

# **State of the Business and Benefits Update**

**Detroit Edison Alliance of Retirees  
Annual Meeting**

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Chief Diversity and Inclusion Officer**

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# Topics

- 2019 Enterprise Priorities
- Plant Closure Update
- Benefits Update
- Contact Information

# 2019 Priorities

# Employee Engagement, Safety & Talent



- Achieve stretch OSHA target of .40, while maintaining best-in-industry DART rate
- Strengthen our focus on health and wellness
- Maintain top 5% engagement
- Intensify our diversity and inclusion efforts



# Customer Service & Satisfaction



- Shape a deep customer service culture and mindset
- Make measurable progress on J.D. Power national scale



# Operational Excellence & CI



- Achieve Best-Operated Index at 63rd percentile
- Continue productivity improvements to support customer affordability
- Strengthen our Asset Management capability significantly
- Continue progress toward operational excellence at Fermi





# Regulatory & Political

- Build productive relationships with new policy leaders
- Achieve fair outcomes in electric regulatory proceedings



# Growth & Value Creation



- Continue momentum with planning and executing utility investments
- Advance P&I transformation through RNG and IES opportunities
- Deploy \$1B in high-quality GSP investments
- Deliver a strong year at Energy Trading





# Financial Performance



- Achieve earnings target for 11th year in a row
- Bring clarity to 5-10 year growth aspirations



# Force for Growth



- Continue to grow programs and increase impact in each "pillar"
- Strengthen the alignment between business priorities and community needs



# **Plant Closure Update**

# Plant Closure Update

- Goal: Reduce carbon emissions by 32% by 2023, 50% by 2030 and 80% by 2040
- 2022: River Rouge, Trenton and St. Clair power plant closures
- 2032: Belle River power plant closure
- Build \$1 billion natural-gas-fired Blue Water power plant in St. Clair county; expected completion in 2022
- Renewables (wind and solar) will more than double by 2024 with an investment of \$2 billion

# **Benefits Update**

# Benefits Update - Pension

- Cost of Living Adjustment – December 2018
  - We work with DEAR to periodically review the declining spending power of pension benefits
  - Following our recent review, an adjustment was made to the monthly pension benefits of DTE Electric non-represented employees (and their spouses/beneficiaries) who retired prior to 1987
  - Over 300 retirees/surviving spouses began receiving this adjustment in December 2018
  - These adjustments increased pension benefits by 3%-5% depending upon year of retirement, with the earlier retirees/surviving spouses receiving the larger increases

# Benefits Update – Pension (con't)

- Funded Status of Pension Plans
  - The pension plans are financially sound
  - Our policy is to fund pension costs by contributing amounts consistent with regulatory requirements and additional amounts when appropriate
  - In 2018, the Company made pension contributions of \$175 million
  - We anticipate making contributions to the pension plans of up to \$150 million in 2019, \$182 million in 2020 and \$180 million in 2021

# Benefits Update - Medical

- New Humana Medicare Advantage Plan – January 2019
  - Great rollout: Meetings, webinars, conference calls; over 1,000 retirees participated
  - Excellent feedback from retirees
  - Shane Olson, Humana's DTE account executive, is here today to meet you and answer your questions



# Benefits Update - Medical (con't)

## PayFlex Improvements (for RRA/RHA Plan participants)

- PayFlex New Member Website
  - More user friendly
  - More information on the landing page such as filing a claim, linking bank account(s), accessing prior year transactions, balances, and reimbursements

# Benefits Update - Medical (con't)

- PayFlex System Enhancements
  - Co-browsing: The agent can see the screen that you are on in real time and provide assistance
  - Chat and Email: You can chat online and email with agents with your questions/concerns instead of calling
  - Carrier pay direct claim (coming soon): Processors have the capability to edit carrier direct claims rather than having them denied and the retiree having to restart the claim
- Kimberly Bain, DTE account executive from PayFlex, is here today to meet you and answer your questions

# Contact Information

# For More Information

- Pension Benefits and Group Retiree Medical Plan - Your Benefits Resources Center
  - 1-866-899-4383
  - [www.ybr.com/dteenergy](http://www.ybr.com/dteenergy)
- RHA and PayFlex
  - RHA: 844-866-8257
  - PayFlex: 855-652-0112
  - [www.rhaexchange.com/dte](http://www.rhaexchange.com/dte) (for both RHA and PayFlex)
- Humana Customer Care
  - 1-866-396-8810