

DTE ENERGY CO
Form DEF 14A
March 12, 2015

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
SCHEDULE 14A
Proxy Statement Pursuant to Section 14(a) of the Securities
Exchange Act of 1934 (Amendment No.)

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 - x Definitive Proxy Statement
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- DTE Energy Company

(Name of Registrant as Specified In Its Charter)

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DTE Energy Company
One Energy Plaza
Detroit, Michigan 48226

2015 Notice of Annual Meeting of Shareholders and Proxy Statement

Meeting Date: Thursday, May 7, 2015

Time: 8:00 a.m. Eastern Daylight Time

Location: The Ritz-Carlton, Washington, D.C.
1150 22nd Street, N.W.
Washington, D.C. 20037

We invite you to attend the annual meeting of DTE Energy Company.

Agenda:

1. Elect twelve directors;
2. Ratify the appointment of PricewaterhouseCoopers LLP by the Audit Committee of the Board of Directors as our independent registered public accounting firm for the year 2015;
3. Provide an advisory vote to approve executive compensation;
4. Vote on a management proposal to approve a new executive performance plan;
5. Vote on a shareholder proposal relating to political contributions disclosure;
6. Vote on a shareholder proposal relating to proxy access;
7. Vote on a shareholder proposal relating to distributed generation;
8. Vote on a shareholder proposal relating to an independent board chairman; and
9. Consider any other business that may properly come before the meeting.

Only shareholders of record at the close of business on March 9, 2015, the record date for this meeting, or their representatives authorized by proxy may attend or vote at the meeting.

This 2015 Notice of Annual Meeting, as well as the accompanying Proxy Statement and proxy card, will be first sent or given to our shareholders on or about March 23, 2015.

Every vote is important. You may vote your shares (1) by telephone, (2) via the Internet, (3) if you received a paper copy, by completing and mailing the enclosed proxy card in the return envelope or (4) in person at the annual meeting. Specific instructions for voting by telephone or via the Internet are attached to the proxy card. If you attend the meeting and vote at it, your vote at the meeting will replace any earlier vote by telephone, Internet or proxy. If you wish to attend the annual meeting in person, you must register in advance. Please vote your proxy, then follow the instructions on page 9 to pre-register.

By Order of the Board of Directors

Lisa A. Muschong
Corporate Secretary
March 12, 2015

Gerard M. Anderson
Chairman and Chief Executive Officer

Important Notice Regarding the Availability of Proxy Materials for the Annual Meeting of Shareholders to Be Held on May 7, 2015:

The Proxy Statement and Annual Report are available to security holders free of charge at www.proxydocs.com/dte

TABLE OF CONTENTS

<u>Proxy Statement Summary</u>	1
<u>INFORMATION CONCERNING VOTING AND PROXY SOLICITATION</u>	4
<u>QUESTIONS AND ANSWERS</u>	4
<u>Q: Why did I receive proxy materials?</u>	4
<u>Q: What is a proxy?</u>	4
<u>Q: What is the difference between a "Registered Shareholder" and a "Beneficial Shareholder"?</u>	4
<u>Q: What are the purposes of this annual meeting?</u>	4
<u>Q: Who is entitled to vote?</u>	5
<u>Q: How do I vote?</u>	5
<u>Q: What shares are included on my proxy card?</u>	6
<u>Q: Can I change or revoke my vote?</u>	6
<u>Q: Is my vote confidential?</u>	6
<u>Q: Will I receive an Annual Report?</u>	6
<u>Q: What does it mean if I get more than one set of proxy materials?</u>	6
<u>Q: What is "householding" and how am I affected?</u>	7
<u>Q: Can I elect to receive or view DTE Energy's annual report (Form 10-K) and proxy statement electronically?</u>	7
<u>Q: What constitutes a quorum?</u>	8
<u>Q: What are abstentions and broker non-votes and how do they affect voting?</u>	8
<u>Q: How does the voting work?</u>	8
<u>Q: How do I attend the annual meeting?</u>	9
<u>Q: How will the annual meeting be conducted?</u>	9
<u>Q: How does a shareholder recommend a person for election to the Board for the 2016 annual meeting?</u>	10
<u>CORPORATE GOVERNANCE</u>	11
<u>Governance Guidelines</u>	11
<u>Election of Directors and Vacancies</u>	11
<u>Composition of the Board and Director Independence</u>	11
<u>Director Independence and Categorical Standards</u>	12
<u>Board Committees</u>	13
<u>Election of the Chairman and the CEO; Presiding Director</u>	13
<u>Board Meetings and Attendance</u>	14
<u>Terms of Office</u>	14
<u>Executive Sessions</u>	14
<u>Assessment of Board and Committee Performance</u>	14
<u>Board Compensation and Stock Ownership</u>	14
<u>Codes of Business Conduct and Ethics</u>	14
<u>Communications with the Board</u>	15
<u>COMMITTEES OF THE BOARD OF DIRECTORS</u>	16
<u>BOARD OF DIRECTORS RISK OVERSIGHT FUNCTIONS</u>	18
<u>BOARD OF DIRECTORS COMPENSATION</u>	20
<u>INFORMATION ON COMPANY EXECUTIVE OFFICERS</u>	21
<u>COMPENSATION COMMITTEE INTERLOCKS AND INSIDER PARTICIPATION</u>	22
<u>INDEMNIFICATION AND LIABILITY</u>	22
<u>SECURITY OWNERSHIP OF DIRECTORS AND OFFICERS</u>	23
<u>PROHIBITION ON HEDGING COMPANY SECURITIES</u>	24
<u>SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE</u>	24
<u>SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS</u>	24
<u>CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS</u>	25

TABLE OF CONTENTS

<u>PROPOSAL NO. 1 — ELECTION OF DIRECTORS</u>	<u>26</u>
<u>Nominees for Election at this Meeting</u>	<u>26</u>
<u>PROPOSAL NO. 2 — RATIFICATION OF APPOINTMENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM</u>	<u>31</u>
<u>Fees to the Independent Registered Public Accounting Firm</u>	<u>31</u>
<u>Policy on Audit Committee Pre-Approval of Audit and Permissible Non-Audit Services of Independent Registered Public Accounting Firm</u>	<u>32</u>
<u>Report of the Audit Committee</u>	<u>32</u>
<u>PROPOSAL NO. 3 — ADVISORY PROPOSAL NONBINDING VOTE ON EXECUTIVE COMPENSATION</u>	<u>34</u>
<u>PROPOSAL NO. 4 - MANAGEMENT PROPOSAL - EXECUTIVE PERFORMANCE PLAN</u>	<u>35</u>
<u>PROPOSAL NO. 5 - SHAREHOLDER PROPOSAL - POLITICAL CONTRIBUTIONS DISCLOSURE</u>	<u>37</u>
<u>PROPOSAL NO. 6 - SHAREHOLDER PROPOSAL - PROXY ACCESS</u>	<u>40</u>
<u>PROPOSAL NO. 7 - SHAREHOLDER PROPOSAL - DISTRIBUTED GENERATION</u>	<u>42</u>
<u>PROPOSAL NO. 8 - SHAREHOLDER PROPOSAL - INDEPENDENT BOARD CHAIRMAN</u>	<u>44</u>
<u>CONSIDERATION OF OTHER BUSINESS</u>	<u>45</u>
<u>EXECUTIVE COMPENSATION</u>	<u>46</u>
<u>Compensation Discussion and Analysis</u>	<u>46</u>
<u>Independent Review of Compensation Program</u>	<u>48</u>
<u>Management's Role</u>	<u>48</u>
<u>Compensation and Peer Group Assessment</u>	<u>49</u>
<u>Key Components of Executive Compensation</u>	<u>49</u>
<u>Base Salary</u>	<u>50</u>
<u>Annual and Long-Term Incentive Plan</u>	<u>50</u>
<u>Annual Incentive Plan</u>	<u>51</u>
<u>Long-Term Incentive Plan</u>	<u>56</u>
<u>Retirement and Other Benefits</u>	<u>59</u>
<u>Executive Benefits</u>	<u>59</u>
<u>Post Termination Agreements</u>	<u>60</u>
<u>Stock Ownership Policy</u>	<u>60</u>
<u>Internal Revenue Code Limits on Deductibility of Compensation</u>	<u>60</u>
<u>Report of the Organization and Compensation Committee</u>	<u>61</u>
<u>Summary Compensation Table</u>	<u>62</u>
<u>Grants of Plan-Based Awards</u>	<u>64</u>
<u>Outstanding Equity Awards at Fiscal Year-End</u>	<u>65</u>
<u>Option Exercises and Stock Vested in 2014</u>	<u>66</u>
<u>Pension Benefits</u>	<u>66</u>
<u>Non-Qualified Deferred Compensation</u>	<u>69</u>
<u>Potential Payments Upon Termination of Employment</u>	<u>70</u>
<u>2014 DIRECTOR COMPENSATION TABLE</u>	<u>72</u>
<u>2016 ANNUAL MEETING OF SHAREHOLDERS</u>	<u>74</u>
<u>Shareholder Proposals and Nominations of Directors</u>	<u>74</u>
<u>SOLICITATION OF PROXIES</u>	<u>75</u>
<u>Encouragement to Vote</u>	<u>75</u>
<u>EXHIBIT A - DTE ENERGY COMPANY EXECUTIVE PERFORMANCE PLAN</u>	<u>76</u>

PROXY STATEMENT SUMMARY

New for 2015:

The Board of Directors (the "Board") of DTE Energy Company ("DTE Energy," the "Company," "we," "us" or "our") regularly monitors best practices in corporate governance and executive compensation and made the following changes since the 2014 Annual Meeting:

• In December 2014, the Board amended the Board's Mission Statement and Governance Guidelines to expand the powers of the Presiding Director to include final approval of the agenda for Board meetings.

• In February 2015, the Board amended the Company's Bylaws to lower the ownership threshold for shareholders to call a special meeting from 75% of the outstanding shares to 25%.

• The Organization and Compensation Committee added specific responsibility for reviewing the Company's policies and programs promoting diversity and inclusion among the Company's employees and officers to its charter.

The Public Policy and Responsibility Committee of the Board added specific responsibility for (a) reviewing the Company's policies and programs promoting diversity and inclusion among the Company's suppliers, (b) reviewing the Company's regulatory strategies and activities (including rate case strategies, rate competitiveness, and environmental regulations), as well as its state and federal legislative and political activities and strategies and (c) ensuring the Company's reputation for sound public policies and responsible corporate citizenship is maintained.

Governance Highlights:

The Board is committed to creating long-term value for its shareholders while operating in an ethical, legal, environmentally sensitive and socially responsible manner. The Board follows sound governance practices, some of which are highlighted below. For more detail, see the "Corporate Governance" section of this Proxy Statement.

• Eleven of twelve director nominees, 92%, are independent; our Chairman & CEO is the only management director.

• All of the Board committees are composed exclusively of independent directors.

• We have an independent Presiding Director, elected by the independent members of the Board. The Presiding Director maintains final approval authority over Board agendas.

• Independent directors met in executive sessions chaired by the Presiding Director at five of the six 2014 Board meetings.

• All of our directors are elected annually.

• We have a majority vote requirement for uncontested director elections.

• The Board and its committees hold annual self-assessments.

• Our executive officers and directors are all subject to robust stock ownership requirements.

• We have instituted anti-hedging policies applicable to all Company directors, officers and employees.

• Our Board's Mission and Governance Guidelines recommend that the Board consider diversity of characteristics including experience, gender, race, ethnicity and age when evaluating nominees for the Board.

Performance Highlights:

The Company continued to deliver on its objectives to provide strong earnings per share and dividend growth in 2014, while maintaining a strong balance sheet, improving customer service and employee engagement. Some highlights of the Company's 2014 performance include:

• Achieved 6.7% compound operating earnings per share growth from 2009 through 2014. (Operating earnings exclude certain non-recurring items and discontinued operations.)

• Increased our dividend payment to an annualized rate of \$2.76 per share in 2014, representing a 5.4% compound annual growth rate in the dividend rate for the period of 2009-2014.

• Provided our shareholders with a total shareholder return of 243.73% (indexed with 2009 as the base year = 100%)

• Delivered Cash From Operations of \$1.8 billion in 2014.

Exceeded our customer satisfaction index targets for 2014 and won major recognitions in gas company customer satisfaction in customer surveys conducted by independent third parties.

Continued growth in Employee Engagement: DTE Energy moved up from 85th to 91th percentile in Gallup's Overall Company Ranking in 2014.

1

Executive Compensation Highlights:

Our executive compensation programs are designed to be competitive with our peers, have a meaningful performance component linked to the achievement of short- and long-term goals that align with our shareholders' long term interests and encourage executives to have an ownership interest in the Company.

Our Chairman and Chief Executive Officer's ("CEO") total compensation shows strong pay-for-performance alignment with growth in long-term shareholder value creation. Our CEO's compensation growth trend is consistent with the growth in value of a \$100 investment in DTE Energy Company stock made at the beginning of 2009.

Other highlights from our compensation program include:

• Our CEO received 51% of his 2014 total compensation in contingent, performance-based incentives. For our other named executive officers, the average percentage of contingent, performance-based compensation was 48%.

• Our short- and long-term performance metrics all tie directly to the six key priority areas of strategic financial and operational objectives necessary for the Company to achieve its goal of becoming the best-operated energy company in North America and a force for growth and prosperity in the communities where we live and serve. These are the same metrics that management uses to assess the Company's progress towards those goals.

• Our long-term plan awards include a mix of restricted shares and performance shares designed in part to encourage executive stock ownership. The Board's Organization and Compensation Committee has not issued stock options under this plan since 2010.

• Our equity compensation plan forbids cash buyouts of "underwater" stock options. The Company has never bought or repriced "underwater" stock options.

• Our equity compensation plan requires a minimum twelve month vesting period for equity awards. The Company's typical practice is to require a three year vesting period for equity awards and the Company has never issued equity awards with less than a one year vesting period.

• Our Board has adopted a "clawback" policy that provides that, in the event of an accounting restatement due to material noncompliance with federal securities laws, the Company may seek to recover excess performance-based compensation awarded to current or former officers during the three year period preceding the restatement.

• Our executive Change-In-Control Severance Agreements do not include excise tax gross-ups.

Items for Shareholder Vote at this Meeting:

At the 2015 Annual Meeting shareholders will vote on the following proposals:

- Proposal 1: Elect twelve members of the Board of Directors for one year terms ending in 2016.
 - Proposal 2: Ratify the appointment of PricewaterhouseCoopers LLP as our independent auditors;
 - Proposal 3: Provide a nonbinding vote to approve the Company's executive compensation;
 - Proposal 4: Vote on a management proposal to approve a new executive performance plan;
 - Proposal 5: Vote on a shareholder proposal relating to political contributions disclosure;
 - Proposal 6: Vote on a shareholder proposal relating to proxy access;
 - Proposal 7: Vote on a shareholder proposal relating to distributed generation; and
 - Proposal 8: Vote on a shareholder proposal relating to an independent board chairman.
- Finally, shareholders may vote on any other matters that properly come before the meeting.

Director Nominees for Election at this Meeting:

The Board of Directors recommends the following nominees for election at this meeting for one year terms ending in 2016:

Director Nominees, 2014 Committee Memberships and Meetings

Name	Age	Director Since	Occupation	Independent	Other Public Boards	Aud	Corp Gov	O&C	Nuc Rev	Fin	PP RC
Gerard M. Anderson											