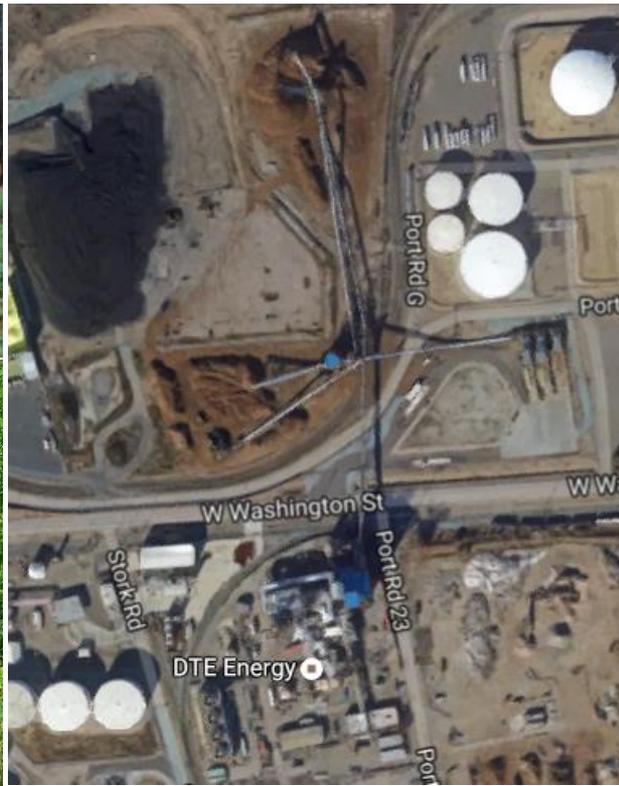
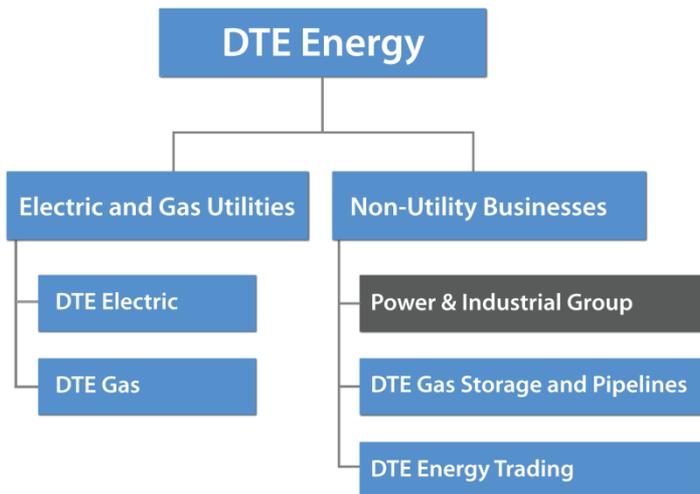


Introduction of DTE Energy Services

26 years of Forest Products & Biomass Management across the full spectrum

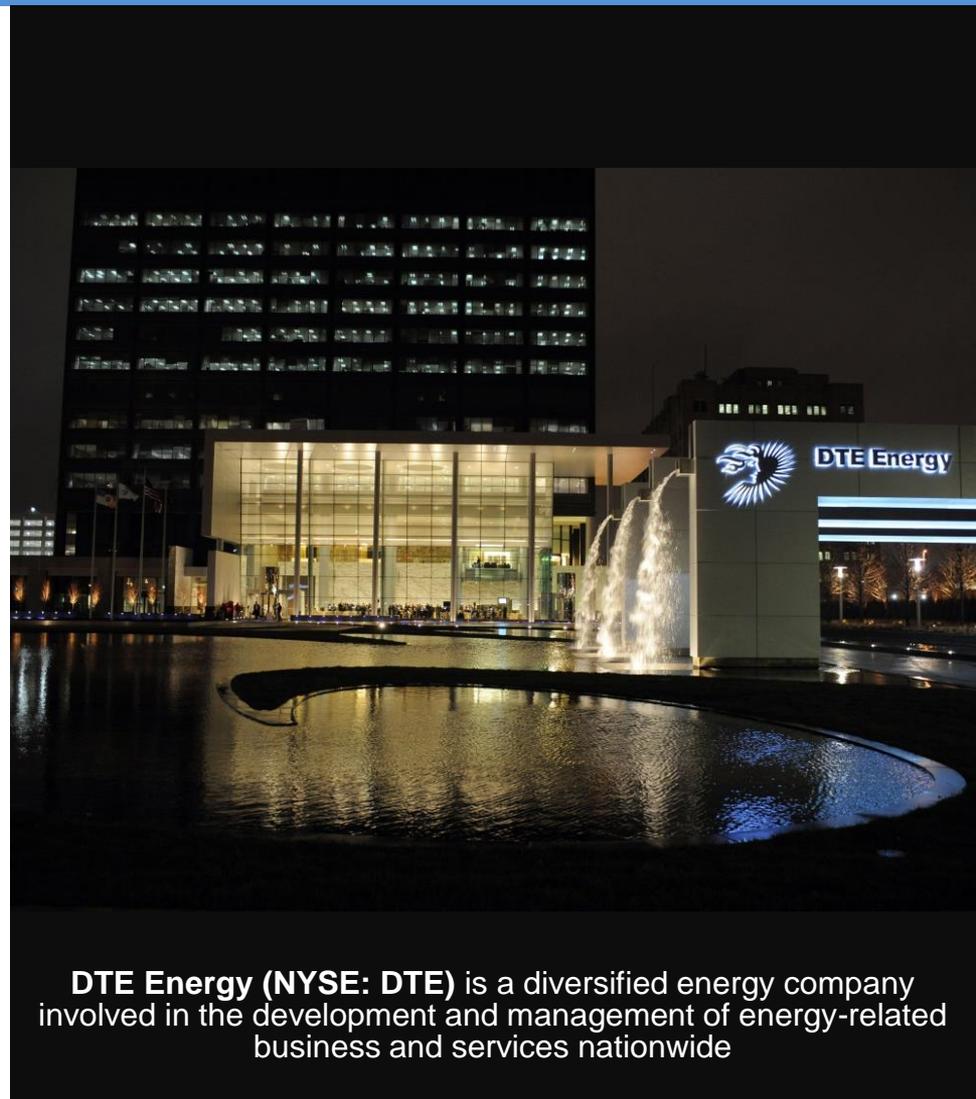
- Forest Management Private and Industrial Northeast & Southeast
- Wood Procurement, Flow, WoodYard and Processing Management Paper Industry
- International Manufacturing, Sales, Logistics
- Biomass New Market & Project Development National Level
- Biomass Energy Plant Development & Management





Key Facts

- Revenue \$10.3 Billion
- Operating Earnings \$863 Million
- Assets \$29 Billion
- Credit Rating BBB
- Equity Market Cap \$15 Billion
- Employees 10,000



DTE Energy (NYSE: DTE) is a diversified energy company involved in the development and management of energy-related business and services nationwide

DTE Energy owns two utilities and three complementary non-utility businesses



Strong, Stable and Growing Utilities

Fully Regulated by Michigan Public Service Commission

~80% of total earnings



DTE Electric

Electric generation and distribution



DTE Gas

Natural gas transmission, storage and distribution

Complementary Non-Utility Businesses

~20% of total earnings



Power & Industrial Group

Own and operate energy related assets



Gas Storage & Pipelines

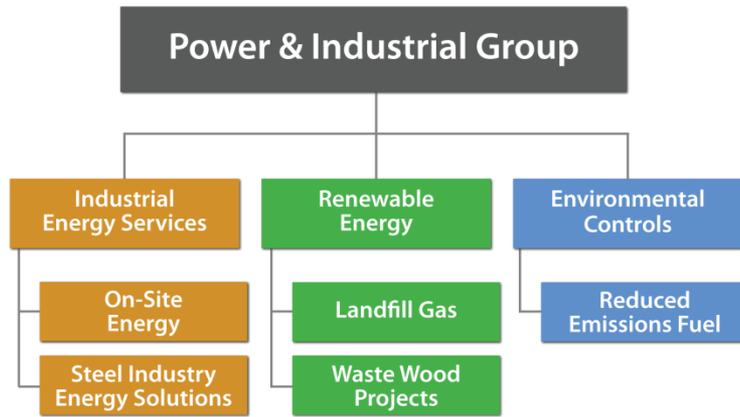
Transport and store natural gas



Energy Trading

Generate economic value and provide strategic benefits

DTE's earnings are ~95% regulated or contracted, consisting of electric and gas utilities, FERC regulated pipelines and long-term contracted energy projects with investment grade counterparties



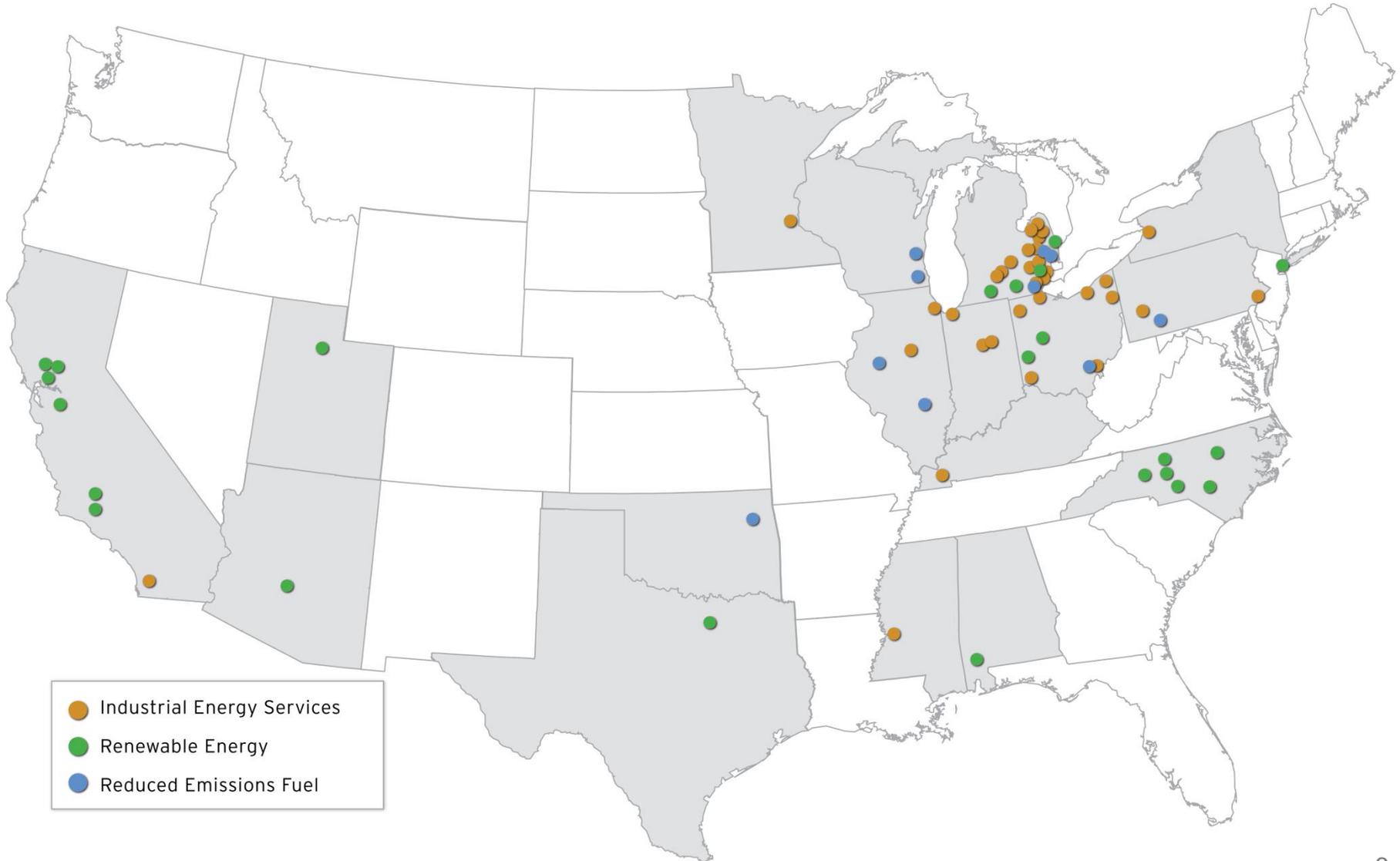
Key Facts

- Revenue \$2.2 Billion
- Operating Earnings \$95 Million
- Assets \$0.9 Billion
- Total Employees ~700
- Ann Arbor Employees ~200
- U.S. Presence 66 Projects in 17 States



The P&I Group is a leading developer of energy-related businesses in North America with a focus on providing products and services to industrial, commercial and institutional customers

P&I Project Site Locations



P&I's Business Model and Development Approach

- P&I owns and/or operates energy related facilities dedicated to serving specific customers, delivering high quality products on a consistent long-term basis
- P&I will develop and construct or acquire facilities
- P&I utilizes internal capital resources to invest in projects and is not dependent on external financing
- P&I generally owns and operates projects over their useful life with no planned exit
- Contracts seek to allocate risks in a balanced manner with P&I typically assuming construction costs, timing, operating efficiency and product quality risk
- To effectively manage project risk, P&I generally contracts with high quality, investment grade counterparties

Biomass Use in Maine – Traditional Use Only?

Biomass use in Maine in my view has only been traditional in the basic sense:

- ❑ Paper Mill and Sawmill use of wood waste from wood processing - In this space we have seen when alternative fuels are positive priced vs wood waste the Mills move away from wood waste in favor of the other fuels (they have to). We have also seen the Sawmills move away from wood waste and sawdust in favor of more efficient direct fire gas kilns.
- ❑ Biomass Power Plant use of inwoods chips and logging topwood chips – Traditionally the best avenue for Forest Managers needing non-commercial stand management and or stand recovery from high grading. This is also a critical home for alternative fiber produced during harvest not finding a home at the Paper Mill. Without long term PPA support this option for Biomass will be lost.

Non traditional Uses:

- ❑ Wood Pellet Plant developments for the Domestic US market - Market has a big upside for Maine however this year we have seen influence factors slowing the production and negatively affecting growth in this space. Wood pellets provide an outlet for sawdust and clean inwoods chips, products needing long term stable markets in Maine. The Maine pellet space needs to look beyond the US markets seeking larger volumes and better contract opportunities.
- ❑ Bio Fuels market has seen many developments over the last few years however with the present pricing of crude the development in this space has slowed. To make this a viable option for Maine Biomass the industry must be able to provide long term take or pay fiber contracts.
- ❑ CHP development to encourage a full utilization of heat and power generated from biomass (full thermal recovery). Connecting the use of biomass in the production cycle of business and local communities in Maine in a holistic sense. It is time for us to start thinking how we can use one of the sustainable resources Maine has to better produce the energy needs of the State.

Maine and it's under Utilized Fiber Supply

Maine has a storied history when it comes to Forest Management. Hundreds of years have been spent logging and managing Maine Forests for multiple uses with many landowner changes in names and types. One thing has remained consistent however and that is the forest is still producing fiber everyday at a sustainable rate.

Items of Interest:

- Maine has large Landowners that can provide long term fiber supply to existing Plants and Projects without affecting the present Paper Mill consumption. An essential part of development when considering long term investment in scale.
- Maine has seen significant Paper Mill closures in the past 5 years especially down east Maine, leaving a large gap of under utilized fiber in the forest. The fiber is of large Scale.
- Maine's Forest is being managed sustainably and can support new projects of scale, why are we not promoting this aspect at a high level? Are we accepting the loss of the Paper Mills or seeking other solutions for the Wood Fiber Maine has to offer?
- Maine's Paper Industry views any new large Fiber Consumption as a **Threat**, this in my view is traditional opposition without holistic consideration.

Fiber Supply and Considering a new Biomass Consuming Project:

- Fiber must be available for Long Term Contracting at a consistent annual volume and base price.
- Delivered Fiber must have scale, be reliable, and consistent.
- There has to be a forest product infrastructure in place to support forest management, logging, transportation, wood processing, and all of the supporting businesses in between. Maine has that presently but it is shrinking as demand for forest products continue to decrease across the state. This perhaps is more alarming on a present time basis than people are giving credit.

Support but also get outside of our Traditional Box

- Support existing Paper Mills and Biomass Power Plants, help seek the next generation of PPA's.
 - Does a status quo Biomass Renewable PPA help Maine?
 - Will it take investment to achieve the next round of PPA's? How will Maine provide the vehicle that will create investment? Legislation?
- Continue to support our local Wood Pellet Plants
 - This year is a struggle however they will survive and need to seek more investment and volume
 - Can Maine's Available Fiber Supply help secure better pellet off take contracts?
- Utilize Maine's Fiber Story and seek new projects of Scale
 - Maine can support significant investment through reliable and sustainable fiber support from its forest owners on a long term basis.
 - How do we seek outside investment as a State, Fiber is only part of the puzzle?
- Seek Alternative uses of Biomass as a Full Thermal Recovery Project
 - Utilize Biomass in a CHP process and realize full benefits
 - Development in the Legislative environment will be needed to guide this aspect

Forward Thoughts

Maine has a long history of hard working people across all of our Industries not just the Forest Products one. Forest Products touch everyone throughout Maine, its in the best interest of the State to maintain and grow it's sustainably managed resource for its own benefit.

