December 11, 2013

Office of the Secretary
Public Company Accounting Oversight Board
1666K Street, N.W.
Washington D.C. 20006-2803

Re: Request for Public Comment – Docket 034: ***The Auditor's Report on an Audit of Financial Statements When the Auditor Expresses an Unqualified Opinion*** **and** ***Reports on Audited Financial Statements, and the Auditor's Responsibilities Regarding Other Information in Certain Documents Containing Audited Financial Statements and the Related Auditor's Report***

Dear Office of the Secretary:

DTE Energy Company ("DTE," "we," "us," "our," or the "Company") values the opportunity to respond to the Public Company Accounting Oversight Board's ("PCAOB" or "Board") proposed auditing standards. We also appreciate the Board's extensive efforts to solicit feedback from stakeholders, and the careful consideration thereof.

DTE is a diversified energy company involved in the development and management of energy-related businesses and services nationwide. Our revenues for the year ended December 31, 2012 were approximately $8.8 billion, and we employ approximately 10,000 people. Our electric and gas utility businesses have each been in operation for over a century and together provide services to more than three million residential, business and industrial customers throughout Michigan. We have leveraged that wealth of experience and assets to develop a number of non-utility subsidiaries which provide energy-related services to business and industry nationwide. We prepare consolidated financial statements in accordance with accounting principles generally accepted in the United States of America that we file with the U.S. Securities and Exchange Commission. Our securities are listed and traded on the New York Stock Exchange.

We value the financial statement audit and the consequential benefits to maintaining strong financial markets. Accordingly, we are fully supportive of changes to the auditor's report that serve to narrow the gap between what is expected of the auditors by financial statement users and what is actually conveyed. However, we are not supportive of any changes to the auditor's report that i) do not enhance its usefulness and meet the needs of financial statement users; ii) could compromise the relationships between issuers, auditors, audit committees and financial statement users; iii) would require auditors to disclose information about issuers that is subjective, lacking appropriate context and not otherwise required by U.S. Securities and Exchange Commission ("SEC") rules and regulations; and iv) do not have apparent benefits that exceed costs. The following pages provide our thoughts and views on the key facets of the proposed standards.

Enhancements to Certain Standardized Auditor Report Language

We agree with the Board's proposal to retain the current pass/fail model of the existing auditor's report, as it is a concise indication that the financial statements are fairly presented and free of material misstatement. Further, the current pass/fail reporting model provides for consistency from period to period and comparability across audits, thereby eliminating the need for user interpretation of the auditor's conclusion.

We are not opposed to the proposed enhancements to the auditor report in the Board's illustrative example with respect to the addressees of the report, as well as the introduction, basis of opinion and opinion on the financial statements paragraphs with the following exception. We believe that inclusion of the tenure of consecutive years that an auditor has served as the registered independent public accounting firm for an issuer of financial statements should not be included within the auditor opinion. Audit committees are responsible for ensuring that auditors are independent and that their audits are completed in accordance with all applicable standards, regardless of auditor tenure. Additionally, as the Board noted in its proposal, information regarding changes in auditors is currently available to investors, as filers are required to publicly disclose this information on Form 8-K via the EDGAR system. The Board also acknowledged in its proposal that current empirical data is inconclusive at best in drawing a connection between auditor tenure and audit quality. We believe that inclusion of auditor tenure in the auditor report would imply that the Board and other standard setters believe that a correlation does exist, and that users of financial statements should therefore give weight to the auditor's tenure in connection with the other risk factors that they assess in forming decisions. Until such time that conclusive or highly compelling evidence that supports inclusion of this data point exists, we find that it would be an unnecessary modification as it could lead to unwarranted and speculative conclusions by users of financial statements regarding audit quality and perceived risk. If the standard setting community does find auditor tenure to be predictive of audit quality and a meaningful data point to investors, we believe that proxy filing requirements are a more appropriate target to make this revision than the auditor report.

Auditor Reporting of Critical Audit Matters

We agree with and thank the Board for tabling the auditor's discussion and analysis ("AD&A") alternative that was included in the concept release. The AD&A would have indeed represented a fundamental shift in the role of the auditor with the potential for unintended and undesirable consequences, the foremost of which would have been auditors disclosing original or conflicting information concerning an issuer. While the critical audit matter ("CAM") model represents a preferred alternative for us as compared to the AD&A model, we question whether or not inclusion of CAM in the auditor's report as currently proposed would effectively serve the needs of users of financial statements.

We believe that the reporting of any and all company information is, and should remain, the responsibility of management and those charged with governance. Any alteration thereto would undermine the role of the audit committee and its relationships with management and the auditors. The success of these relationships is based on periodic and dynamic communications between parties. Conversely, the proposed standard would result in confusion and misinterpretation as users of financial statements would not share the benefit of open dialogue and receive only one-dimensional CAM information from auditors. Further, requiring auditors to report matters that would have traditionally been discussed and settled with management and the audit committee may limit the candor and completeness of those discussions.

Based on the subjective nature of identifying CAM, auditors' reports could range from reporting zero CAM to an overwhelming and unfocused amount of CAM. Both of these alternatives would undercut the intent of the proposal, not be meaningful to users and create a lack of comparability between auditor reports. Due to the broadness of the proposed standard, the majority of auditor reports would presumably include an unmanageable number of CAM in an attempt to achieve complete coverage. In addition, highlighting a set of matters is inconsistent with the auditor forming the basis for its conclusion on the financial statements taken as a whole and not on a piecemeal basis. The examples of auditor reported CAM that were illustrated in the proposed standard provide objective facts and circumstances, but only insofar as describing how and why the auditor found a matter to be a CAM. The auditor need not provide any further information or conclude individually upon CAM. Without further context, users of financial statements could perceive CAM to have negative connotations or equate CAM to the existence of an issue. The CAM examples in the proposal are also largely redundant with information disclosed by management.

In addition, the proposed standard calls for auditors to identify and report CAM through the lens of the audit. This will no doubt result in CAM including matters of significance to the auditor that are more than likely inconsequential to users of financial statements. An example is the inclusion of a CAM for an audit area that is difficult to test or observe. Such a CAM may be in the ordinary course of business for a given issuer, without any unique risk and unrepresentative of an aggressive accounting practice or policy. The fact that a matter may have been difficult for the auditor to test is not by itself indicative of increased risk or relevance to users of the financial statements. CAM would therefore cloud the auditor report by adding information that has limited meaningfulness to users of financial statements and render the conclusion more difficult to decipher.

Following our previously mentioned concern regarding AD&A and the potential for auditors to become providers of original issuer information, CAM could also represent information disclosed by the auditor that would not otherwise be disclosed by the issuer (e.g. a significant deficiency in internal control over financial reporting). In our view, CAM should not change the traditional role of the auditor, or cause them to report information that is in conflict with or not required by existing standards. Any and all public disclosures regarding issuers should be governed by SEC rules and regulations, and PCAOB standards should not indirectly alter those rules and regulations.

Auditor Responsibilities Regarding Other Information

We are not opposed to the auditor's report including clarifying language of the auditor's existing responsibilities over information outside of the financial statements. However, we do not believe that the scope of the auditor's responsibilities should be altered as the existing standard for auditors to "read and consider" the information outside of the financial statements and identify and communicate material inconsistencies and/or material misstatements of fact through the corporate governance process is appropriate and sufficient in our view.

An extension of auditors' responsibilities to "read and evaluate" and report conclusions on information outside of the financial statements beyond the current scope of AU sec. 550, *Other Information in Documents Containing Audited Financial Statements*, would not be a meaningful step towards meeting the desires of users of financial statements for more informative auditor reporting and deeper insight into financial information. Under existing rules and regulations, management and those charged with governance are collectively responsible for ensuring the completeness and accuracy of information outside of the financial statements. This information is inherently predicated upon a multitude of factors regarding risk, uncertainties, opportunities, trends and industry knowledge and expertise. Accordingly, this information may not be easily verifiable or subject to clear standards of assessment. Without a robust and tested framework, and as they are not experts in general and non-financial matters, auditors could reach varying conclusions on information outside of the financial statements that create inconsistency between audit reports. Additionally, broad application of the proposed standard to other information that is included within a document, exhibits or information incorporated by reference would result in an onerous set of procedures to be performed by the auditor. The time and effort required for evaluation of such a volume of information would be extensive, result in significant increases in audit fees and delay the issuance of information relevant to users of financial statements.

The introduction of tiered levels of assurance (i.e. “audited” vs. “evaluated”) within the auditor report could leave users of financial statements with an unclear understanding of the scope and basis for auditor conclusions and further widen the expectation gap. The basis of opinion section of the auditor report in both the current and proposed standards defines the audit by leveraging the concept of evaluation (i.e. evaluating the accounting principles used, significant estimates made by management and the overall presentation of the financial statements) thereby implying a synonymous relationship between audit and evaluate. We acknowledge that the modifications to the auditor report in the proposed standard would specify that the other information is not audited. Nonetheless, we believe that users of financial statements would have an incomplete understanding of the different levels of assurance being communicated and difficulty determining the basis by which the auditor reached its conclusion over the unaudited information.

Conclusion

We understand the evolving needs of users of financial statements and appreciate the Board’s commitment to achieving progress in the auditor’s reporting model. We agree with enhancements to the auditor report that clarify the role and responsibilities of the auditor. However, we are not supportive of changes that do not provide meaningful value to users of financial statements or that alter the scope and nature of the audit. Enhancements to the auditor report may indeed be valuable to users of financial statements, but the financial community would experience a greater return from changes that facilitate explicit enhancements to the quality of the audit itself over deterrent-based modifications to the auditor report.

We thank the Board for the opportunity to share our thoughts on the proposed standards. If you would like to discuss our letter further, or if there are any questions from the Board or PCAOB staff that we can address, please contact Donna England (313-235-3510).

Sincerely,

/s/ Donna M. England

Donna M. England
Chief Accounting Officer

cc: PCAOB
James R. Doty, Chairman
Lewis H. Ferguson, Member
Jeanette M. Franzel, Member
Jay D. Hanson, Member
Steven B. Harris, Member