



Second Quarter 2019 Earnings Report Presentation

August 1, 2019



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 2019 earnings per share (EPS) guidance, long-term EPS and dividend growth rates, as well as assumptions and other statements are intended to be identified in this document by the words “anticipate,” “believe,” “could,” “estimate,” “expect,” “intend,” “may,” “objective,” “outlook,” “plan,” “project,” “possible,” “potential,” “should,” “will,” “would” 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, 2018 and subsequent securities filings, could cause actual results to differ materially from management expectations as suggested by such forward-looking information: changes in environmental laws and regulations; climate change and other weather, natural disasters and resource depletion, including compliance with any accompanying legislative and regulatory changes; ability of subsidiaries to recover costs from customers; reductions in our credit ratings and the cost of maintaining certain contractual relationships; general economic conditions, including inflation rates, monetary fluctuations and their impact on capital expenditures and the ability of Xcel Energy Inc. and its subsidiaries to obtain financing on favorable terms; availability or cost of capital; our customers’ and counterparties’ ability to pay their debts to us; assumptions and costs relating to funding our employee benefit plans and health care benefits; our subsidiaries’ ability to make dividend payments; tax laws; operational safety, including our nuclear generation facilities; successful long-term operational planning; commodity risks associated with energy markets and production; rising energy prices; costs of potential regulatory penalties; effects of geopolitical events, including war and acts of terrorism; cyber security threats and data security breaches; fuel costs; and employee workforce and third party contractor factors.

Our Strategic Priorities

*Leverage competitive advantages to reduce emissions
improve grid performance and provide customer value*

LEAD THE CLEAN ENERGY TRANSITION



BROADEN

Economic growth and
use of clean energy



IMPROVE

Grid utilization,
effectiveness, and
economics

ENHANCE THE CUSTOMER EXPERIENCE



HELP

Customers be
more efficient and
lower energy use



EXPAND

Role and scope of
propositions we
offer

KEEP BILLS LOW



LOWER

Total cost, effort,
and time to serve
customers

2019 Highlights

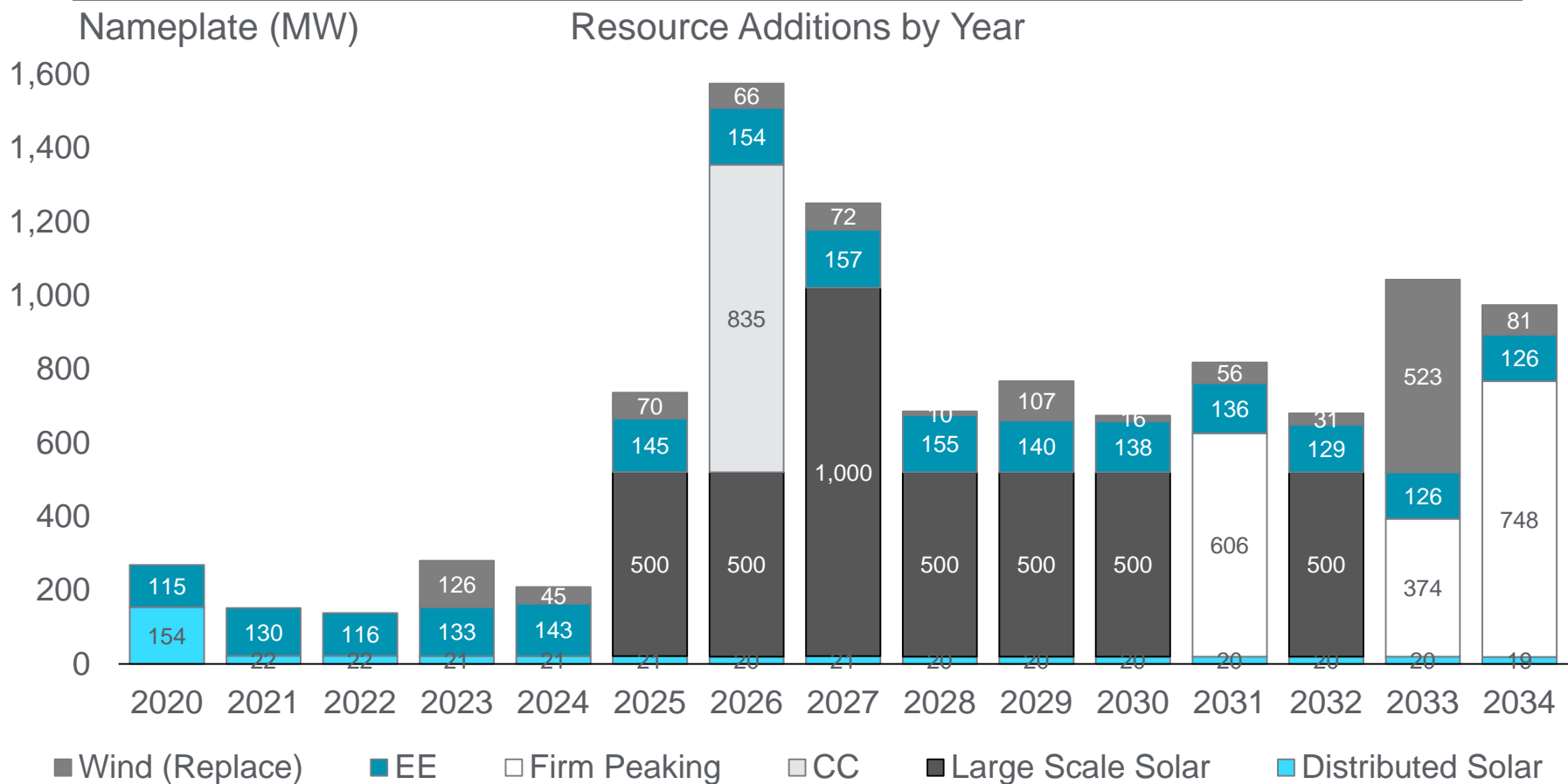
- Increased dividend 6.6%
- Filed Preferred Plan in Minnesota IRP, which would achieve 80% carbon reduction by 2030 in Upper Midwest, pending regulatory approval
- Completed the 478-MW Hale wind farm on time and under budget
- Supportive legislative passed in Colorado, Texas and New Mexico
- Constructive settlement of New Mexico 2017 electric rate case
- Filed settlements for Colorado steam and Wisconsin rate cases
- Filed electric rate cases in Colorado and New Mexico
- On track to deliver on 2019 EPS guidance of \$2.55 to \$2.65
- On track to deliver long-term EPS and dividend growth of 5% to 7%

MN Preferred IRP

Resource	Plan Detail
Nuclear	Extend Monticello from 2030 to 2040, Prairie Island to end of life (2033 & 2034)
Coal	Early King retirement (2028), Early Sherco 3 retirement (2030)
Gas CC	Mankato CC acquisition, new Sherco CC
Firm Peaking	~1,700 MW of additional firm peaking (CT, pumped hydro, storage, DR, etc.)
Wind	~1,200 MW of wind replacement
Solar	~4,000 MW of additional utility scale solar
Carbon	>80% reduction by 2030 achieved & maintained, on path to 100% carbon-free by 2050

MN Preferred IRP

EARLY KING 2028, EARLY SHERCO 2030, EXTEND MONTI TO 2040



Hale Wind Project

- 478-MW wind farm
- Completed on time, and under budget
- Capital investment of \$675 million
- Expected to provide significant customer savings over the life of the asset from fuel savings and the flow back of production tax credits
- Created 300 construction jobs and results in 20 jobs during operations
- New jobs, new tax revenue, landowner payments over three decades



New Legislative Initiatives

- **Colorado Carbon Reduction Bill:**
 - Provides a path to carbon reduction of 80% by 2030 and 100% by 2050
 - Targets 50% utility ownership of new generation, if costs are reasonable
 - Allows voluntary securitization of generation assets at utilities' discretion
 - Provides a rate moderation rider at 1.5%
- **Colorado Electric Vehicles Bill** – Allows utilities to own EV infrastructure
- **Texas Generation Rider Bill** – Rider recovery for new generation projects
- **Texas AMI Bill** – Rider recovery for advanced meters and networks
- **Texas ROFR Bill** – Requires that transmission projects be awarded to the owners of the substation end points
- **New Mexico Energy Transition Act:** 50% RPS by 2030; 80% RPS by 2040; 100% carbon-free by 2045

External Recognition

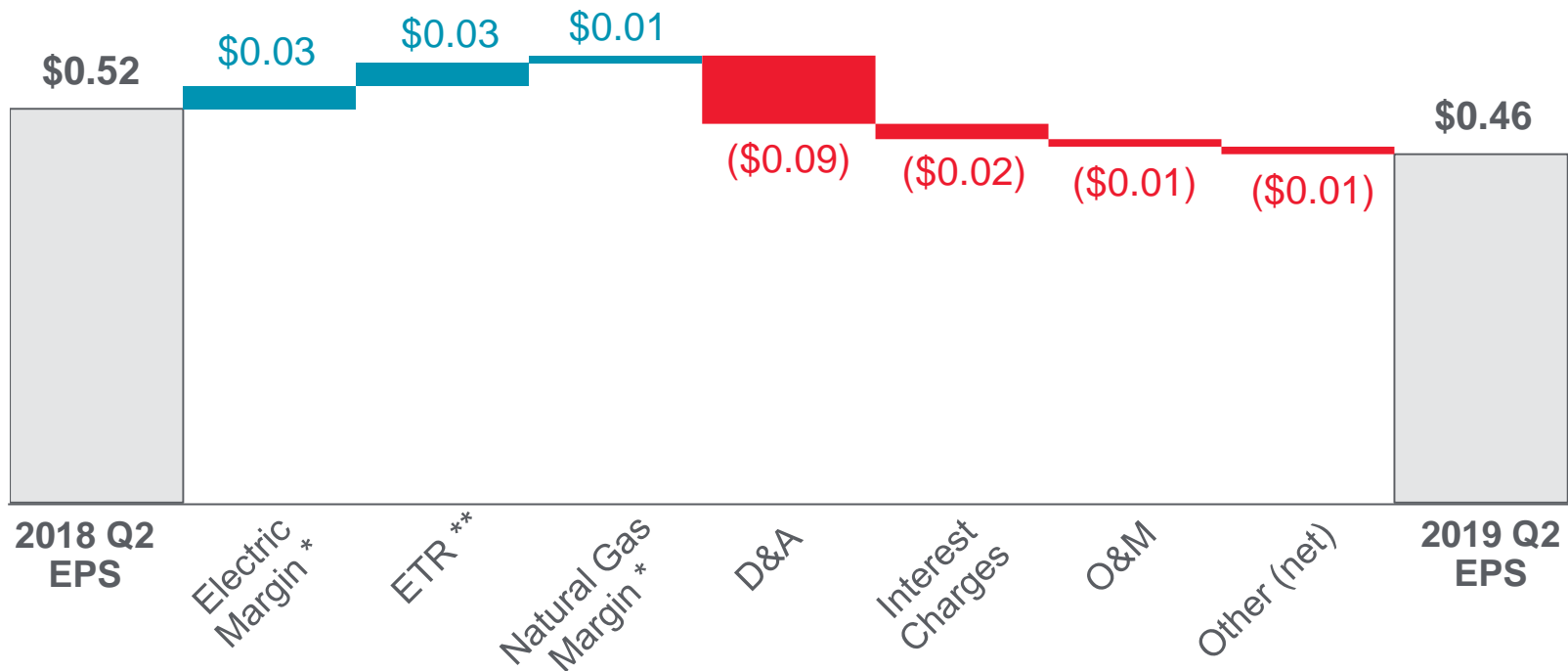
- Recognized among Fortune Magazine's "Most Admired" utilities
- Recognized as a "Best for Vets" employer by Military Times
- Received "Exemplary Program Award" for energy efficiency programs from the American Council for an Energy-Efficient Economy
- Among "Top 50 Most Generous Workplaces" by United Way of Cass-Clay
- Named "Green Business of the Year" by Denver Metro Chamber of Commerce

EPS Results by Operating Company

Operating Company	Second Quarter		YTD	
	2019	2018	2019	2018
PSCo	\$ 0.20	\$ 0.24	\$ 0.47	\$ 0.50
NSPM	0.19	0.18	0.41	0.40
SPS	0.11	0.11	0.22	0.18
NSPW	0.02	0.03	0.06	0.09
Equity earnings	0.01	0.01	0.02	0.02
Regulated utility	0.53	0.58	1.18	1.19
Holding company and other	(0.06)	(0.06)	(0.11)	(0.10)
Total GAAP and Ongoing diluted EPS	\$ 0.46	\$ 0.52	\$ 1.07	\$ 1.09

Amounts may not sum due to rounding

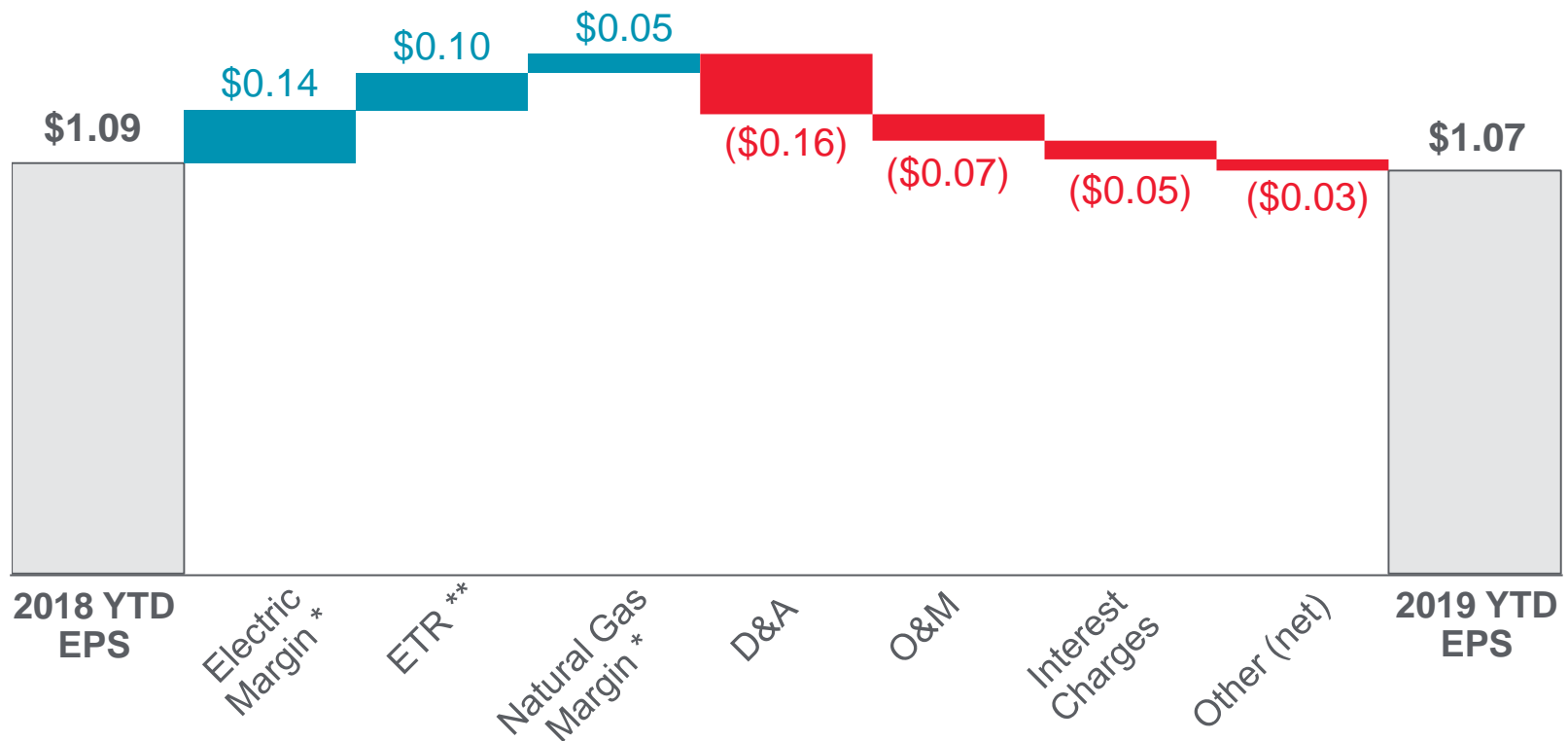
Quarterly GAAP and Ongoing EPS Change



* Combined electric & natural gas margins include ~\$0.05 of negative weather impacts (post decoupling)

** Includes flow back of production tax credits (PTCs) to customers, which are offset in revenue and have no material impact on earnings

YTD GAAP and Ongoing EPS Change

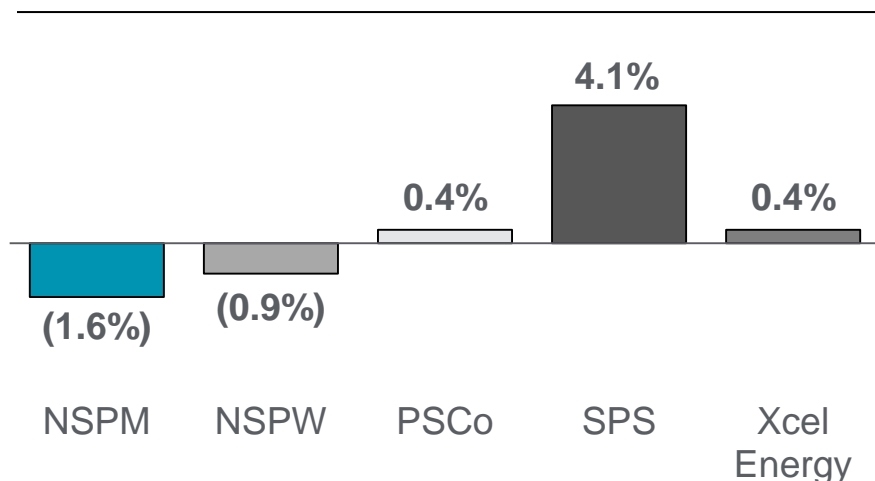


* Combined electric & natural gas margins include ~\$0.02 of negative weather impacts (post decoupling)

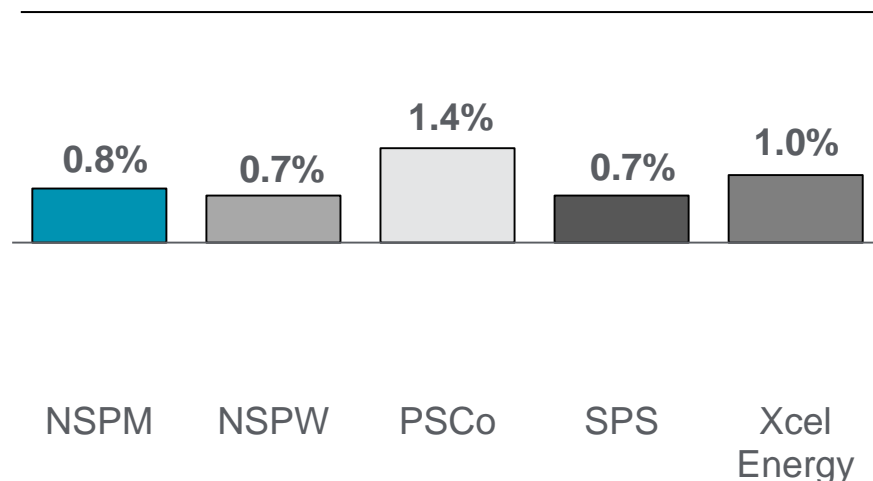
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Sales and Customer Data

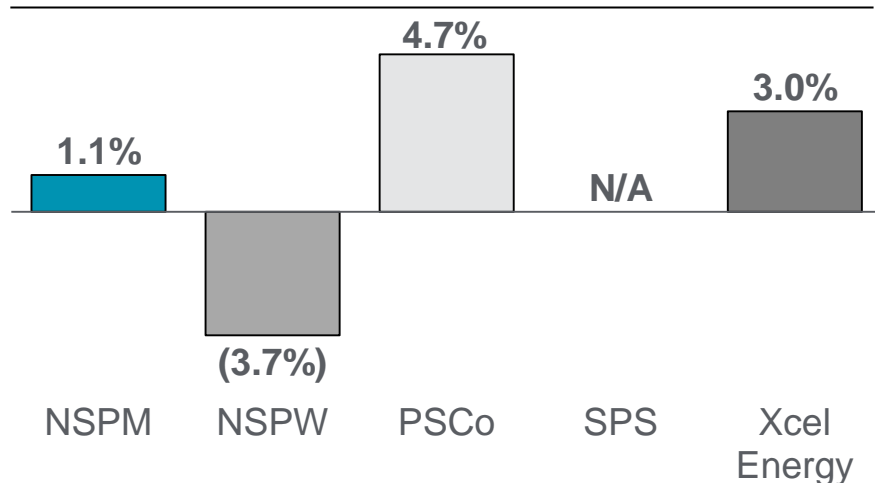
2019 YTD W/A Electric Retail Sales Growth



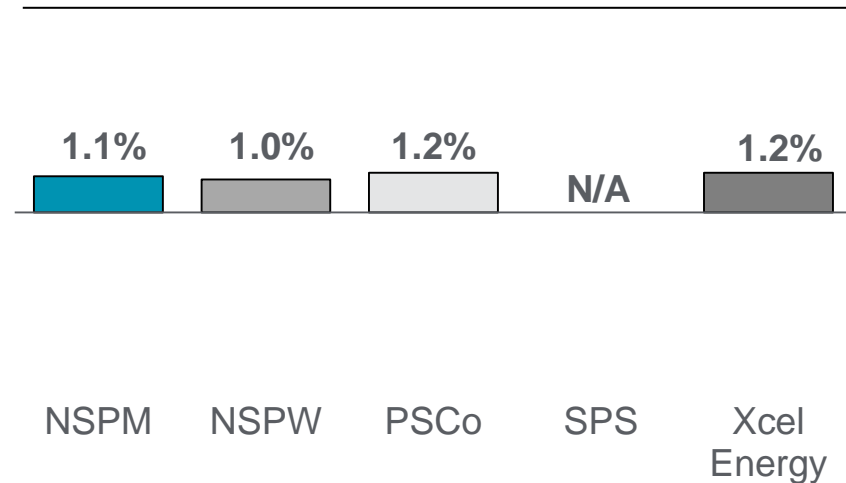
2019 Q2 YoY Electric Customer Growth



2019 YTD W/A Nat. Gas Sales Growth



2019 Q2 YoY Nat. Gas Customer Growth



Colorado Steam Case Settlement

- In May 2019, PSCo filed a steam rate case settlement
- Base rate increase of \$6.6 million
- ROE of 9.67% for AFUDC purposes
- Equity ratio of 56.04%
- Utilization of TCJA benefits to offset revenue deficiency
- Anticipate a commission decision on settlement in third quarter 2019

Colorado 2019 Electric Rate Case

Docket # 19AL-0268E

- In May 2019, PSCo filed an electric rate case requesting:
 - Net rate increase of \$158 million (5.7%)
 - ROE of 10.35% and equity ratio of 56.46%
 - December 31, 2018 HTY with adjustments for 2019 capital
- New rates are expected to be effective January 1, 2020

Revenue Request (millions of dollars)	2020
Plant-related growth 2013-2018	\$85
O&M savings, sales growth and other cost reductions	(\$89)
Forecasted 2019 capital additions	\$49
AGIS and grid modernization	\$39
Updated cost of capital	\$32
Previously approved depreciation rates	\$28
Incremental wildfire mitigation	\$14
Net increase to revenue	\$158
Previously authorized cost recovery: CACJA, TCA and Rush Creek (a)	\$249
Total base revenue request	\$408
Expected year-end rate base (b)	\$8,221

^(a) Rider roll-in into base rates will not impact revenue or customer bills as costs are currently being recovered

^(b) Base rate request does not include the impact of the proposed Colorado Energy Plan

Amounts may not sum due to rounding

Wisconsin Rate Case Settlement

- In May 2019, NSPW filed a rate case settlement for 2020-2021
- No change to electric base rates through 2021
- A \$3.2 million (4.6%) decrease to natural gas base rates in 2020
- ROE of 10.0% and equity ratio of 52.5%
- Provides an earnings sharing mechanism, which would return to customers:
 - 50% of earnings between an ROE of 10.25% and 10.75%
 - 100% of earnings equal to or above an ROE of 10.75%
- A commission decision is expected during the third quarter of 2019

New Mexico 2019 Electric Rate Case

Docket # 19-00170-UT

- In July 2019, SPS filed an electric rate case requesting:
 - Rate increase of \$51 million; or a net increase of ~\$26 million (5.7%)
 - ROE of 10.35% and equity ratio of 54.77%
 - Rate base of \$1.3 billion
 - March 31, 2019 HTY with rate base additions through August 31, 2019
- SPS anticipates final rates will go into effect in 2020 Q2 or 2020 Q3

Revenue Request (millions of dollars)	
Hale Wind Farm	\$28
Other plant investment	\$22
Wholesale sales reduction	\$17
Allocator changes due to load growth	\$15
Depreciation rate change (including Tolk)	\$15
Base rate sales growth	(\$41)
Other, net	(\$5)
New revenue request	\$51

Our Expanding Pipeline

PPA Buyouts



MANKATO ENERGY CENTER

- ~760 MW CCGT
- Partial settlement reached 2019 Q2
- Pending commission approval
- Closing expected 2019 Q3
- Investing to save customers money

\$650 Million



JEFFERS AND COMMUNITY WIND NORTH WIND REPOWERING & PPA BUYOUTS

- 70 MW total wind PPAs
- Pending commission approval
- Closing expected 2020 Q4
- Investing to save customers money

\$135 Million

2019 GAAP & Ongoing Earnings Guidance



GAAP & Ongoing EPS Guidance Range: \$2.55 – \$2.65

Earnings Drivers	Key Assumptions
Regulatory proceedings	Constructive outcomes in all proceedings
Weather	Normal weather for remainder of year
W/A electric sales	Consistent with 2018 levels
W/A natural gas sales	Increase of 2.0% to 3.0%
Capital rider revenue (net of PTCs)	Increase of \$115 million - \$125 million
Purchase capacity costs	Decrease of \$25 million - \$30 million
O&M expenses	Decrease of ~2% from 2018 levels
Depreciation expense	Increase of \$135 million - \$145 million, includes \$34 million for amortization of a prepaid pension asset (earnings neutral)
Property taxes	Increase of \$15 million - \$25 million
Interest exp. (net of AFUDC-debt)	Increase of \$80 million - \$90 million
AFUDC-equity	Decrease of \$20 million - \$30 million
Effective tax rate (ETR)	~8-10%

Ongoing earnings could differ from those prepared in accordance with GAAP due to 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

Base Plan

2019 Long-term Debt Financing Plan



\$ Millions

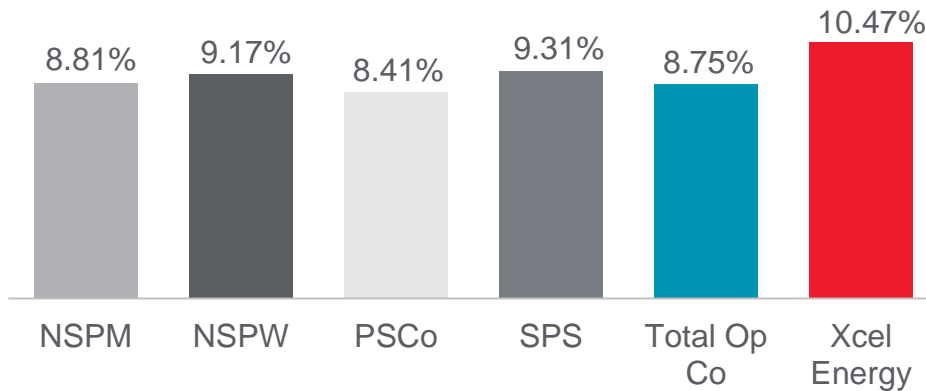
Issuer	Security	Amount	Status	Tenor	Coupon
PSCo	First Mortgage Bonds	\$400	Completed	30 Yr	4.05%
Hold Co	Senior Unsecured Bonds	\$130	Completed	9 Yr	4.00%
SPS	First Mortgage Green Bonds	\$300	Completed	30 Yr	3.75%
Hold Co	Senior Unsecured Bonds	~\$600	Pending	N/A	N/A
NSPM	First Mortgage Bonds	~\$900	Pending	N/A	N/A
PSCo	First Mortgage Bonds	~\$550	Pending	N/A	N/A

Financing plans are subject to change, depending on capital expenditures, regulatory outcomes, internal cash generation, market conditions and other factors.

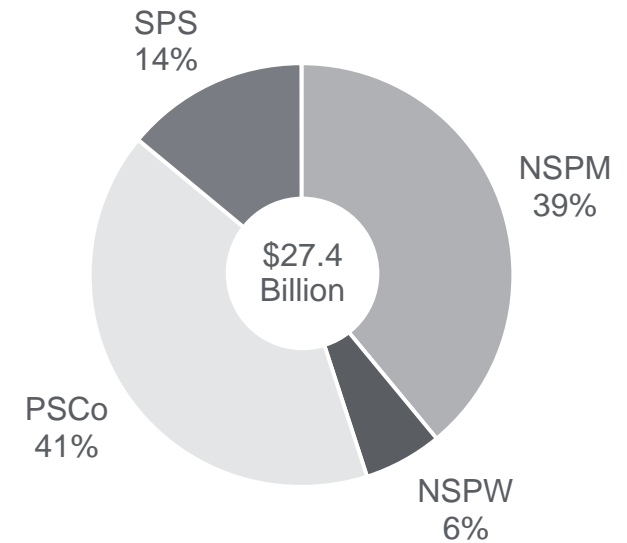
ROE Results GAAP & Ongoing Earnings



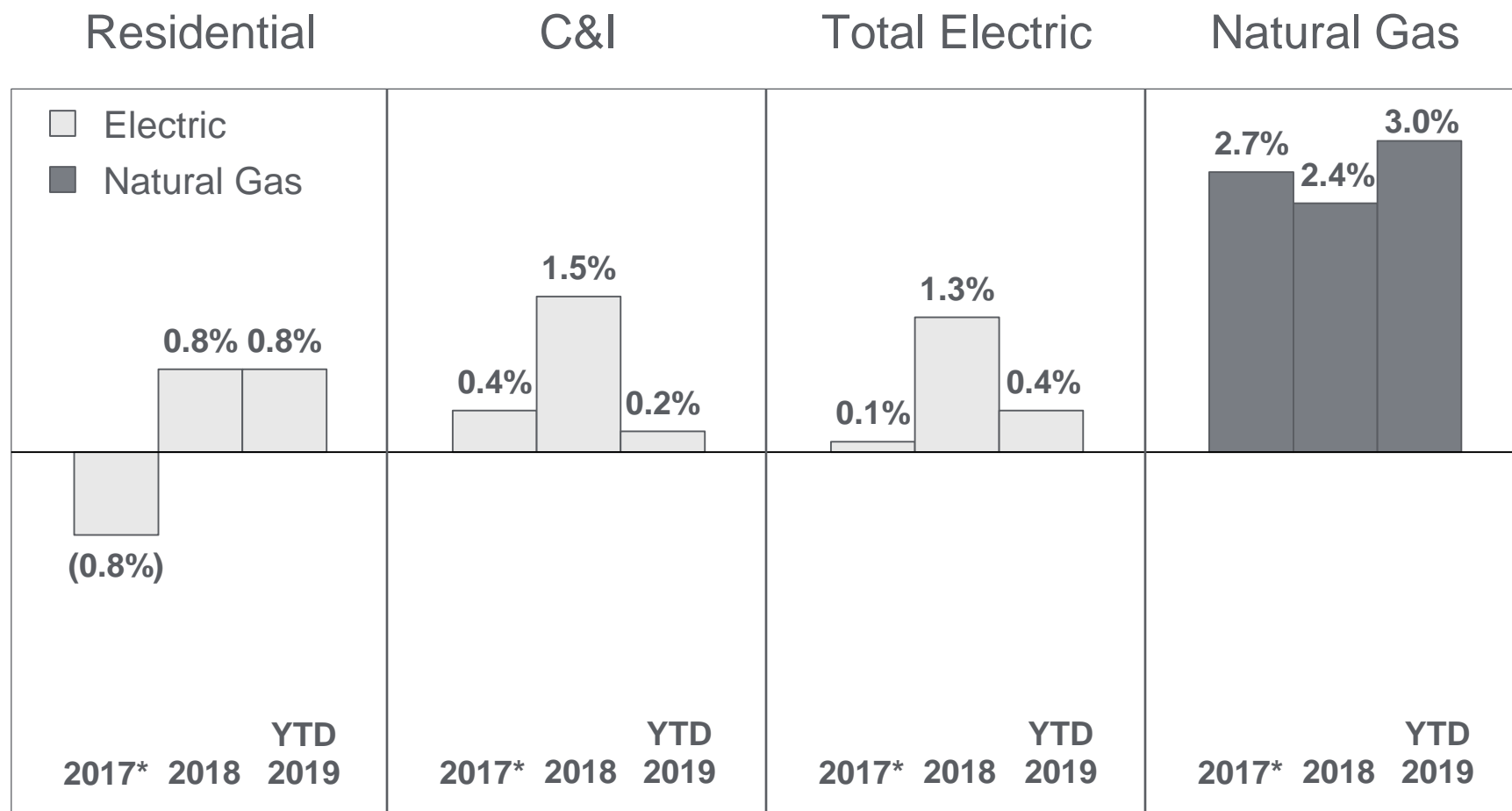
GAAP AND ONGOING ROE
Twelve Months Ended 6/30/2019



2018 RATE BASE



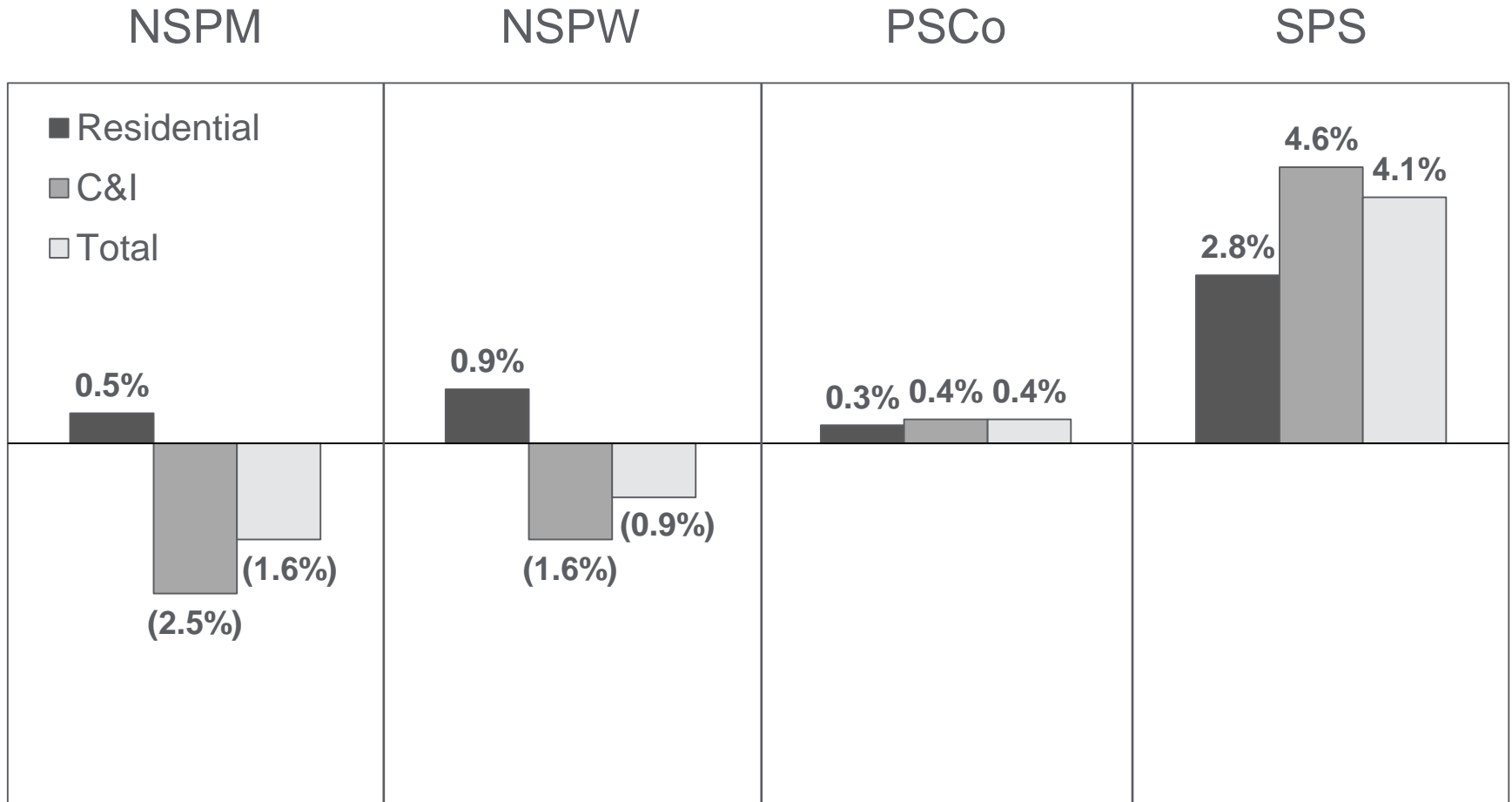
Xcel Energy W/A Sales Growth



* Adjusted to exclude the impact of leap day in 2016

Extreme weather variations, wind chill and cloud cover may not be reflected in growth (decline) estimates

2019 YTD W/A Electric Sales Growth



Extreme weather variations, wind chill and cloud cover may not be reflected in growth (decline) estimates

2019 Third Quarter Events

Events	Dates
Minnesota CFA Society – Investor Conference	Aug. 14
UBS Kohler Conference	Aug. 15
Barclays Conference	Sept. 4
Bank of America Merrill Lynch Fixed Income Conference	Sept. 16
MUFG Fixed Income Conference	Sept. 24