



First Quarter 2017 Earnings Release Presentation

April 27, 2017



Safe Harbor

Except for the historical statements contained in this presentation, the matters discussed herein, are forward-looking statements that are subject to certain risks, uncertainties and assumptions. Such forward-looking statements, including our 2017 earnings per share guidance and assumptions, are intended to be identified in this document by the words “anticipate,” “believe,” “estimate,” “expect,” “intend,” “may,” “objective,” “outlook,” “plan,” “project,” “possible,” “potential,” “should” and similar expressions. Actual results may vary materially. Forward-looking statements speak only as of the date they are made and we expressly disclaim any obligation to update any forward-looking information. The following factors, in addition to those discussed in Xcel Energy’s Annual Report on Form 10-K for the fiscal year ended Dec. 31, 2016 and subsequent securities filings, could cause actual results to differ materially from management expectations as suggested by such forward-looking information: general economic conditions, including inflation rates, monetary fluctuations and their impact on capital expenditures and the ability of Xcel Energy Inc. and its subsidiaries (collectively, Xcel Energy) to obtain financing on favorable terms; business conditions in the energy industry; including the risk of a slow down in the U.S. economy or delay in growth, recovery, trade, fiscal, taxation and environmental policies in areas where Xcel Energy has a financial interest; customer business conditions; actions of credit rating agencies; competitive factors including the extent and timing of the entry of additional competition in the markets served by Xcel Energy; unusual weather; effects of geopolitical events, including war and acts of terrorism; cyber security threats and data security breaches; state, federal and foreign legislative and regulatory initiatives that affect cost and investment recovery, have an impact on rates or have an impact on asset operation or ownership or impose environmental compliance conditions; structures that affect the speed and degree to which competition enters the electric and natural gas markets; costs and other effects of legal and administrative proceedings, settlements, investigations and claims; financial or regulatory accounting policies imposed by regulatory bodies; outcomes of regulatory proceedings; availability or cost of capital; and employee work force factors.

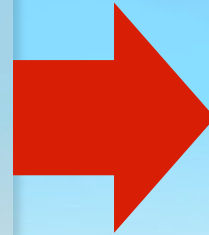
2017 Highlights

- Increased dividend ~6%
- Named #1 utility wind provider by AWEA
- Made significant progress in “Steel for Fuel” strategy
 - Filed for 1,550 MW of new wind in the Upper Midwest
 - Filed for 1,230 MW of new wind in the Southwest
- Reaffirming 2017 EPS guidance of \$2.25 - \$2.35

Steel for Fuel

Significant progress in advancing strategy in the first quarter

- High wind capacity factors
- Production tax credit
- Improved supply chain
- Supportive regulatory environment



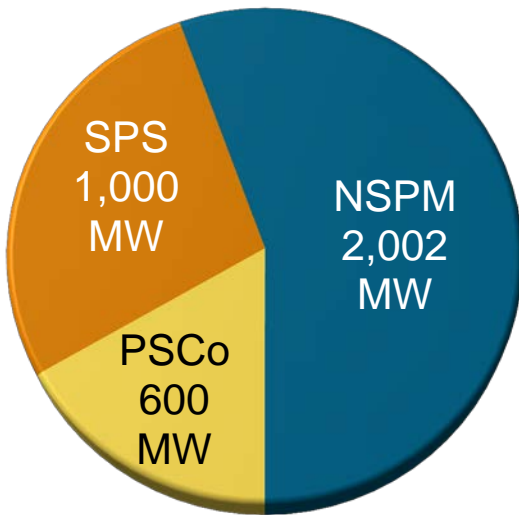
- Economic, low-emission energy
- Fleet transition mechanism
- Earnings growth with significant customer savings

Capital recovery costs offset by reduced fuel & O&M costs and tax credits

Steel for Fuel

Cost effective renewables: Emission reductions with significant customer savings

**Owned Wind Capacity
by Company by 2020**

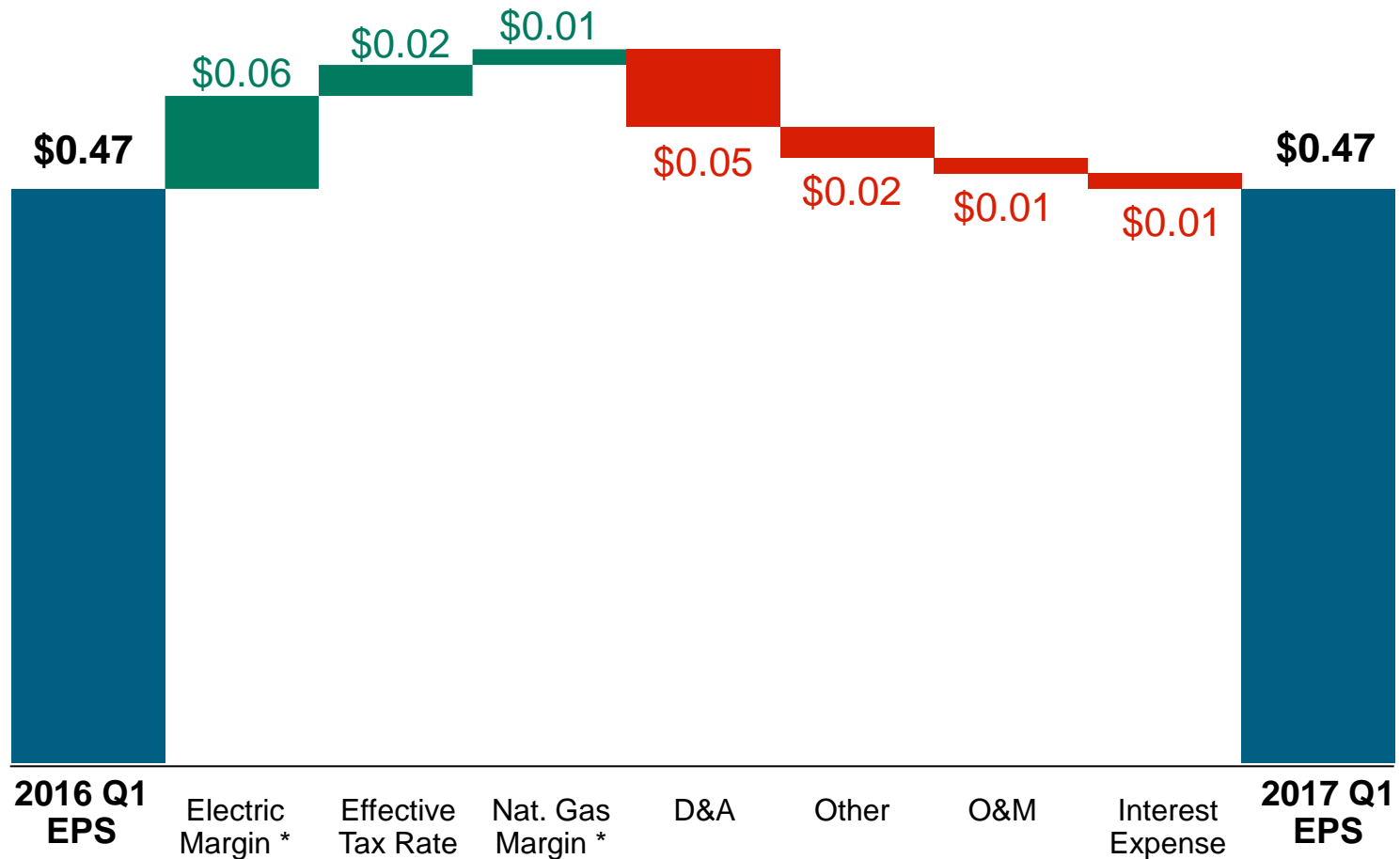


Project	Capacity	State	Estimated Completion	Regulatory Status
Rush Creek	600 MW	CO	2018	Approved
Freeborn	200 MW	MN	2020	Pending
Blazing Star 1	200 MW	MN	2019	Pending
Blazing Star 2	200 MW	MN	2020	Pending
Lake Benton	100 MW	MN	2019	Pending
Foxtail	150 MW	ND	2019	Pending
Crowned Ridge	300 MW	SD	2019	Pending
Hale	478 MW	TX	2019	Pending
Sagamore	<u>522 MW</u>	NM	2020	Pending
Total New Ownership	2,750 MW	Potential Cap Ex ~\$4.2 billion		
Existing Ownership	<u>852 MW</u>	NSP	In service	
Grand Total	3,602 MW	By 2020		

EPS Results by Operating Company

Operating Company	First Quarter	
	2017	2016
PSCo	\$ 0.22	\$ 0.23
NSPM	0.19	0.19
SPS	0.05	0.04
NSPW	0.04	0.03
Equity earnings	0.01	0.02
Regulated utility	0.51	0.51
Holding company and other	(0.04)	(0.03)
Total GAAP and ongoing diluted EPS	\$ 0.47	\$ 0.47

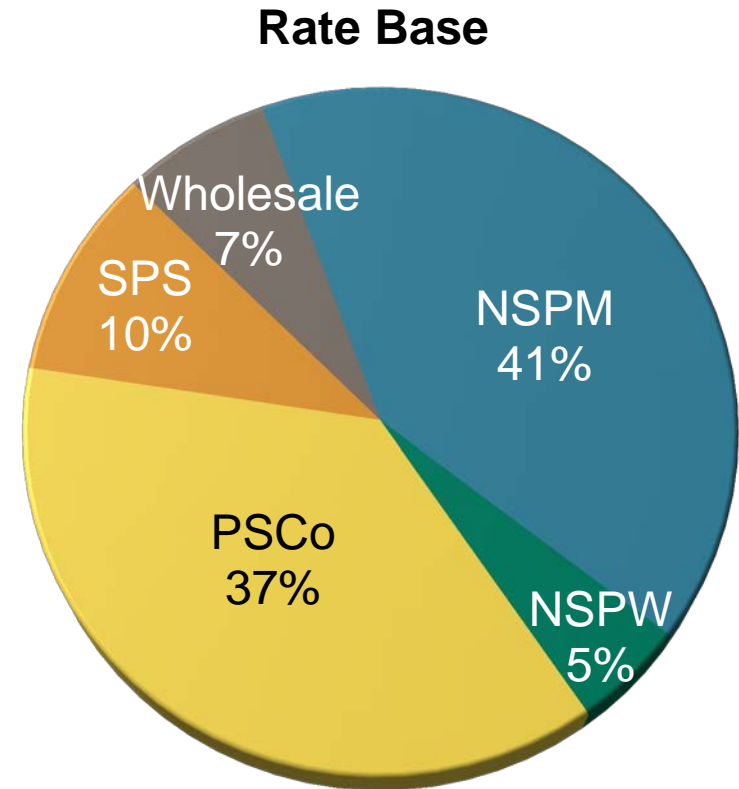
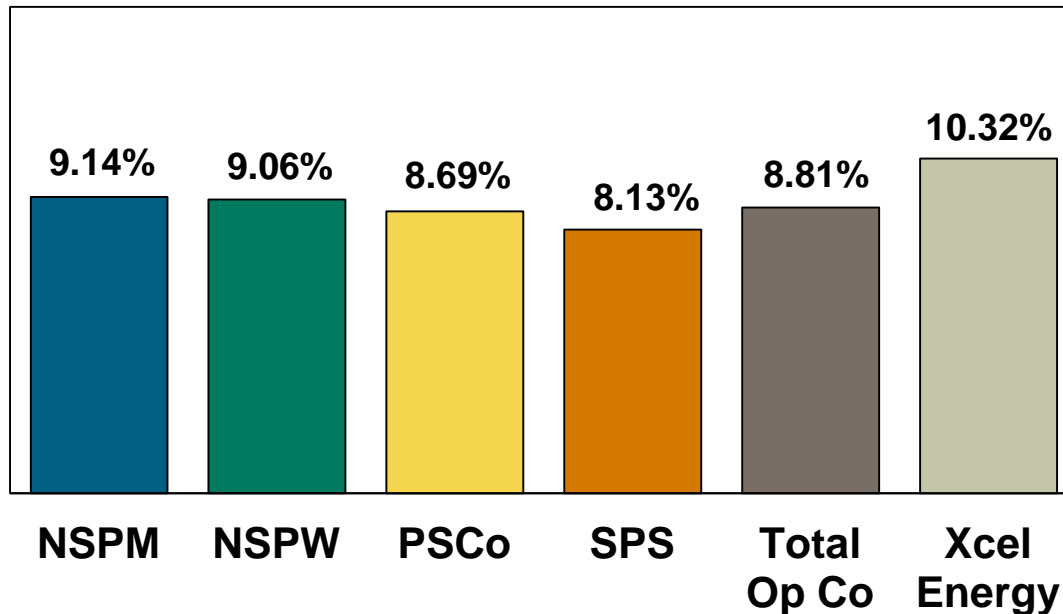
Quarterly GAAP & Ongoing EPS Change



* Combined margins include ~(\$0.01) of negative weather impacts

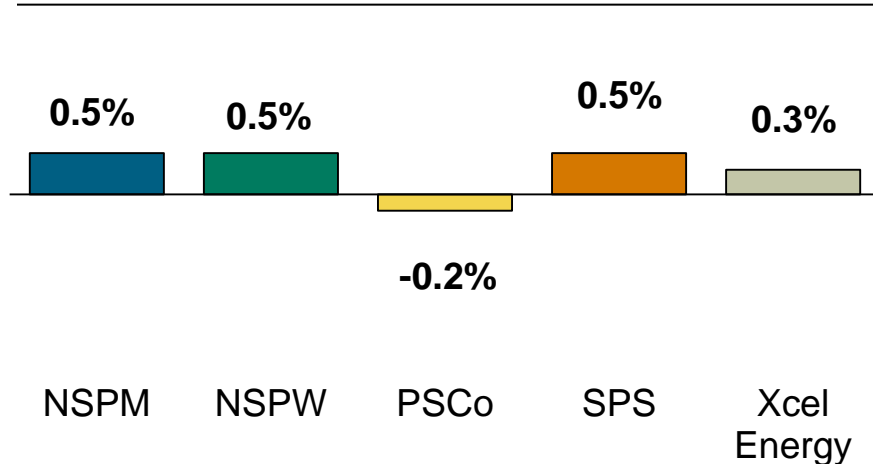
ROE Results – GAAP & Ongoing Earnings

**GAAP & Ongoing ROE
Twelve Months Ended 3/31/2017**



Economic, Sales, and Customer Data

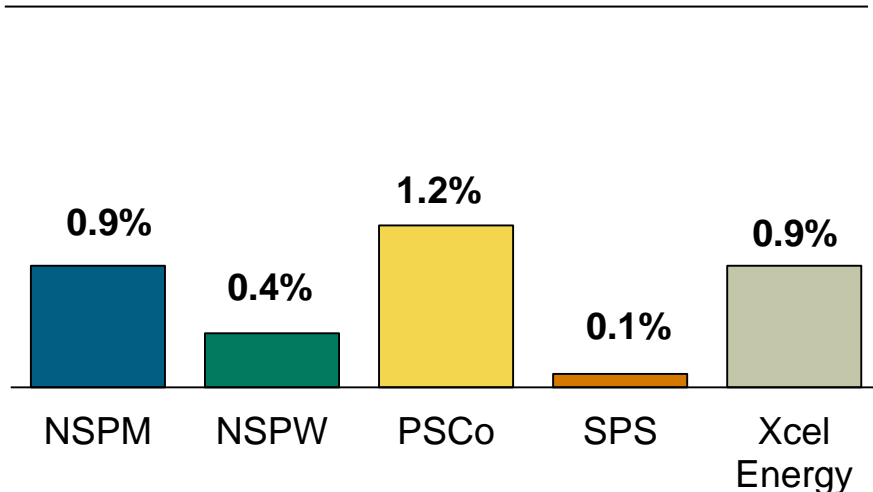
2017 Q1 W/A Electric Sales Growth
(adjusted for leap day)



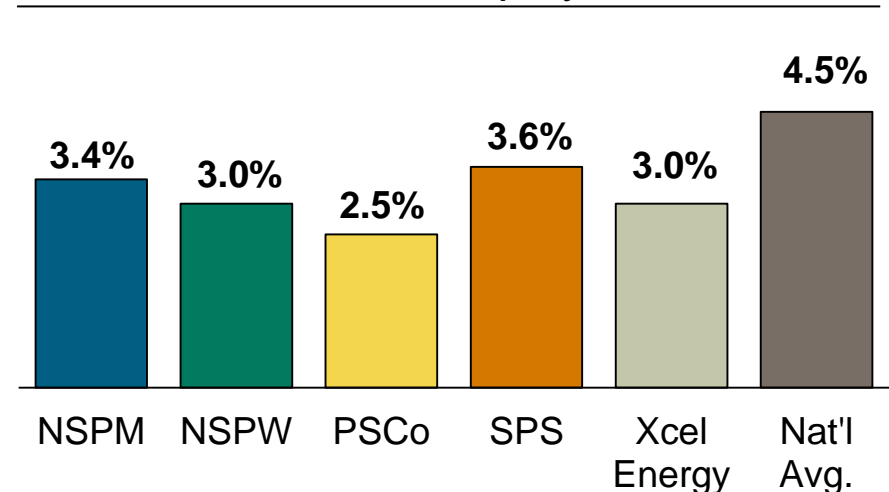
Q1 Estimated Impact of Weather on EPS

	2017 vs. Normal	2017 vs. 2016
Retail Electric	\$ (0.025)	\$ (0.009)
Firm Natural Gas	(0.018)	(0.005)
Total (excluding decoupling)	(0.043)	(0.014)
Decoupling - Minnesota	0.008	0.002
Total (adjusted for decoupling)	\$ (0.035)	\$ (0.012)

2017 Q1 YoY Electric Customer Growth



March Unemployment



Minnesota Multi-Year Settlement

Dollars in Millions, Incremental	2016	2017	2018	2019	Total
Settlement Revenue	\$75	\$60	\$0	\$50	\$185
NSPM's Sales True-up	<u>60</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>60</u>
Total Rate Impact	\$135	\$60	\$0	\$50	\$245

- In August 2016, a settlement was reached, resolving all revenue issues
- Total \$185 million increase over four years
- In addition, the settlement includes a sales forecast true-up for all classes in 2016, and a combination of decoupling and a true-up for 2017-2019
- Reflects an ROE of 9.2% and an equity ratio of 52.5%
- Continued use of all existing riders, but no new riders during MYP
- Nuclear costs in the rate case will not be considered provisional
- Four-year stay-out provision
- Property tax true-up for 2017-2019
- Capital investment true-up for 2016-2019
- Settlement requires Minnesota Commission approval, expected in June

New Mexico Electric Rate Case

- SPS filed a New Mexico electric rate case in November 2016
 - Requested base rate increase of ~\$41.4 million (10.9%)
 - ROE of 10.1% and equity ratio of 53.97%
 - Rate base of ~\$832 million
- In April 2017, the Commission dismissed the case, claiming the filing was incomplete and did not include selected required jurisdictional cost information
- SPS has filed for reconsideration of the decision

2017 GAAP & Ongoing Earnings Guidance

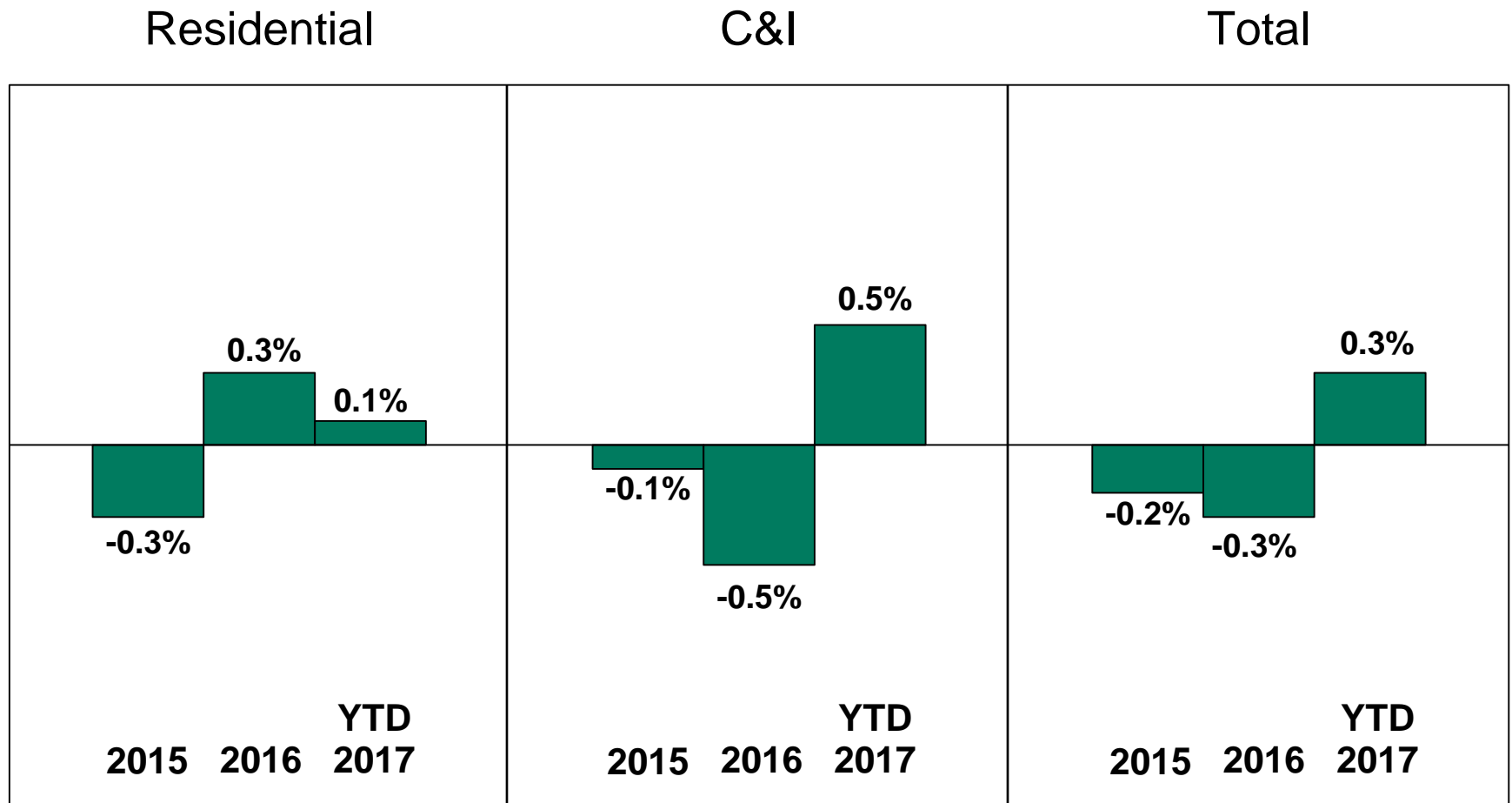
GAAP & Ongoing EPS Guidance Range: \$2.25 – \$2.35

Earnings Driver	Key Assumptions
Regulatory proceedings	Constructive outcomes in all proceedings
Weather	Normal weather for the rest of the year
W/A electric sales	Increase 0% - 0.5%
W/A natural gas sales	Increase 0% - 0.5%
Capital rider revenue	Increase \$60 million - \$70 million
O&M expenses	Flat
Depreciation expense	Increase ~\$165 million - \$175 million
Property taxes	Increase ~\$0 million - \$10 million
Interest exp. (net of AFUDC-debt)	Increase \$20 million - \$30 million
AFUDC-equity	Increase ~\$0 million - \$10 million
Effective tax rate	~32% - 34%
Average common stock & equiv.	~509 million shares

Ongoing earnings could differ from those prepared in accordance with GAAP for unplanned and/or unknown adjustments. Xcel Energy is unable to forecast if any of these items will occur or provide a quantitative reconciliation of the guidance for ongoing diluted EPS to corresponding GAAP diluted EPS.

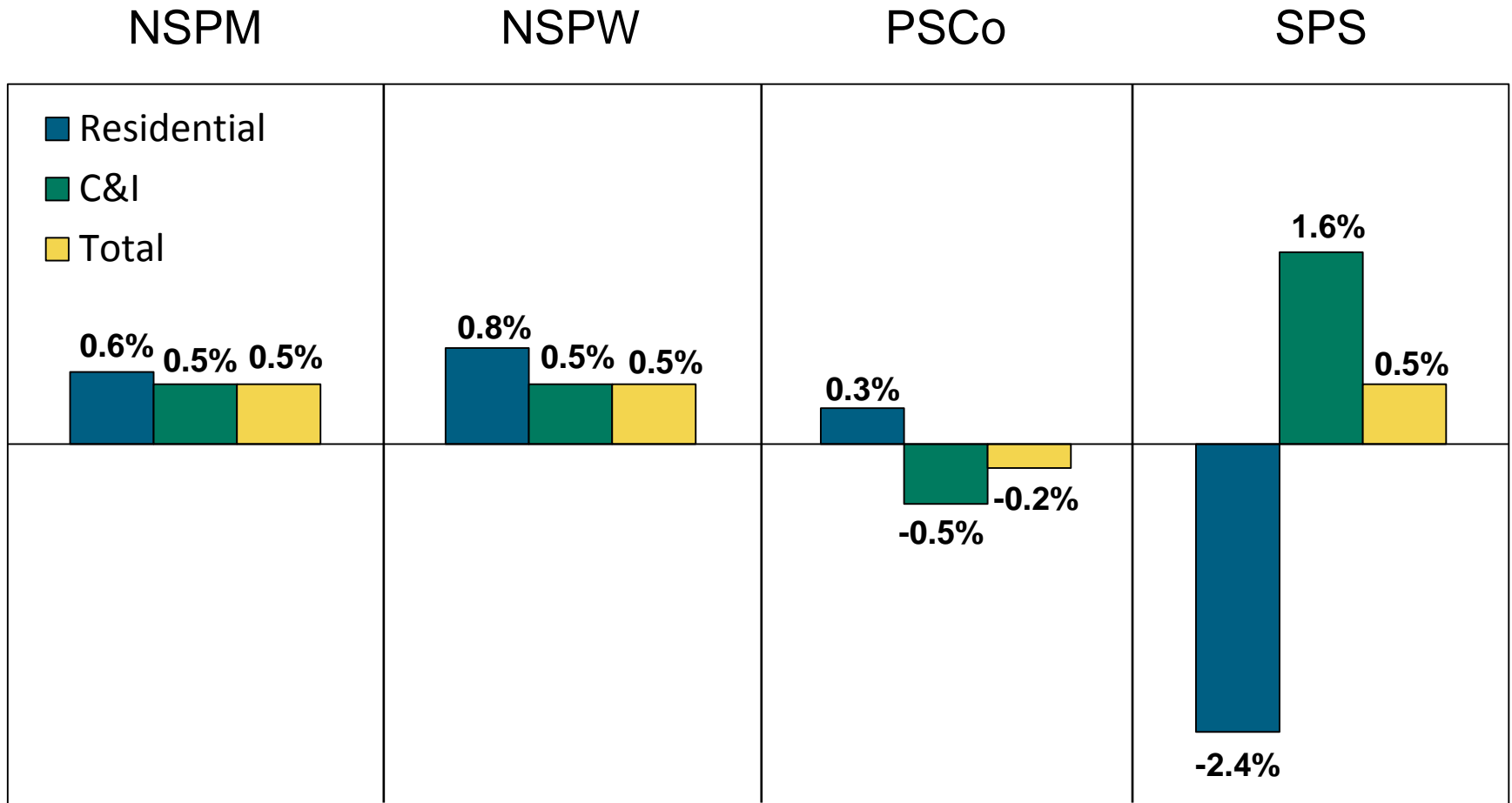
Appendix

Xcel Energy W/A Electric Sales Growth



Adjusted for leap year in 2016 and 2017 YTD

2017 YTD W/A Electric Sales Growth



Adjusted for leap year

2017 Financing Plan

Issuer	Security	Amount (millions)
Hold Co	Senior Unsecured	\$300
NSPM	First Mortgage Bonds	\$600
NSPW	First Mortgage Bonds	\$100
PSCo	First Mortgage Bonds	\$400
SPS	First Mortgage Bonds	\$250

Financing plans are subject to change, depending on capital expenditures, internal cash generation, rating agency views, market conditions, and other factors

Upcoming 2017 Second Quarter Events

Event	Dates
New York City and Boston Non-deal Roadshow	May 1-2
Xcel Energy Annual Shareholder Meeting	May 17
AGA Financial Forum	May 21-23
Wolfe Research Fireside Chat Conference Call	June 5
UBS Japan/Australia Meetings	June 12-14
SunTrust Utility & Power Summit	June 22
J.P.Morgan Energy Equity Conference	June 28