



THIRD QUARTER 2020 EARNINGS REPORT PRESENTATION

OCTOBER 29, 2020

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 the 2020 and 2021 earnings per share (EPS) guidance, long-term EPS and dividend growth rate objectives, future sales, future bad debt expense, future operating performance, estimated base capital expenditures and financing plans, projected capital additions and forecasted annual revenue requirements with respect to rider filings, and expectations regarding regulatory proceedings, 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, 2019 and subsequent securities filings, could cause actual results to differ materially from management expectations as suggested by such forward looking information: uncertainty around the impacts and duration of the COVID-19 pandemic; operational safety, including our nuclear generation facilities; successful long-term operational planning; commodity risks associated with energy markets and production; rising energy prices and fuel costs; qualified employee workforce and third-party contractor factors; ability to recover costs, changes in regulation and subsidiaries’ ability 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; effects of geopolitical events, including war and acts of terrorism; cyber security threats and data security breaches; seasonal weather patterns; 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; and costs of potential regulatory penalties.

Contacts

Paul Johnson

Vice President, Investor Relations
612-215-4535
paul.a.johnson@xcelenergy.com

Emily Ahachich

Director, Investor Relations
612-330-6054
emily.a.ahachich@xcelenergy.com

Darin Norman

Senior Analyst, Investor Relations
612-337-2310
darin.norman@xcelenergy.com

2020 Q3 Highlights

- Effectively mitigating COVID-19 impacts
- Narrowed original 2020 earnings guidance to \$2.75 to \$2.81 per share
- Initiated 2021 earnings guidance of \$2.90 to \$3.00 per share
- Announced robust capital forecast
- Filed Minnesota Relief and Recovery plan
- Mower wind farm PPA buyout approved
- Proposed KEPCO PPA buyout
- Completed Cheyenne Ridge wind farm
- Reached agreement to acquire solar project in Wisconsin
- Announced innovative hydrogen pilot
- Unveiled vision of 1.5 million EVs in service areas by 2030
- Commissions approved constructive rate case settlements in Texas and Colorado

COVID-19 Support for Customers

- Temporarily suspended residential customer service disconnections
- Waived reconnection and late fees
- Proactively set up payment plans with customers needing help
- Proposed \$17.5 million of payment credits for customers with past due accounts
- Offered business customer energy resources
- Expanded and increased promotion of energy efficiency opportunities
- Proposed low-income solar offering through Minnesota Relief and Recovery plan

Special Community Support

COVID-19 relief:

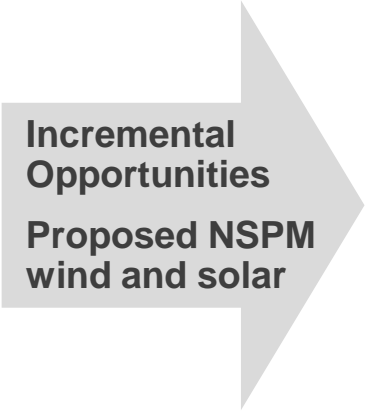
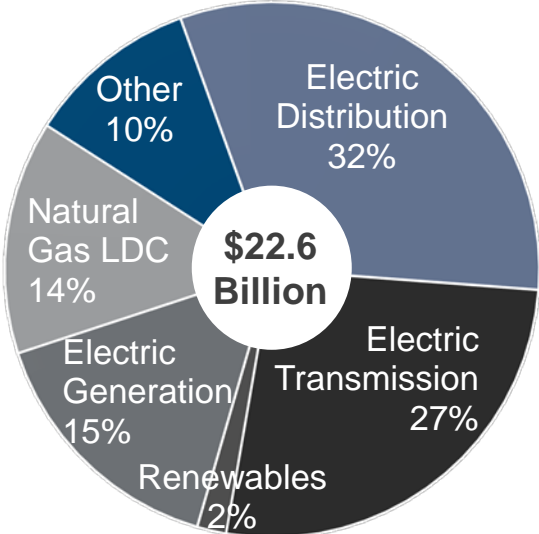
- Began distributing funds from ~\$20 million corporate giving commitment (gain on sale of Mankato)
 - \$1.5 million to address food insecurity and other relief efforts
 - Up to \$750,000 in grants for struggling restaurants
 - \$300,000 for distance learning pods to help close the achievement gap
- Raised \$450,000 through employee donations and matching gifts
- Donated 300,000 masks to healthcare workers
- Donated ~2 million LED bulbs to food banks
- Xcel Energy foundation and employees raised over \$4.5 million for United Ways, many of which support COVID-19 relief

\$500,000 to support racial equity and social justice, including:

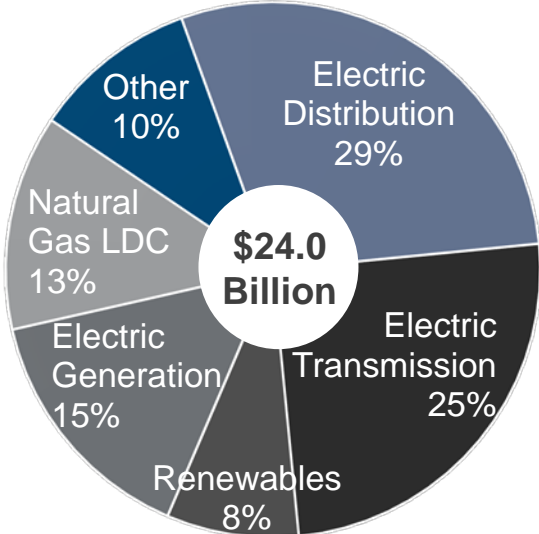
- Founding donor of University of Wisconsin-Eau Claire Center for Racial and Restorative Justice
- \$250,000 to help with rebuilding efforts following civil unrest in Minnesota

Robust Capital Forecast 2021 - 2025

Base Forecast



Incremental Forecast



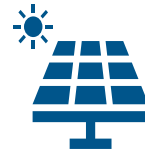
Proposed Incremental Projects

~\$1.4 Billion in Additional Wind and Solar



Wind Repowering (~\$750 million)

- Four owned farms (~650 MW)
- MPUC decision requested 2020 YE



Solar (~\$650 million)

- 460 MW universal scale
- MPUC filing 2021 Q1
- Decision requested 2021 Q2/Q3

(\$ Millions)	2021	2022	2023	2024	2025	Total
Wind repowering	\$150	\$180	\$150	\$270	\$0	\$750
Solar	\$40	\$150	\$460	\$0	\$0	\$650
Total	\$190	\$330	\$610	\$270	\$0	\$1,400

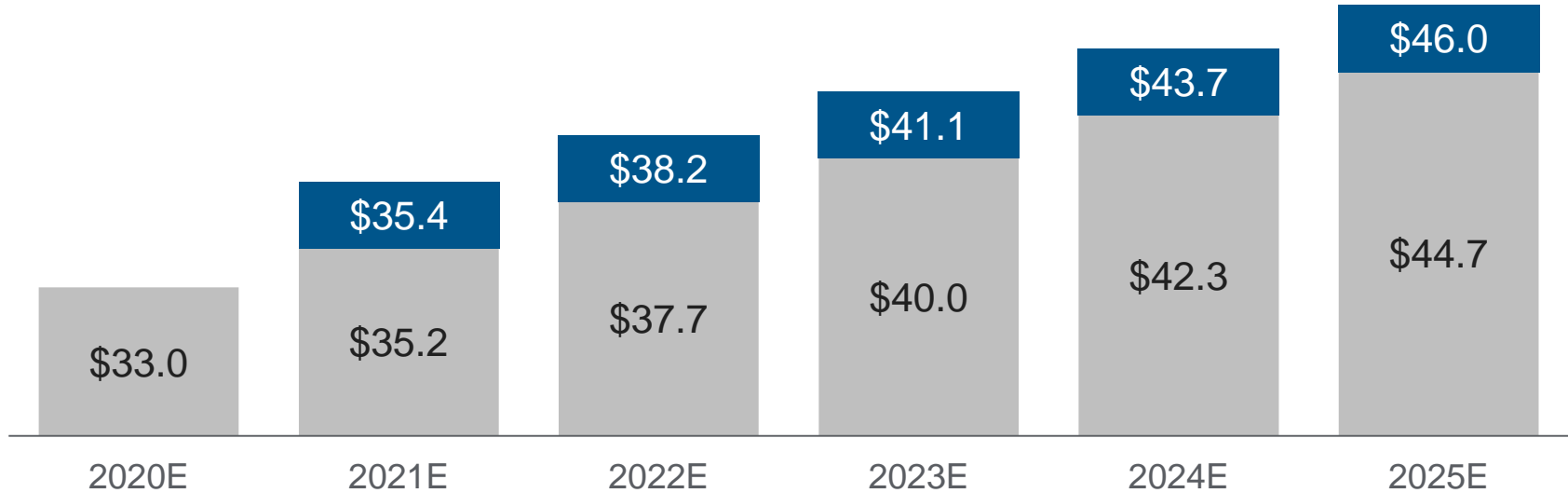
Incremental capital to be financed with ~50% equity and ~50% debt

Strong Rate Base Growth

\$ Billions

Incremental forecast: 2020 - 2025 CAGR: ~6.9%

Base forecast: 2020 - 2025 CAGR: ~6.3%



Incremental forecast includes proposed NSPM wind repowering and universal solar projects

Wind Development – Proven Ability to Execute

Largest Multi-state Wind Investment in the Nation

~4,500 MW
Owned wind



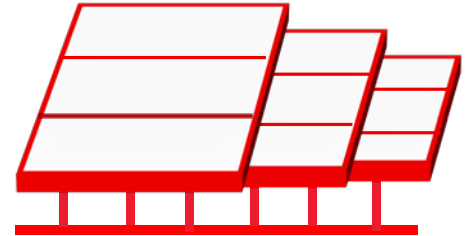
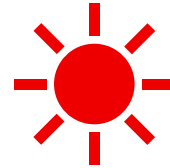
Owned and In Service	Capacity
Border (ND)	150 MW
Courtenay (ND)	200 MW
Grand Meadow (MN)	100 MW
Nobles (MN)	200 MW
Pleasant Valley (MN)	200 MW
Rush Creek (CO)	600 MW
Hale (TX)	478 MW
Lake Benton (MN)	100 MW
Foftail (ND)	150 MW
Blazing Star 1 (MN)	200 MW
Cheyenne Ridge (CO)	<u>500 MW</u>
Total	2,878 MW

Project	Capacity
Freeborn (MN)	200 MW
Blazing Star 2 (MN)	200 MW
Crowned Ridge (SD)*	200 MW
Dakota Range (SD)	300 MW
Sagamore (NM)	522 MW
Jeffers (MN)*	44 MW
Community Wind North (MN)*	26 MW
Mower (MN)*	<u>99 MW</u>
Total	1,591 MW

* Build-own-transfer projects

Solar Ownership – Western Mustang Project

- First universal scale solar rate base investment
 - Build-own-transfer in NSPW
 - 74 MW
- Investment of ~\$100 million
- 30% ITC qualification
- Anticipate PSCW decision in 2021 Q3
- Commercial operation expected by 2022 YE

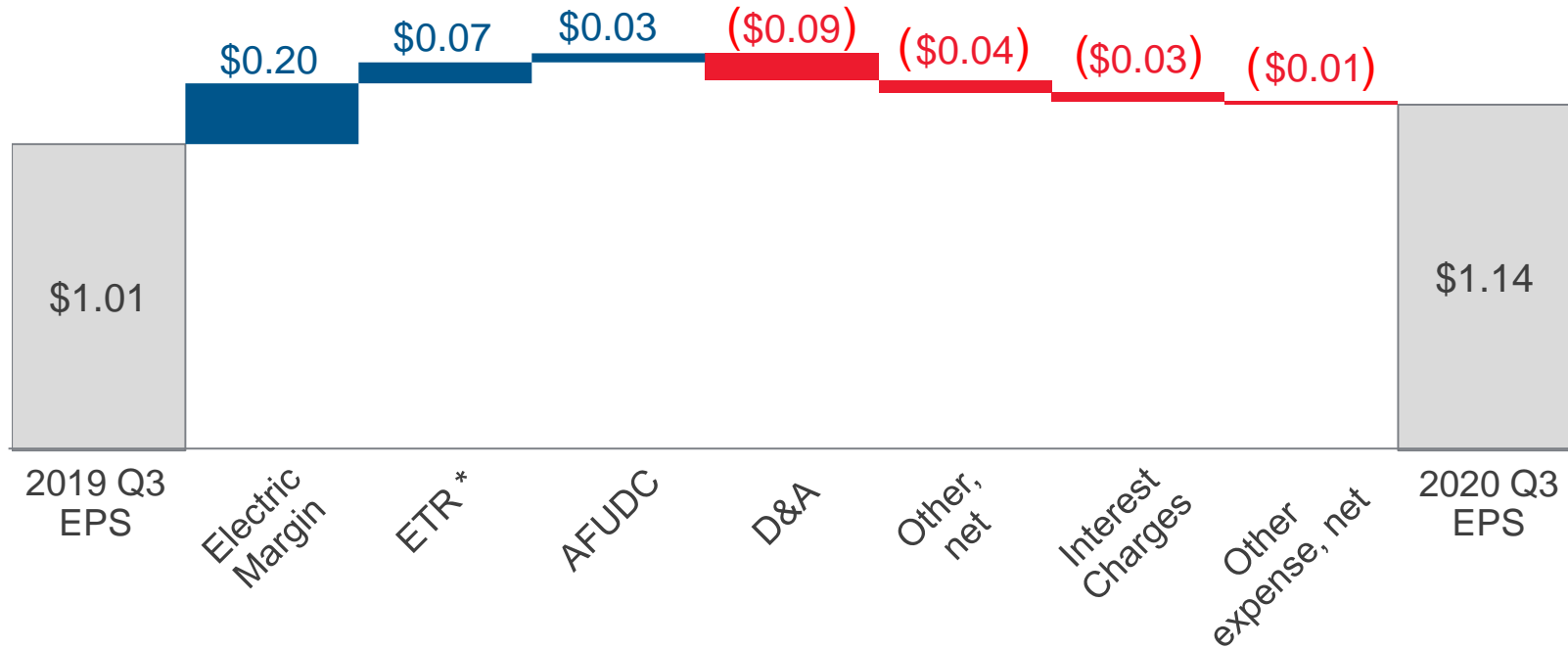


EPS Results by Operating Company

Operating Company	Third Quarter		YTD	
	2020	2019	2020	2019
NSPM	\$ 0.46	\$ 0.40	\$ 0.89	\$ 0.81
PSCo	0.42	0.39	0.87	0.86
SPS	0.24	0.20	0.46	0.42
NSPW	0.08	0.06	0.16	0.12
Equity earnings	0.01	0.01	0.04	0.04
Regulated utility	1.21	1.06	2.42	2.24
Holding company and other	(0.07)	(0.05)	(0.17)	(0.16)
Total GAAP and Ongoing diluted EPS	\$ 1.14	\$ 1.01	\$ 2.25	\$ 2.08

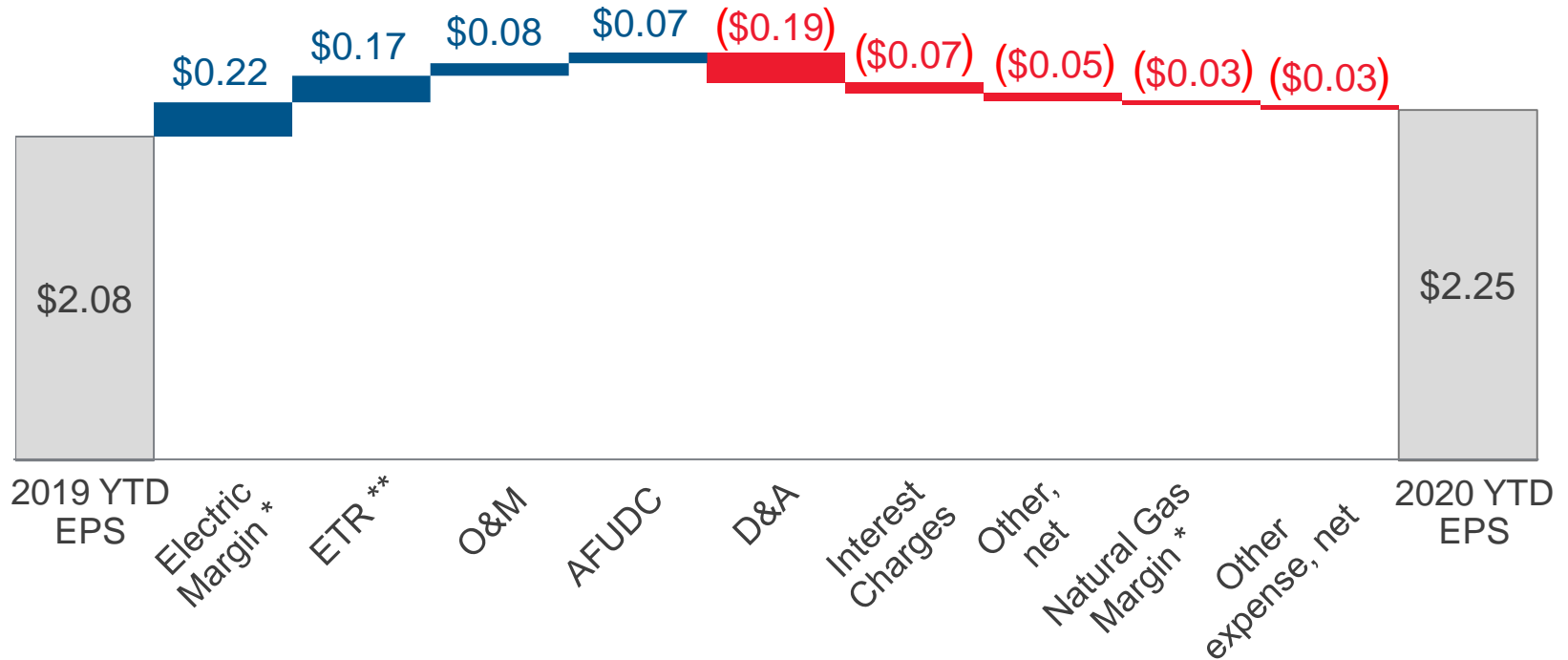
Amounts may not sum due to rounding

Quarterly GAAP and Ongoing EPS Change



* Includes PTCs and tax reform regulatory amounts, which are primarily offset in electric margin

YTD GAAP and Ongoing EPS Change



* Combined electric and natural gas margins include ~\$0.01 of negative weather impacts (post decoupling)

** Includes PTCs and tax reform regulatory amounts, which are primarily offset in electric margin

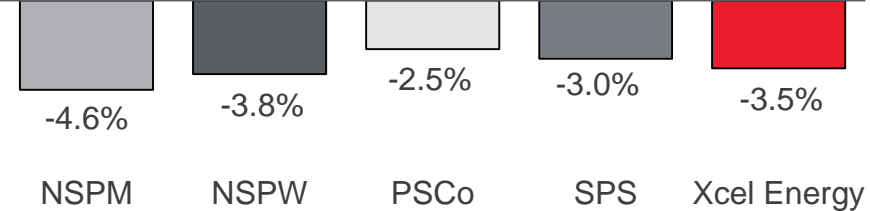
Electric Margin

Diluted Earnings (Loss) Per Share	Third Quarter 2020	YTD 2020
Electric margin (excluding reductions in sales and demand)	\$0.21	\$0.30
Reductions in sales and demand *	<u>(0.01)</u>	<u>(0.08)</u>
Higher electric margins	\$0.20	\$0.22

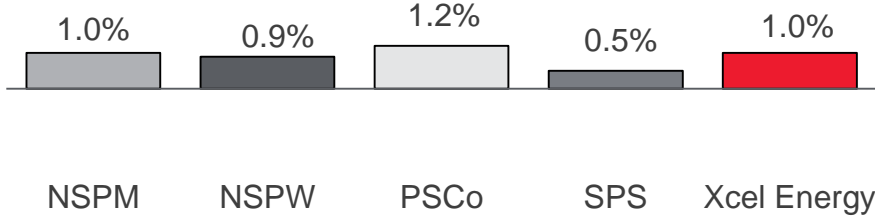
* Excludes weather impact, net of decoupling/sales true-up and decrease in demand revenue is net of sales true-up

Sales and Customer Data

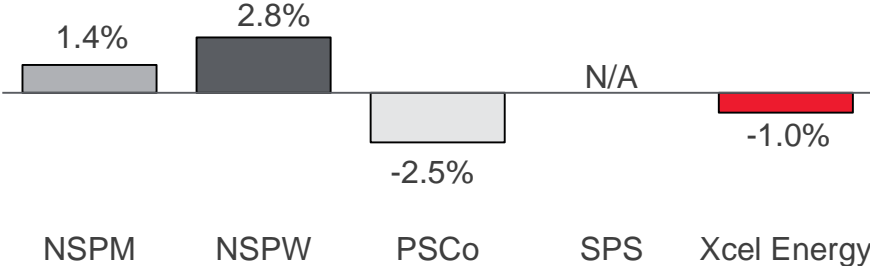
2020 YTD W/A Retail Electric Sales Growth
(leap year adjusted)



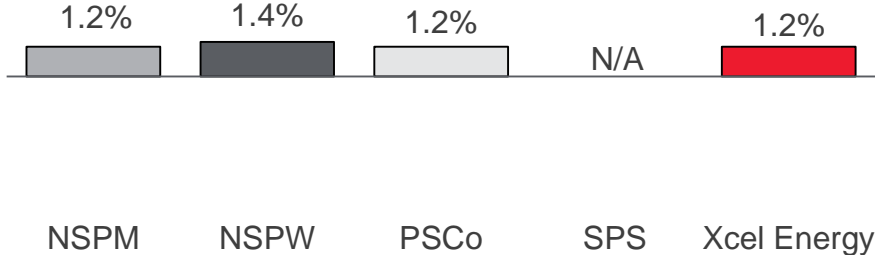
2020 Q3 YoY Electric Customer Growth



2020 YTD W/A Natural Gas Sales Growth
(leap year adjusted)



2020 Q3 YoY Natural Gas Customer Growth



SPS Texas Electric Rate Case

Docket # 49831

- In March 2020, SPS filed an update to its rate case, requesting:
 - Base rate increase of \$130 million
 - ROE of 10.1% and equity ratio of 54.62%
 - Rate base of \$2.6 billion
 - June 30, 2019 HTY
- In August 2020, the Commission approved a black box settlement:
 - Rate increase of \$88 million
 - For AFUDC purposes: ROE of 9.45% and equity ratio of 54.62%
 - Changes in depreciation rates for coal plant and transmission assets
 - Certain ring-fencing measures
 - Rates retroactive back to September 2019

PSCo Colorado Natural Gas Rate Case

Docket # 20AL-0049G

- In February 2020, PSCo filed a natural gas rate case requesting:
 - Revised net rate increase of \$121 million (net of PSIA rider transfer)
 - ROE of 9.95% and equity ratio of 55.8%
 - Rate base of ~\$2.2 billion
 - Sept. 2019 HTY adjusted for known and measurable changes through Sept. 2020
- In October 2020, the CPUC accepted the ALJ recommended decision to approve a comprehensive settlement without modification:
 - Net rate increase of \$77 million (net of PSIA rider transfer)
 - ROE of 9.2%
 - Equity ratio of 55.62%
 - Test year ended September 30, 2019 (adjusted for Tungsten to Black Hawk project)
- Rate implementation April 2021 (retroactive to November 2020)

PSCo Rider Filing

Wildfire Docket # 20A-0300E, Advanced Grid Docket # 20AL-0301E

- In July 2020, PSCo filed for rider recovery of:
 - Wildfire mitigation
 - Advanced grid
- Capital investment: Advance grid = \$850 million; Wildfire mitigation = \$325 million
- Filing avoids a full electric rate case
- Commission decision anticipated in 2021 Q2

Net Revenue Requirement (\$ Millions)

Rider	2021	2022	2023	2024	2025
Wildfire	\$17	\$24	\$29	\$32	\$34
Advanced grid	<u>\$53</u>	<u>\$69</u>	<u>\$83</u>	<u>\$89</u>	<u>\$99</u>
Total	\$70	\$93	\$112	\$121	\$133

2020 EPS Guidance Narrowed: \$2.75 – \$2.81

Earnings Drivers	Key Assumptions (as compared to 2019 levels unless noted)
Regulatory proceedings	Constructive outcomes in all proceedings
Weather	Normal weather for the rest of the year
W/A retail electric sales	Decline of approximately 3%
W/A retail natural gas sales	Relatively flat
Capital rider revenue (net of PTCs)	Increase of \$40 million - \$45 million
O&M expenses	Decline of approximately 1-2%
Depreciation expense	Increase of \$180 million - \$190 million
Property taxes	Increase of \$35 million - \$45 million
Interest exp. (net of AFUDC-debt)	Increase of \$60 million - \$65 million
AFUDC-equity	Increase of \$35 million - \$45 million
Effective tax rate (net of PTCs)	Approximately 0%

Ongoing earnings is calculated using net income and adjusting for certain nonrecurring or infrequent items that are, in management's view, not reflective of ongoing operations. 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 EPS to corresponding GAAP EPS.

2021 GAAP & Ongoing EPS Guidance: \$2.90 – \$3.00

Earnings Drivers	Key Assumptions (as compared to 2020 levels unless noted)
Regulatory proceedings	Constructive outcomes in all proceedings
COVID-19	Modest impacts
Weather	Normal weather
W/A retail electric sales	Increase of approximately 1%
W/A retail natural gas sales	Relatively flat
Capital rider revenue (net of PTCs)	Increase of \$125 million - \$135 million
O&M expenses	Increase of approximately 1%
Depreciation expense	Increase of \$210 million - \$220 million
Property taxes	Increase of \$45 million - \$55 million
Interest exp. (net of AFUDC-debt)	Increase of \$0 million - \$10 million
AFUDC-equity	Decline of \$45 million - \$55 million
Effective tax rate (net of PTCs)	Approximately (9%)

Ongoing earnings is calculated using net income and adjusting for certain nonrecurring or infrequent items that are, in management's view, not reflective of ongoing operations. 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 EPS to corresponding GAAP EPS.

Base Capital Expenditures by Function

\$ Millions

	2021	2022	2023	2024	2025	Total
Electric Distribution	\$1,205	\$1,440	\$1,550	\$1,505	\$1,475	\$7,175
Electric Transmission	\$870	\$1,285	\$1,285	\$1,270	\$1,290	\$6,000
Electric Generation	\$630	\$575	\$560	\$750	\$975	\$3,490
Natural Gas	\$615	\$615	\$665	\$670	\$625	\$3,190
Other	\$545	\$575	\$485	\$405	\$335	\$2,345
Renewables	\$310	\$75	\$15	\$0	\$0	\$400
Total	\$4,175	\$4,565	\$4,560	\$4,600	\$4,700	\$22,600

Excludes \$1.4 billion in proposed NSPM wind repowering and universal solar projects

Base Capital Expenditures by Company

\$ Millions

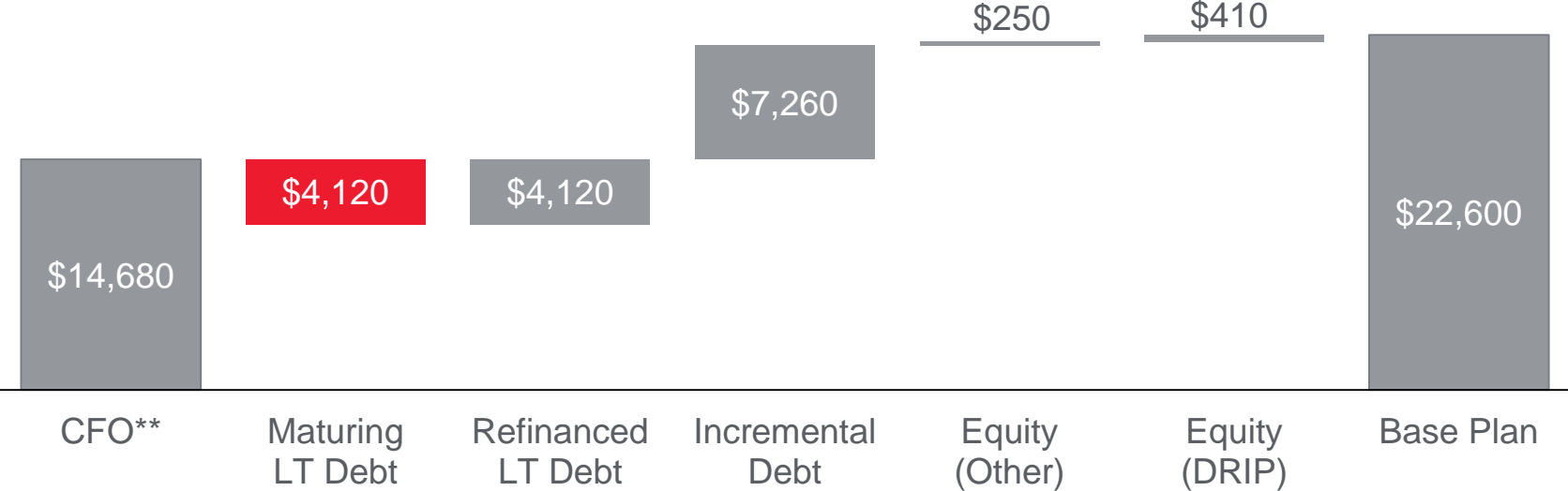
	2021	2022	2023	2024	2025	Total
NSPM	\$1,630	\$1,605	\$1,635	\$1,645	\$1,890	\$8,405
NSPW	\$360	\$430	\$395	\$515	\$470	\$2,170
PSCo	\$1,700	\$1,835	\$1,750	\$1,695	\$1,655	\$8,635
SPS	\$505	\$710	\$770	\$735	\$675	\$3,395
Other*	(\$20)	(\$15)	\$10	\$10	\$10	(\$5)
Total	\$4,175	\$4,565	\$4,560	\$4,600	\$4,700	\$22,600

* Includes intercompany transfers for safe harbor wind turbines

Excludes \$1.4 billion in proposed NSPM wind repowering and universal solar projects

Base Financing Plan 2021 – 2025*

\$ Millions



* Financing plans are subject to change

** Cash from operations is net of dividends and pension funding

Strong Credit Metrics

Plan	2021	2022	2023	2024	2025
FFO/Debt	~17%	~17%	~17%	~17%	~17%
Debt/EBITDA	4.9x	4.8x	4.8x	4.8x	4.8x
Equity Ratio	42%	42%	41%	41%	41%
Hold Co Debt/Total Debt	22%	23%	23%	23%	23%

Credit Ratings	Moody's	S&P	Fitch
Xcel Energy Unsecured	Baa1	BBB+	BBB+
NSPM Secured	Aa3	A	A+
NSPW Secured	Aa3	A	A+
PSCo Secured	A1	A	A+
SPS Secured	A3	A	A-

Credit metrics are based on five-year base capital plan and do not reflect rating agency adjustments

APPENDIX

COVID-19 Impacts

- Deferral orders pursued for COVID-related bad debt expense:
 - Normal bad debt levels ~\$40 million/yr; reached \$65 million in 2008-09 recession
 - Orders approved in Minnesota, Wisconsin, Colorado, Texas, New Mexico, South Dakota and Michigan
 - Filed request in North Dakota; pending commission review
- O&M expected to decline 1-2% in 2020 to offset COVID-19 impacts
- No material supply chain issues
- Two wind projects may shift to 2021, but IRS extended Safe Harbor, which ensures 100% PTC for any of our wind projects that slip into 2021
- Pension funding = ~85%; no expected change to pension funding plans
- Strong liquidity

Liquidity Profile

\$ Millions

Over \$4 Billion in Liquidity

Entity & Credit Facility *	Amount	Drawn **	Available Liquidity	Cash	Total Liquidity
Hold Co	\$1,250	\$0	\$1,250	\$269	\$1,519
NSPM	\$500	\$10	\$490	\$202	\$692
NSPW	\$150	\$10	\$140	\$0	\$140
PSCo	\$700	\$8	\$692	\$2	\$694
SPS	<u>\$500</u>	<u>\$16</u>	<u>\$484</u>	<u>\$1</u>	<u>\$485</u>
Sub-Total	\$3,100	\$44	\$3,056	\$474	\$3,530
Hold Co Term Loan (matures Dec. 2020)	<u>\$500</u>	<u>\$500</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Total Available Liquidity	\$3,600	\$544	\$3,056	\$474	\$3,530
Equity Forward Issued in 2019 but not settled					<u>~\$730</u>
Total Liquidity ***					\$4,260

* Credit facilities expire in June 2024

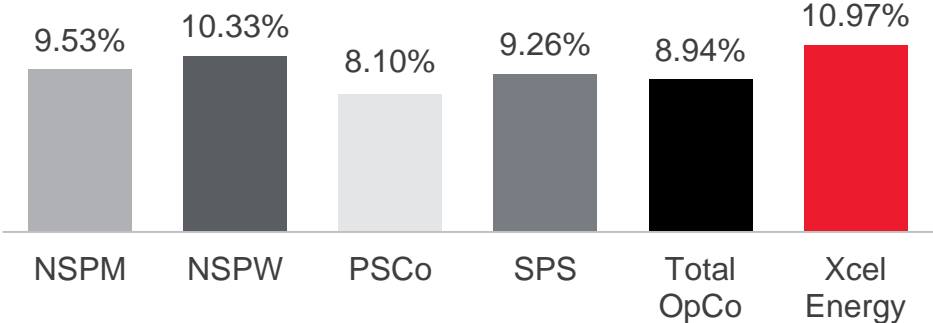
** Includes outstanding commercial paper and letters of credit

*** Liquidity as of October 26, 2020 - amounts may not sum due to rounding

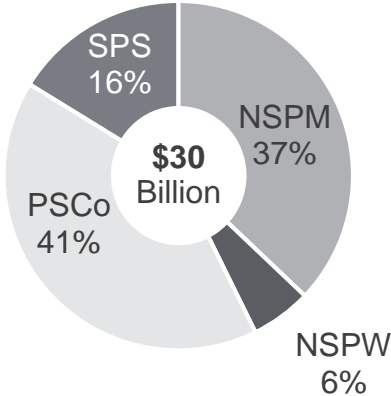
ROE Results – GAAP and Ongoing Earnings

GAAP and Ongoing ROE

Twelve Months Ended 9/30/2020



2019 Rate Base



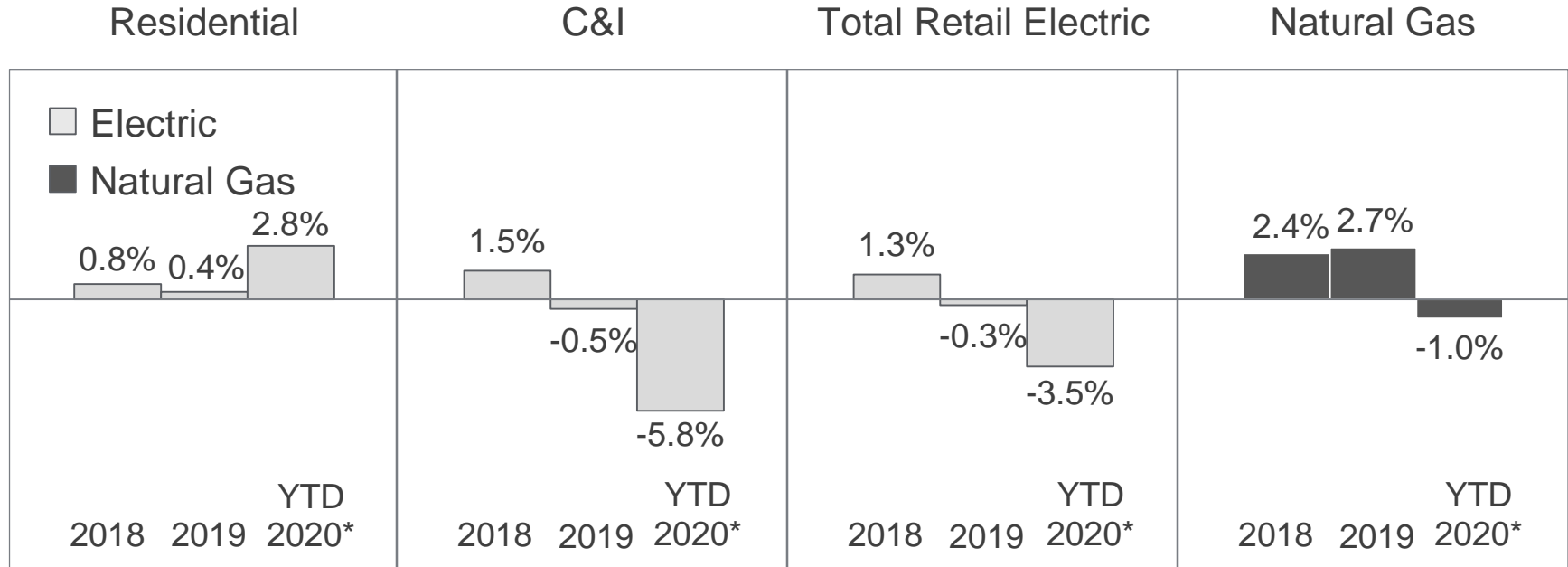
2021 Long-term Debt Financing Base Plan

\$ Millions

Issuer	Security	Amount
Hold Co	Senior Unsecured Bonds	N/A
NSPM	First Mortgage Bonds	~\$400
NSPW	First Mortgage Bonds	~\$100
PSCo	First Mortgage Bonds	~\$400
SPS	First Mortgage Bonds	~\$150

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

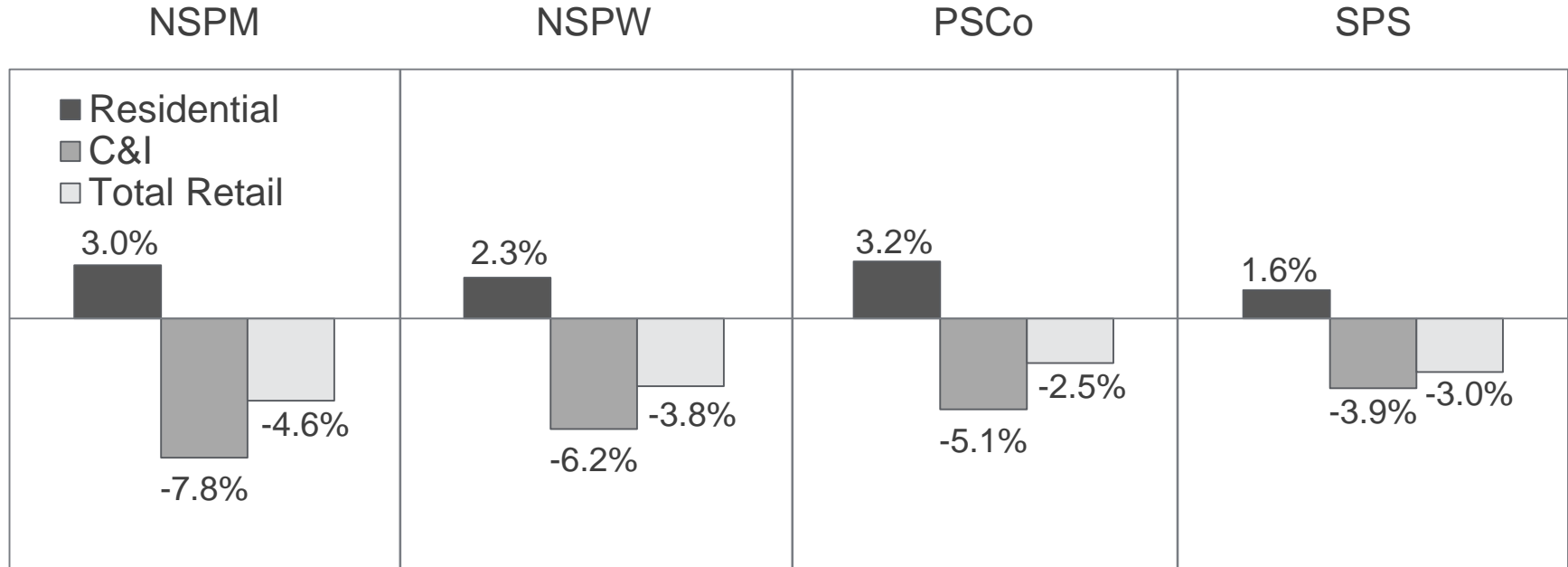
Xcel Energy W/A Sales Growth



* Leap year adjusted

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

2020 YTD W/A Electric Sales Growth



Leap year adjusted

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

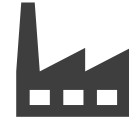
Retail Electric Sales and Revenue By Class



Residential



Small C&I



Large C&I

Percent of revenue	37%	41%	21%
Percent of sales (KWh)	28% (~70% decoupled)	40% (~40% decoupled)	32% (~25% decoupled)
1% sales impact	~\$5 million	~\$20 million	
Considerations	Highest-margin class	Demand charges ~56% of base revenue	

Sales sensitivity is pre-tax and net of decoupling

Large C&I includes customers with load \geq 1 MW

Base revenue excludes fuel and riders

Retail Electric C&I Demand Charges

Company	% of C&I Base Revenue	% of Demand Revenue Based on Current Month Peak	% of Demand Revenue Based on Greater of the Current Month Peak or Prior Levels
NSPM	44%	25%	75% - Greater of current month peak or 50% of peak in past year
NSPW	32%	85%	15% - Highest monthly peak in past year
PSCo	78%	70%	30% - Greater of current month peak or 50% of peak in past year
SPS	74%	TX 77% NM 88%	TX 23% - Greater of current month peak or 70% of peak in past year NM 12% - Greater of current month peak or 60% of peak in past year
Xcel Energy	56%	55%	45% - Parameters vary by state

