

foiapa

From: Request@ip-10-170-20-46.ec2.internal
Sent: Tuesday, July 03, 2018 9:00 PM
To: foiapa
Subject: Request for Document from Hutton, Amy

Follow Up Flag: Follow up
Flag Status: Flagged



Dr. Amy Hutton
Carroll School of Management, Boston College Chestnut Hill, Massachusetts 02467 United States



Request:

COMP_NAME: DTE ENERGY CO
DOC_DATE: 1/1/2001 to 12/31/2006
CIK_NUM: 0000936340
TYPE: Comment letters
FEE_AUTHORIZED: Other Amount \$: \$0
FEE_WAIVER_REQUESTED: Yes

FEE_WAIVER_COMMENT: We are a team of researchers at Boston College planning to explore the effects of making SEC comment letters publicly available. In particular, we are seeking to document how timely and broader public access to SEC comment letters created a more level playing field for all investors. To undertake this research we need access to both the publicly disclosed SEC comment letters and the comment letters that were issued but not made public (issued prior to 2005). Our sample consists of S&P 500 firms. We can easily obtain the treatment sample, i.e., firms whose SEC comments letters are publicly available. We would like your help in obtaining the SEC comment letters that were issued but not publicly available on Edgar (control sample). Having both samples will enable us to conduct rigorous tests to assess the effects resulting from the letters becoming publicly available. We believe this research will help regulators, academics and the general investing public better understand the role played by the SEC disclosure rules and their implications.

EXPEDITED_SERVICE_REQUESTED: No



UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
STATION PLACE
100 F STREET, NE
WASHINGTON, DC 20549-2465

Office of FOIA Services

August 23, 2018

Dr. Amy P. Hutton
Boston College
Carroll School of Management
Chestnut Hill, MA 02467

RE: Freedom of Information Act (FOIA), 5 U.S.C. § 552
Request No. **18-02392-FOIA**

Dear Dr. Hutton:

This letter is in response to your request, dated July 3, 2018, and received in this office on July 5, 2018, for comment letters regarding DTE Energy Co. dated January 1, 2001, through December 31, 2006. Specifically, you asked for comment letters which have not been publically disclosed.

Your request is granted in full. We are enclosing eight (8) pages of comment letters with this letter.

If you have any questions, please contact me at Gbenoua@sec.gov or (202) 551-5327. You may also contact me at foiapa@sec.gov or (202) 551-7900. You also have the right to seek assistance from Jeffery Oval as a FOIA Public Liaison or contact the Office of Government Information Services (OGIS) for dispute resolution services. OGIS can be reached at 1-877-684-6448 or Archives.gov or via e-mail at ogis@nara.gov.

Sincerely,

Amy Gbenou

Amy Gbenou
FOIA Research Specialist

Enclosure

September 27, 2002

Mail Stop 0308
Susan M. Beale
2000 2nd Avenue
Detroit, Michigan 48226-1279

Re: DTE Energy Company
DTE Energy Trust III
DTE Energy Trust II
Form S-3 filed September 20, 2002
File Number 333-99955; 333-99955-01; 333-99955-02

Dear Ms Beale:

This is to advise you that no review of the above captioned registration statements has been or will be made. All persons who are by statute responsible for the adequacy and accuracy of the registration statement are urged to be certain that all information required pursuant to the Securities Act of 1933 has been included.

You are also reminded to consider applicable requirements regarding distribution of the preliminary prospectus.

As you know, revisions to rule 421 of Regulation C became effective on October 1, 1998 and your prospectus must comply with the plain English principles set forth in that rule. We have not reviewed any portion of your registration statement and have not determined that your document complies with that rule. It is your responsibility to make sure your document complies with the requirements of Rule 421 of Regulation C.

To the extent that the registration statement states that it includes forward-looking statements within the meaning of Section 27A of the Securities Act and Section 21E of the Exchange Act (or otherwise makes reference to such provisions or to the Litigation Reform Act generally), please be advised that the staff is not making any determination as to whether the disclosures (including, e.g., cautionary language or the placement of disclosures) satisfy the requirements of such Sections.

The staff will consider a written request for acceleration of the effective date of the registration statement as a confirmation of the fact that those requesting acceleration are aware of their respective responsibilities under the Securities Act of 1933 and the Securities Exchange Act of 1934 as they relate to the proposed public offering of the securities specified in the above captioned registration statement. We will act upon such request and pursuant to delegated authority grant acceleration of the effective date.

Any questions may be directed to Terry E. Hatfield at (202) 942-2866.

Sincerely,

H. Christopher Owings

Assistant Director

Mail Stop 3-8

July 22, 2002

By Facsimile and U.S. Mail

Daniel G. Brudzynski
Chief Accounting Officer,
Vice President and Controller
DTE Energy Company
2000 2nd Avenue
Detroit, Michigan, 48226-1279

RE: DTE Energy Company
Detroit Edison Company
Michigan Consolidated Gas Co
Detroit Edison Securitization Funding LLC

Form 10-K, for the year ended December 31, 2001
Filed March 29, 2002

DTE Energy Company Form 10-Q, for the quarter ended
March 31, 2002

Dear Mr. Brudzynski:

We have reviewed your filings and have the following comments. Where indicated, we think you should revise your documents in response to these comments. If you disagree, we will consider your explanation as to why our comment is inapplicable or a revision is unnecessary. Please be as detailed as necessary in your explanation. In some of our comments, we may ask you to provide us with supplemental information so we may better understand your disclosure. After reviewing this information, we may or may not raise additional comments.

Please understand that the purpose of our review process is to assist you in your compliance with the applicable disclosure requirements and to enhance the overall disclosure in your filing. We look forward to working with you in these respects. We welcome any questions you may have about our comments or on any other aspect of our review. Feel free to call us at the telephone numbers listed at the end of this letter.

DTE ENERGY COMPANY FORM 10-K FOR THE YEAR ENDED DECEMBER 31, 2001

General

1. Please note the following comments, unless otherwise specifically noted, address accounting practices, presentation and disclosure matters in the 2001 Annual Reports of DTE Energy Company and Subsidiaries on a consolidated basis. In our interest to reduce the volume of comments, we have not addressed each subsidiary with a separate comment if applicable to their facts and circumstances. Please note that if you agree to a revision, we would also expect a concurrent change be made in the subsidiary level financial statements to the extent such financial statements are affected. Likewise where a comment maybe immaterial to the holding company on a consolidated basis, you should consider what affect such comment would have on the related subsidiary financial statements. Please confirm to us your agreement with this objective.

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

Wholesale Marketing and Trading, page 28

2. You disclose that wholesale Marketing & Trading recorded a gain in 2001 totaling approximately \$50 million, net of taxes. Supplementally please explain to us the types of power generation contracts that gave rise to this gain. Tell us how you valued such contracts including whether you valued them based upon a quote from an exchange/market or whether you used a model with assumptions to fair value the contracts. To the extent you use a model-based fair value determination, explain to us your assumptions including whether you use the same forward curves to fair value contracts as you use to enter into contracts. We assume the power generation transactions you refer to effectively put you in a short position with respect to your electric delivery under such contracts. We further assume that power prices fell, along with natural gas prices, and that gave rise to gains on the short position. If our general assumption is incorrect, please clarify it. If our basic understanding is correct, explain how the natural gas price declines affected your carrying value of your natural gas properties and why no impairment occurred. Please be detailed in order for us to understand these transactions.

Financial Statements

Consolidated Statements of Operations, page 41

3. Please revise the other income and expenses, net line item to present other income and other expense as separate line items. Net presentation is generally not appropriate unless clearly immaterial. See paragraphs 7 to 9 of Rule 5-03(b) of Regulation S-X. If the thresholds of the Rule have been met, please also disclose in a footnote in table format the components and related amounts included in the revised other income and other expense line items for each period your statement of operations is presented.

4. Please revise in the future filings to disclose your accounting policy for excise taxes. As part of your revised disclosures, please indicate whether you are presenting you collections and payments of these taxes on a gross or net basis. If these amounts are presented on a gross basis, you should also disclose the amounts of excise taxes included in each revenue and expense caption. Refer to the requirements of Rule 5-03(b)(1) of Regulation S-X.

Note 1 - Significant Accounting Policies

Inventories, page 47

5. Supplementally please explain to us why MichCon is accounting for its gas inventory under the last-in, first-out method (LIFO), while Detroit Edison values it at average cost.

Property, Retirement and Maintenance, and Depreciation and Depletion, page 48

6. You disclose your policies for regulated and unregulated property. On the face of the consolidated balance sheet you are disclosing a gross line for property plant and equipment. In future filings disclose separately on the face of the balance sheet, or in the notes, regulated versus unregulated property, plant and equipment along with the estimated useful lives. In this regard, it is not clear from your descriptions of Property which groups of assets are regulated versus unregulated. Also ensure you disclose the estimated useful lives of major property plant and equipment groups by depreciable class, such as production, transmission, distribution, storage and other. See also APBO no. 12, paragraph 5. If not practicable, please explain

why.

7. It is not clear from the disclosure where you are classifying your major maintenance accrual in the balance sheet. Please confirm that is in classified pursuant to EITF Topic D-88. We presume Fermi 2 is the only facility in which you accrue in advance. If otherwise, please advise with details. In this regard, tell us whether you utilized this method prior to November 2001 and if, so, what the regulatory treatment was. If you recently adopted the method, tell us your rationale in light of the Staff's lack of preference for this method as indicated in D-88.

Natural Gas and Oil Exploration and Production, page 48

8. Your disclosure herein suggests you have proven natural gas reserves. Supplementally explain to us your consideration of and compliance with SFAS No. 69 Disclosures about Oil and Gas Producing Activities, as it relates to your natural gas properties and operations. If they are not significant per paragraph 8 of that Statement, provide us some indication of their relative materiality.

Note 2 - MCN Energy Acquisition, page 51

9. Supplementally tell us the net book value of assets acquired and the amount of fair value adjustments including identification and valuation of purchased intangibles. Tell us the process you went through to identify all identifiable intangible assets before allocating the remaining amount to goodwill for the acquisition of MCN. Tell us the fair value basis you used to value utility assets versus non-utility and the accounting rationale. Also, explain to us in detail why you were willing to pay a substantial premium to the fair value of MCN's identifiable assets to acquire them. It is not clear why little or no allocation has been made to intangible assets of the type described in paragraph A14 of SFAS 141 versus Goodwill. Please also tell us the results of your analysis of paragraph 61 of SFAS 141. Please tell us whether amounts that were previously included in the goodwill line item will be reclassified to another classification other than goodwill and the reasons. Likewise, tell us whether amounts that were previously excluded from the goodwill line item will be moved to this line item including the reason(s). See also paragraphs 49 and 53 to 61 of SFAS 142. We may have further comments, if your response is not complete.

Note 3 - Merger and Restructuring Charges, page 52

10. We have read your disclosure under this caption. We are not clear on what portion of the restructuring charges of \$241 would be accounted for under EITF 94-3 versus the portion that would be governed by SFAS no. 88 and other applicable literature. In order to evaluate your disclosure under the above-cited literature, please provide us a detailed analysis that shows the components of your restructuring charges. Ensure you describe the nature and the timing of recognition; in advance or as incurred, and the appropriate accounting literature you applied. It appears a substantial majority of the workforce reduction plan was or will be made through payments from your defined benefit plan. Explain to us how paying from your pension plan affects your pension expense and the accumulated and project benefit obligation. In this regard, we note the \$167 million recognized as pension expense in Note 15 and an increase in the projected benefit obligation but we do not understand whether and how such "termination benefits" affect plan assets. You may want to provide us with the mechanics of your accounting within the pension plan and SFAS no. 87/88. Finally we assume that the merger-related charges of \$27 and \$25 million were expensed as incurred. If otherwise, please advise.

Note 4 - Regulatory Matters, Electric Industry Restructuring, pages 54 & 55

11. You disclose that Detroit Edison was not required to refund approximately \$55 million of liabilities for over-recoveries of PSCR expenses for 1999 and 2000. Supplementally explain to us in detail

how you accounted for such over-recoveries that you were not required to return to your ratepayers. Please explain the initial accounting and any subsequent entries. Tell us whether the MPSC's actions were designed to offset other potential rate matters. If so, explain the details.

12. We note you have securitized regulatory assets of \$1.692 billion and securitized bonds of \$1.746 billion. Please explain to us why these amounts should not be equal. If the securitized regulatory assets earn a higher return than the cost of the bonds, please explain. In this regard, help us understand the history and composition of the \$1.692 billion of regulatory assets related to securitized regulatory assets. You should also provide us a description of the recoverable income taxes related to securitized assets and why you will receive a tax benefit for such assets. We understand the nature of these assets and liabilities is complex. You may want to provide us an overview of the legislation and MPSC orders surrounding deregulation and a description of the accounting that you followed with each significant event. Specifically address any transition charges that allow you to recover your stranded costs. As Fermi 2 and related assets appear to be the most substantial of the stranded costs, please help us understand how the book value of the plant was transferred to regulatory assets. Explain whether and how such recoverable stranded costs are earning a return. We may have further comment.

Note 10. Long-Term Debt, page 64

13. In future filings please disclose in your financial statements the significant debt covenants under each of your financing arrangements and any repercussions of not meeting them. Also, disclose the existence of any cross-default provisions.

Note 13. Financial and Other Derivative Instruments, page 67

14. Please tell us the balance sheet line item where you included any cash or collateral required to serve as collateral against your open positions on energy-related contracts. If no collateral is required, explain to us why. If required, and these amounts are included in cash and cash equivalents, please tell us how you determined that they were not restricted and hence no disclosure. Please also tell us the amount of cash, if any, underlying your letters of credit and whether this amount is included in cash and cash equivalents. If so, please advise what consideration was given to disclosing any restrictions due to such instruments. See FRC 203 and Rule 5-02.1 of Regulation S-X.

15. In future filings for each period presented please disclose the amount that is included in revenue from energy marketing and trading arrangements that are settled on a net basis and discuss the impact on gross margin. For energy marketing and trading arrangements that have physical delivery terms disclose the revenues and cost of sales included in each period.

Note 14 - Commitments and Contingencies, Other Contingencies, page 72

16. Please explain to us your conclusions reached in regards to your contractual ability to exercise your rights of set-off with respect to Enron related contractual obligations. Show us the components of the aggregate net liability of \$24 million to Enron. Please describe to us the netting agreements with the Enron affiliates and why you believe that the resolution of your exposure to Enron will not have a material impact to the company.

DTE ENERGY COMPANY FORM 10-Q FOR THE PERIOD ENDED MARCH 31, 2002

17. Supplementally tell us how you complied with paragraph 61 of SFAS 142.

As appropriate, please respond to these comments within 10 business days or tell us when you will provide us with a response. Please furnish a cover letter with your amendment that keys your responses to our comments and provides any requested supplemental information. Detailed cover letters greatly facilitate our review. Please file your cover letter on EDGAR. Please understand that we may have additional comments after reviewing your responses to our comments.

If you have any questions regarding the remaining comments, please direct them to Vassilios Karapanos at (202) 942-1920 or, in his absence, to Jim Allegretto at (202) 942-1885. Any other questions regarding disclosures issues may be directed to H. Christopher Owings at (202) 942-1900.

Sincerely,

Jim Allegretto
Sr. Assistant Chief Accountant

July 22, 2002
Page 1

December 7, 2001

Mail Stop 0308
Susan M. Beale
2000 2nd Avenue
Detroit, Michigan 48226-1279

Re: DTE Energy Company
Form S-3 filed November 30, 2001
File Number 333-74338; 333-74338-01; 333-74338-02

Dear Ms Beale:

This is to advise you that no review of the above captioned registration statements has been or will be made. All persons who are by statute responsible for the adequacy and accuracy of the registration statement are urged to be certain that all information required pursuant to the Securities Act of 1933 has been included.

You are also reminded to consider applicable requirements regarding distribution of the preliminary prospectus.

As you know, revisions to rule 421 of Regulation C became effective on October 1, 1998 and your prospectus must comply with the plain English principles set forth in that rule. We have not reviewed any portion of your registration statement and have not determined that your document complies with that rule. It is your responsibility to make sure your document complies with the requirements of Rule 421 of Regulation C.

To the extent that the registration statement states that it includes forward-looking statements within the meaning of Section 27A of the Securities Act and Section 21E of the Exchange Act (or otherwise makes reference to such provisions or to the Litigation Reform Act generally), please be advised that the staff is not making any determination as to whether the disclosures (including, e.g., cautionary language or the placement of disclosures) satisfy the requirements of such Sections.

The staff will consider a written request for acceleration of the effective date of the registration statement as a confirmation of the fact that those requesting acceleration are aware of their respective responsibilities under the Securities Act of 1933 and the Securities Exchange Act of 1934 as they relate to the proposed public offering of the securities specified in the above captioned registration statement. We will act upon such request and pursuant to delegated authority grant acceleration of the effective date.

Any questions may be directed to Terry E. Hatfield at (202) 942-2866.

Sincerely,

H. Christopher Owings

Assistant Director

April 24, 2001

Mail Stop 0308
Susan M. Beale
2000 2nd Avenue
Detroit, Michigan 48226-1279

Re: DTE Energy Company
Form S-3 filed April 12, 2001
File Number 333-58834

Dear Ms Beale:

This is to advise you that no review of the above captioned registration statements has been or will be made. All persons who are by statute responsible for the adequacy and accuracy of the registration statement are urged to be certain that all information required pursuant to the Securities Act of 1933 has been included.

You are also reminded to consider applicable requirements regarding distribution of the preliminary prospectus.

As you know, revisions to rule 421 of Regulation C became effective on October 1, 1998 and your prospectus must comply with the plain English principles set forth in that rule. We have not reviewed any portion of your registration statement and have not determined that your document complies with that rule. It is your responsibility to make sure your document complies with the requirements of Rule 421 of Regulation C.

To the extent that the registration statement states that it includes forward-looking statements within the meaning of Section 27A of the Securities Act and Section 21E of the Exchange Act (or otherwise makes reference to such provisions or to the Litigation Reform Act generally), please be advised that the staff is not making any determination as to whether the disclosures (including, e.g., cautionary language or the placement of disclosures) satisfy the requirements of such Sections.

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Any questions may be directed to Terry E. Hatfield at (202) 942-2866.

Sincerely,

H. Christopher Owings

Assistant Director