

Jacqueline Beaudry City Clerk 100 N 5th Ave Ann Arbor, MI 48104-5522

Dear City Clerk Jacqueline Beaudry,

As a leader representing constituents who care about the availability of good jobs, the economic health of our state and the guarantee of affordable and reliable services, we wanted to provide you with an update regarding negotiations currently underway at our company.

As you may know or have seen recently in the news, DTE Energy and Local 223 of the Utility Workers Union of America (UWUA), have been in contract negotiations since April on an agreement for our some 3,900 union employees at Detroit Edison and MichCon.

Productive talks continue. While there are tough issues – like how best to address the rising cost of health care – both parties are committed to reaching a mutually acceptable agreement that provides market-competitive wages and benefits for our employees, while being fair to our customers and conducive to our State's efforts to attract and retain new business. These are not mutually exclusive goals and we are working in earnest with Local 223 to achieve them. At the same time, and as is standard practice during negotiations, each party is proceeding with contingency planning in the unlikely event of a work stoppage.

For Local 223, this means receiving authority from its membership to call a strike. (It is important to note that this is only a vote to authorize a strike. Voting to give the union the authority to call a strike does not mean that a strike will take place; it simply means that the union will now have the option to call one.) For the company, this means moving ahead with plans to ensure our safety standards are maintained and that there will be no interruptions to customer service in the event of a work stoppage – something our customers count on and our regulators and shareholders expect.

It is important to stress that these are standard, precautionary measures that in no way reflect the status of the negotiations, which are proceeding in earnest with the intent to reach an agreement everyone can be proud of and support.

Fire, police and other public safety professionals working in your administration should continue to use your PIN to report emergencies to DTE Energy. Should a work stoppage occur, and if changes in these or other procedures are necessary, we will contact you in advance.

Thank you, as always, for your support. We trust you will forward this information to appropriate departments in your administration as you see fit. Please feel free to contact me at 734-332-8145 if you have any further questions regarding this information. Or you can stay up to date with our negotiations by accessing our Web site at www.dteenergynegotiations.com.

Sincerely,

Paul M. Ganz

Paul M. Gang