

Date 1-15-10

Dear DTE Energy Residential HVAC Trade Ally:

We sent an e-mail on Dec 30th advising you that the Detroit Edison HVAC Program may be suspended on February 1, 2010 and the MichCon Program on March 31, 2010, to allow us to catch up and evaluate where we were before moving ahead with the 2010 Program. After further review of the impact from the number of Applications we have on hand, we have no choice but to suspend the entire DTE Energy program for BOTH Detroit Edison and MichCon effective February 1, 2010. From this date forward, the program will not accept incentive applications until further notice.

We are exploring funding options to restart the HVAC program sometime in 2010. We understand the very negative impact this creates on your sales activities when programs start and stop. While we have made attempts to keep the program operating, the extremely high volume of 2009 HVAC applications that we have committed to honoring has far exceeded the available funding. We simply cannot afford to compound that in each year of our Program; it is not sustainable. It is also not fair to continue to take applications and ask that customers wait indefinitely wondering about funding.

Here is an update of what we plan to do:

2009 Installations:

- * ALL complete applications for 2009 installations MUST be received by January 31, 2010 to be considered for payment
- * Customer applications that are not complete will be sent a noncompliant letter explaining what missing and/or incorrect information is needed to make their application complete
- * Noncompliant applications will be given 30 days to become compliant. These applications will be processed in the order they are received and will be subject to available funding.
- * Complete 2009 Applications will be paid in order of receipt until program funds are depleted
- * NOTE: Detroit Edison and MichCon Programs are funded separately and each have different rebate amounts and budgets. Therefore, based on the amount of applications received for a particular equipment rebate, one budget may last longer than the other
- * When all the applications received through January 31 are processed, customers will receive either a rebate check or a post card in the mail advising them that program funds have been exhausted and their rebate application is subject to payment should additional funding becoming available
- * Applications for 2009 and 2010 installations are arriving daily and will be accepted until January 31, 2010. Applications for 2010 installations will not be given priority over 2009 installations.

2010 Installations:

- * It is probable that NO Detroit Edison funds will be available to pay electric incentives for measures installed in 2010,
- * It is possible that some MichCon funds will be available to pay

2010 installations, but will only be considered after the 2009 installations are paid first

* A new Program for 2010 may be announced later if funding becomes available. The installation date requirements and rebate amounts will be communicated at that time.

We appreciate your support very much. We are working to create a more sustainable program with better ways to communicate limitations. Until that time thank you for your patience and understanding.

If you have questions about these changes, please contact Scott Hanna at ICF at shanna@icfi.com or 517-768-6307. You may also contact me via e-mail, when you also 'cc' Scott with your question.

Sincerely,

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