daily closing price of a barrel of oil was approximately $69 for 2006, equating to an estimated Reference Price of $63, which is estimated to be within the phase-out range. The average NYMEX daily closing price of a barrel of oil would have to average less than approximately $55 for the remainder of 2006 in order that no phase-out of production tax credits occur. Unless oil prices drop significantly for the remainder of 2006 and/or legislation passes that as proposed would result in no phase-out for 2006, we would experience a partial or full phase-out of the production tax credits, resulting in a reduction in the net income and cash flow from our synfuel business. A phase-out could have an adverse impact on our synthetic fuel production plans which, in turn, may have a material adverse impact on our results of operations, cash flow, and financial condition. However, we cannot predict with any certainty the Reference Price for the remainder of 2006 or beyond.

***Our estimates of gas reserves are subject to change.***

We cannot assure that our estimates of our Antrim and Barnett gas reserves are accurate. Estimates of proved gas reserves and the future net cash flows attributable to those reserves are prepared by independent engineers. There are numerous uncertainties inherent in estimating quantities of proved gas reserves and cash flows attributable to such reserves, including factors beyond our control and that of our engineers. Reserve engineering is a subjective process of estimating underground accumulations of gas that cannot be measured in an exact manner. The accuracy of an estimate of quantities of reserves, or of cash flows attributable to such reserves, is a function of the available data, assumptions regarding expenditures for future development and exploration activities, and of engineering and geological interpretation and judgment. Additionally, reserves and future cash flows may be subject to material downward or upward revisions, based upon production history, development and exploration activities and prices of gas. Actual future production, revenue, taxes, development expenditures, operating expenses, underlying information, quantities of recoverable reserves and the value of cash flows from such reserves may vary significantly from the assumptions and underlying

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information we used. In addition, different reserve engineers may make different estimates of reserves and cash flows based on the same available data.

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

Our businesses depend on numerous information systems for operations and financial information and billings. DTE2 is a multi-year Company-wide initiative to improve existing processes and implement new core information systems. We launched the first phase of our DTE2 project in 2005. Additional phases of implementation are planned for 2007. Failure to successfully implement new processes and new core information systems could interrupt our operations.

***Michigan s electric Customer Choice program is negatively impacting 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 our customers, while alternative electric 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. Due to distorted pricing mechanisms during the initial period of electric Customer Choice, many commercial customers chose alternative electric suppliers. MPSC rate orders in 2004 and 2005 have removed some of the pricing disparity. Recent higher wholesale electric prices have also resulted in some former electric Customer Choice customers migrating back to Detroit Edison for electric generation service. Even with the electric Customer Choice-related rate relief received in Detroit Edison s 2004 and 2005 orders, there continues to be considerable financial risk associated with the electric Customer Choice program. Electric Customer Choice migration is sensitive to market price and bundled electric service price increases.

***Weather significantly affects 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.

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

Electric and gas rates for our utilities 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 non-utility operations may not perform to our expectations.***

We rely on our non-utility operations for a significant portion of our earnings. If our current and contemplated non-utility investments do not perform at expected levels, we could experience diminished earnings potential and a corresponding decline in our shareholder value.

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

Cash flows from our utility and non-utility 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 interest and dividends would be restricted.

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***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 can have an unfavorable impact on 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 as a result of potential future requirements to address the climate change issue. The regulatory environment is subject to significant change; therefore, we cannot predict how future issues may impact the company.

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 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 us 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 we maintain 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 fluctuations and 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 other non-utility businesses that compete with utilities and alternative electric suppliers.

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

Unions represent approximately 5,800 of our employees. A union choosing to strike as a negotiating tactic would have an impact on our business. We are unable to predict the effects a work stoppage would have on our costs of operation and financial performance.

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

Unforeseen maintenance may be required to safely produce electricity or comply with environmental regulations. As a result of unforeseen maintenance, we may be required to make spot market purchases of electricity that exceed our costs of generation. 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.

***Michigan tax reform may be costly.***

We are a significant taxpayer in the State of Michigan. Should the legislature change the tax laws, we could face increased taxes.

***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 terrorism would impact our operations. We have increased security as a result of past events and further security increases are possible.

***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. In certain situations we may also be required to post collateral to support trading operations. We have established risk policies to manage the business.

***There is no existing market for the notes and we cannot assure that such a market will develop.***

There is no existing market for the notes, and we do not intend to apply for listing of the notes on any securities exchange. We cannot assure that an active trading market for the notes will develop. There can be no assurances as to the liquidity of any market that may develop for the notes, the ability of noteholders to sell their notes or the price at which the noteholders may be able to sell their notes. Future trading prices of the notes will depend on many factors, including, among other things, prevailing interest rates, our operating results and the market for similar securities. Generally, the liquidity of, and trading market for, the notes may also be materially and adversely affected by declines in the market for similar debt securities. Such a decline may materially and adversely affect such liquidity and trading independent of our financial performance and prospects.

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## USE OF PROCEEDS

Net proceeds from the sale of the notes, after expenses and underwriting discount, are expected to be approximately $298 million. We expect to use the proceeds to repay a portion of our $500,000,000 aggregate principal amount 6.45% Senior Notes due 2006 which mature on June 1, 2006, and for general corporate purposes.

## RATIOS OF EARNINGS TO FIXED CHARGES

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

| | Three Months Ended March 31, 2006 | Year Ended December 31, 2005 | 2004 | 2003 | 2002 | 2001 |
|---|---|---|---|---|---|---|
| Ratios of Earnings to Fixed Charges | 1.85 | 1.92 | 1.78 | 1.55 | 1.91 | 1.49 |

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

- earnings, which consist of consolidated income plus income taxes and fixed charges, except capitalized interest; and

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

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## CAPITALIZATION

The following table sets forth our cash, cash equivalents and restricted cash, short-term debt, current portion of long-term debt and capital lease obligations, total long-term debt, preferred securities of subsidiaries, common shareholders equity and total capitalization at March 31, 2006 and as adjusted to give effect to (i) the offering and application of the net proceeds of this offering, (ii) the offering of $250 million aggregate amount of Detroit Edison Company s 2006 Series A 6.625% Senior Notes due 2036 expected to be issued on May 24, 2006 and the use of the net proceeds thereof to repay short-term borrowings, and (iii) the June 1, 2006 maturity of the DTE Energy 6.45% Senior Notes due 2006 and the use of short-term borrowings to repay a portion of the maturity. The information set forth below is only a summary and should be read in conjunction with our consolidated financial statements and the related notes in each case incorporated by reference in this prospectus supplement and the accompanying prospectus.

| | As of March 31, 2006 | |
|---|---|---|
| | **Historical** | **As Adjusted** |
| | **(Unaudited) (In millions)** | |
| Cash and cash equivalents | $ 75 | $ 75 |
| Restricted cash | $ 99 | $ 99 |
| Short-term borrowings | $ 647 | $ 602 |
| Current portion of long-term debt, including capital leases | $ 693 | $ 193 |
| Long-term debt (net of current portion): | | |
| Mortgage bonds, notes and other | $ 5,218 | $ 5,768 |
| Securitization bonds | 1,238 | 1,238 |
| Equity-linked securities | 175 | 175 |
| Trust preferred-linked securities | 289 | 289 |
| Capital lease obligations | 84 | 84 |
| Total long-term debt | $ 7,004 | $ 7,554 |
| Common shareholders equity | $ 5,858 | $ 5,858 |
| Total capitalization | $ 12,862 | $ 13,412 |

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## DESCRIPTION OF NOTES

*The following summary sets forth the specific terms and provisions of the notes. The following description of the specific terms of the notes supplements, and, to the extent inconsistent, replaces, the description of the general terms and provisions of the debt securities and the indenture governing the notes set forth in the accompanying prospectus under Description of Debt Securities. The following summary is qualified in its entirety by reference to the terms and provisions of the notes and the indenture, which are incorporated in this prospectus supplement and the accompanying prospectus by reference. Capitalized terms not otherwise defined in this section, or in the accompanying prospectus, have the meanings given to them in the notes and in the indenture.*

### General

We will issue the notes as a series of our senior debt securities under the indenture described in the accompanying prospectus.

The indenture does not limit the amount of senior notes or other debt securities we may issue under it. As of March 31, 2006, approximately $2.2 billion aggregate principal amount of debt securities were issued and outstanding under the indenture.

We may also reopen the series of notes to issue additional notes having the same ranking, interest rate, maturity, and other terms (other than the date of issuance and, in some circumstances, interest accrual dates) as the notes, without the consent of the holders. Any such additional notes will, together with the existing notes of that series, constitute a single series of debt securities under the indenture.

The notes will trade through The Depository Trust Company ( DTC ). The 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 depositary with respect to the notes at any time by giving reasonable notice to us. Under those circumstances, in the event that a successor securities depositary 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 depositary) with respect to the 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 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 or under the rules and procedures governing their respective operations. See Book-Entry Securities in the accompanying prospectus.

The authorized denominations for the notes will be $1,000 and integrals thereof.

### Ranking

The notes will be our unsecured and unsubordinated obligations and will rank on a parity in right of payment with all of our other unsecured and unsubordinated indebtedness from time to time outstanding, including amounts, if any, outstanding under our $1.2 billion in aggregate revolving credit agreements as well as our guarantees of non-regulated affiliate obligations. The notes are our obligations exclusively, and are not the obligations of any of our subsidiaries. Because we are a holding company that conducts substantially all of our operations through our subsidiaries, the notes will be effectively subordinated to claims of creditors and preferred stockholders of those subsidiaries, including their trade creditors, debtholders, secured creditors, taxing authorities and guarantee holders, if any.

At March 31, 2006, the total amount of DTE Energy s outstanding unsecured and unsubordinated indebtedness (excluding guarantees, short-term borrowings and current maturities), on an unconsolidated basis, was approximately $1.66 billion. At March 31, 2006, our principal subsidiaries, Detroit Edison and MichCon, had approximately $4.0 billion of outstanding indebtedness, consisting primarily of secured indebtedness, which would rank effectively senior to the notes. In addition, at such date, Detroit Edison had approximately $1.2 billion of securitization bonds of The Detroit Edison Securitization Funding LLC appearing on our balance sheet. We and our subsidiaries may incur additional indebtedness and other liabilities in the future.

**Maturity and Payment**

The notes will mature on June 1, 2016 and will bear interest from the date of issuance at the rate of 6.35% per year. Interest will be payable in U.S. dollars semi-annually in arrears on June 1 and December 1 commencing December 1, 2006. Interest punctually paid will be paid to the persons in whose names the notes are registered at the close of business on the 15th calendar day (whether or not a business day) before each interest payment date. Business day means any day other than a Saturday or Sunday or a day on which commercial banks in the State of New York are required or authorized by law or executive order to be closed. Interest on the notes will be computed on the basis of a 360-day year consisting of twelve 30-day months.

If any interest payment date, redemption date or maturity date of a note falls on a day that is not a business day, the required payment of principal, premium, if any, and interest will be made on the next succeeding business day as if made on the date that the payment was due and no interest will accrue on that payment for the period from and after that interest payment date, redemption date or maturity date, as the case may be, to the date of payment on the next succeeding business day.

**Redemption**

The notes may be redeemed at our option, in whole or in part, at any time at the redemption price set forth herein. The redemption price will be equal to the greater of the following amounts:

100% of the principal amount of the notes being redeemed on the redemption date; or

the sum of the present values of the remaining scheduled payments of principal and interest on the notes being redeemed on that redemption date (not including any portion of any payments of interest accrued to the redemption date) until stated maturity, discounted to the redemption date on a semiannual basis at the Adjusted Treasury Rate (as defined below) plus 30 basis points as determined by the Reference Treasury Dealer (as defined below);

plus, in each case, accrued and unpaid interest thereon to the redemption date. Notwithstanding the foregoing, installments of interest on notes that are due and payable on interest payment dates falling on or prior to a redemption date will be payable on the interest payment date to the registered holders as of the close of business on the relevant record date according to the notes and the indenture. The redemption price will be calculated on the basis of a 360-day year consisting of twelve 30-day months.

If notice has been given as provided in the indenture and funds for the redemption of any notes called for redemption have been made available on the redemption date, such notes will cease to bear interest on the date fixed for redemption. Thereafter, the only right of the holders of such notes will be to receive payment of the redemption price.

Notice of any redemption will be given to holders at their addresses, as shown in the security register for such notes, not more than 60 nor less than 30 days prior to the date fixed for redemption. The notice of redemption will specify, among other items, the redemption price and the principal amount of the notes held by such holder to be redeemed.

We will notify the trustee at least 60 days prior to giving notice of redemption (or such shorter period as is satisfactory to the trustee) of the aggregate principal amount of notes to be redeemed and their redemption date. If less than all of the notes of a series are to be redeemed, the trustee shall select which notes are to be redeemed in a manner it deems to be fair and appropriate.

Adjusted Treasury Rate means, with respect to any redemption date, the rate per annum equal to the semiannual equivalent yield to maturity of the Comparable Treasury Issue, calculated on the third business day preceding the redemption date, assuming a price for the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for such redemption date.

Comparable Treasury Issue means the United States Treasury security selected by the Reference Treasury Dealer as having a maturity comparable to the remaining term of the notes to be redeemed that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the remaining term of such notes.

Comparable Treasury Price means, with respect to any redemption date, (A) the average of the Reference Treasury Dealer Quotations for such redemption date, after excluding the highest and lowest such Reference Treasury Dealer Quotations, or (B) if the trustee obtains fewer than three such Reference Treasury Dealer Quotations, the average of all such quotations, or (C) if only one Reference Treasury Dealer Quotation is received, such quotation.

Reference Treasury Dealer means (i) Barclays Capital Inc., Citigroup Global Markets Inc. and J.P. Morgan Securities Inc. (or their respective affiliates which are Primary Treasury Dealers (as defined below)), and their respective successors; provided, however, that if any of the foregoing shall cease to be a primary U.S. government securities dealer in the United States (a Primary Treasury Dealer ), we will substitute therefor another Primary Treasury Dealer, and (ii) any other Primary Treasury Dealer(s) selected by the indenture trustee after consultation with us.

Reference Treasury Dealer Quotation means, with respect to each Reference Treasury Dealer and any redemption date, the average, as determined by the indenture trustee, of the bid and asked prices for the Comparable Treasury Issue (expressed in each case as a percentage of its principal amount) quoted in writing to the trustee by such Reference Treasury Dealer at 5:00 p.m. (New York City time) on the third business day preceding such redemption date.

The notes will not be entitled to the benefit of any sinking fund.

**Limitation on Secured Debt**

The limitation on secured debt set forth in the indenture (see Section 1009) and described in the accompanying prospectus will be applicable to the notes. See Description of Debt Securities Covenants Limitation on Secured Debt in the accompanying prospectus.

**Defeasance**

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

**Concerning the Trustee**

BNY Midwest Trust Company is the successor trustee under the indenture. In addition to acting as trustee under the indenture and in certain other capacities as described in the accompanying prospectus, affiliates of BNY Midwest Trust Company also act as a lender and provide other banking services in the ordinary course of business to DTE Energy and its affiliates.

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## UNDERWRITING

Under the terms and subject to the conditions contained in an underwriting agreement dated May 23, 2006, each of the underwriters named below has agreed to purchase and we have agreed to sell to such underwriters, for whom Barclays Capital Inc., Citigroup Global Markets Inc. and J.P. Morgan Securities Inc. are acting as representatives, the following respective principal amounts of notes:

| Underwriter | | Principal Amount of Notes |
|---|---|---|
| Barclays Capital Inc. | $ | 65,000,000 |
| Citigroup Global Markets Inc. | | 65,000,000 |
| J.P. Morgan Securities Inc. | | 65,000,000 |
| Comerica Securities, Inc. | | 15,000,000 |
| Credit Suisse Securities (USA) LLC | | 15,000,000 |
| Deutsche Bank Securities Inc. | | 15,000,000 |
| KeyBanc Capital Markets, a Division of McDonald Investments Inc. | | 15,000,000 |
| Morgan Stanley & Co. Incorporated | | 15,000,000 |
| Wachovia Capital Markets, LLC | | 15,000,000 |
| Wedbush Morgan Securities, Inc. | | 15,000,000 |
| Total | $ | 300,000,000 |

The underwriting agreement provides that the obligation of the underwriters to purchase the notes included in this offering is subject to approval of certain legal matters by counsel and to certain other conditions. The underwriting agreement provides that the underwriters are obligated to purchase all of the notes if any are purchased. The underwriting agreement also provides that if an underwriter defaults, the purchase commitments of non-defaulting underwriters may be increased or the offering of notes may be terminated.

The underwriters propose to offer the notes initially at the public offering price on the cover page of this prospectus supplement and to selling group members at that price less a selling concession of .40% of the principal amount per note. The underwriters and selling group members may allow a discount of ..25% of the principal amount per note on sales to other broker/ dealers. After the initial public offering, the representatives may change the public offering price and concession and discount to broker/ dealers.

We estimate that our out of pocket expenses for this offering will be approximately $250,000.

The notes are a new issue of securities with no established trading market. One or more of the underwriters intends to make a secondary market for the notes. However, they are not obligated to do so and may discontinue making a secondary market for the notes at any time without notice. No assurance can be given as to how liquid the trading market for the notes will be.

In connection with the offering the underwriters, may engage in stabilizing transactions, over-allotment transactions, syndicate covering transactions and penalty bids in accordance with Regulation M under the Exchange Act.

Stabilizing transactions permit bids to purchase the underlying security so long as the stabilizing bids do not exceed a specified maximum.

Over-allotment involves sales by the underwriters of notes in excess of the principal amount of the notes the underwriters are obligated to purchase, which creates a syndicate short position.

Syndicate covering tran