



SECOND QUARTER 2021 EARNINGS REPORT PRESENTATION

JULY 29, 2021

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 2021 EPS guidance, long-term EPS and dividend growth rate objectives, future sales, future expenses, future tax rates, future operating performance, estimated base capital expenditures and financing plans, projected capital additions and forecasted annual revenue requirements with respect to rider filings, expected rate increases to customers, expectations and intentions regarding regulatory proceedings, and expected impact on our results of operations, financial condition and cash flows of resettlement calculations and credit losses relating to certain energy transactions, 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, 2020 and subsequent filings with the Securities and Exchange Commission, 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.

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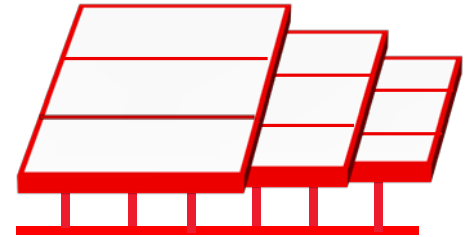
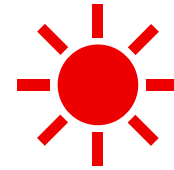
Website: <https://investors.xcelenergy.com/>

2021 Q2 Financial & Operational Highlights

- Reaffirmed 2021 earnings guidance of \$2.90 to \$3.00 per share
- Received approval of the 74 MW Mustang solar project in Wisconsin
- Received approval to buy out a repowered 120 MW wind PPA from Allete
- Proposed alternative resource plan in Minnesota, which achieves greater carbon reduction and lower customer bills
- Reached constructive rate case settlements in Wisconsin, New Mexico and North Dakota
- Filed Colorado electric rate case

Western Mustang Solar Project – Approved

- First universal scale solar rate base investment
 - Build-own-transfer in NSPW
 - 74 MW
- ~\$100 million investment
- 30% ITC qualification
- Approved June 2021
- Planned to be in service by 2023



Incremental Renewable Projects

~\$785 Million in Additional Wind and Solar



Allete Wind Repowering

- ~\$210 million
- ~120 MW
- Approved June 2021



Sherco Solar

- ~\$575 million
- ~460 MW universal scale
- Decision 2021 Q4 or 2022 Q1

(\$ Millions)	2021	2022	2023	2024	2025	Total
Sherco Solar	\$10	\$170	\$215	\$180	\$0	\$575
Allete Wind PPA Buyout	\$25	\$185	\$0	\$0	\$0	\$210
Total	\$35	\$355	\$215	\$180	\$0	\$785

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

Alternative Minnesota Resource Plan Proposal

85% Carbon Reduction & Coal Exit by 2030



Full coal exit by 2030

- King (511 MW) retire 2028
- Sherco 3 (517 MW) retire 2030



Significant renewable additions

- Universal scale solar (3,150 MW)
- Wind (2,650 MW)



Firm peaking capacity (reliability driven)

- 800 MW of hydrogen ready CTs
- 300 MW of repowered black start CTs
- 1,900 MW of dispatchable capacity



Nuclear extension (Monticello to 2040)

June 2021
Updated filing



August 2021
Intervenor comments



2021 Q4 or 2022 Q1
Commission decision

Colorado Resource Plan

85% Carbon Reduction by 2030 & Coal Exit by 2040



Full coal exit by 2040

- Hayden 1 & 2 (233 MW) retire 2028/2027
- Pawnee (505 MW) convert to nat gas in 2028
- Comanche 3 (500 MW) retire 2040; reduced operations begin 2030



Significant renewable additions

- Wind (~2,300 MW)
- Universal scale solar (~1,600 MW)
- Distributed solar (~1,200 MW)



Firm peaking capacity

- Flexible resources (~1,300 MW)
- Storage (~400 MW)



Transmission expansion

CPCN to enable additional renewables while improving reliability

March 2021
Filed

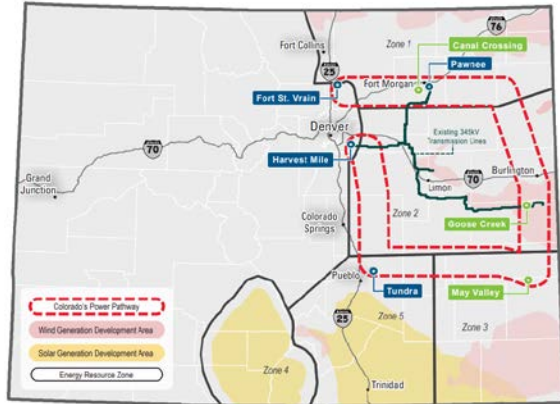


2022 Q1
Anticipated decision



Post-2025
Investment begins

Colorado Pathway – Transmission Expansion



Transmission Backbone

- Enables ~5,500 MW of renewable generation
- ~560 miles of 345 kV lines; three new, four expanded substations
- Potential ~\$1.7 billion investment
- CPCN filing March 2021; decision anticipated 2022 Q1

Estimated Investment (\$ millions)

	2021 - 2025	2026 - 2027	Total
Included in base forecast	\$600		\$600
Incremental opportunity	\$700	\$400	\$1,100
Total	\$1,300	\$400	\$1,700

Incremental Capital Investment

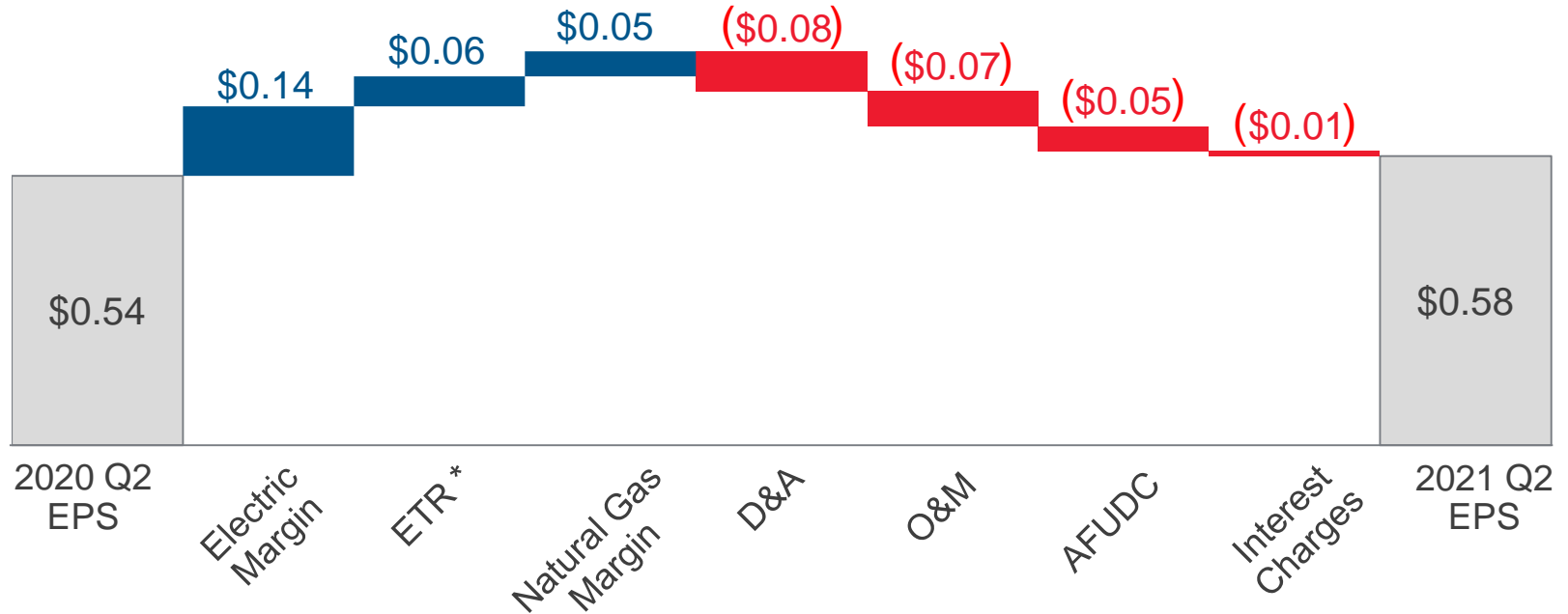
Potential for \$0.5 - \$1 billion investment in optional transmission expansion in the CPCN (\$300 million), network upgrades, voltage support and interconnection work depending on resource mix/location

EPS Results by Operating Company

Operating Company	Second Quarter		YTD	
	2021	2020	2021	2020
PSCo	\$ 0.25	\$ 0.21	\$ 0.56	\$ 0.45
NSPM	0.21	0.22	0.45	0.43
SPS	0.13	0.14	0.23	0.22
NSPW	0.03	0.02	0.09	0.09
Earnings from equity method investments	0.01	0.01	0.02	0.02
Regulated utility	0.62	0.60	1.35	1.20
Holding company and other	(0.04)	(0.07)	(0.10)	(0.10)
Total GAAP and ongoing diluted EPS	\$ 0.58	\$ 0.54	\$ 1.25	\$ 1.10

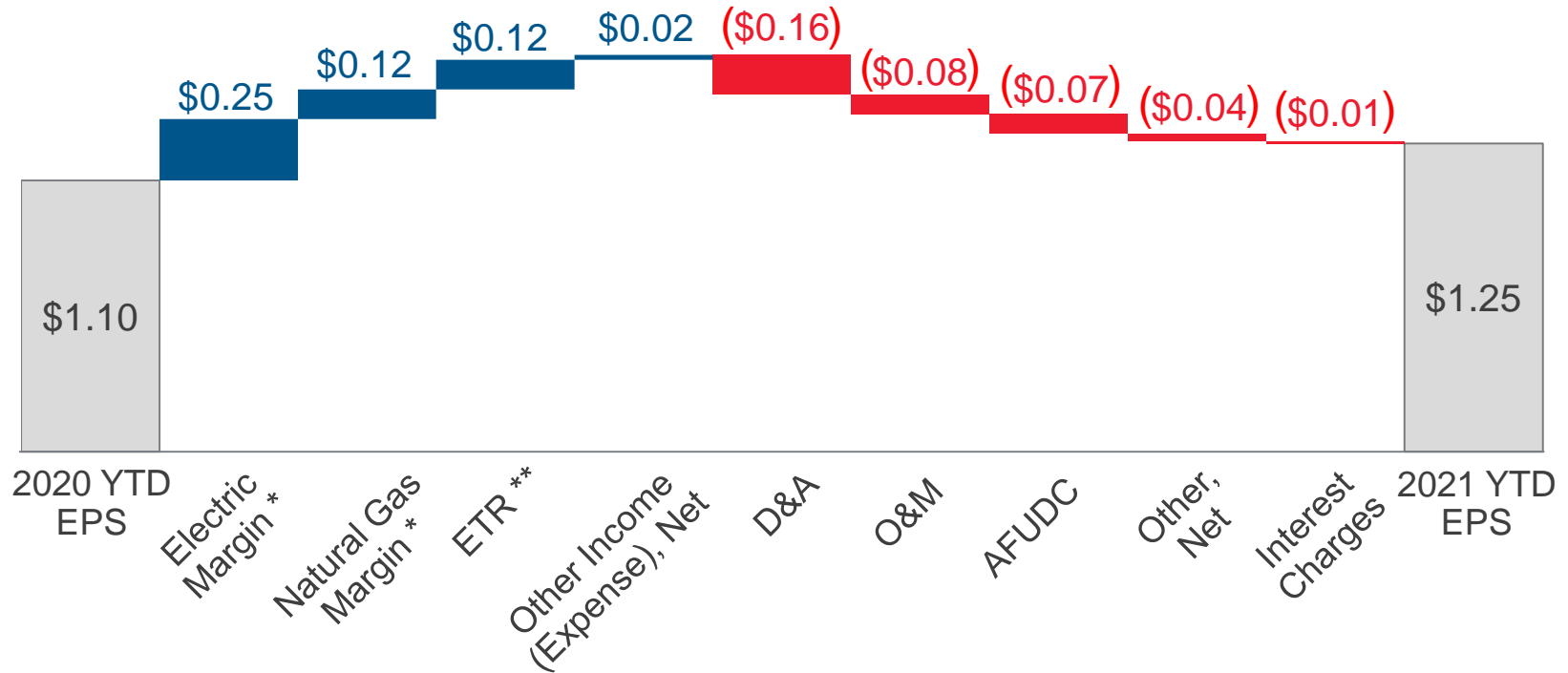
Amounts may not sum due to rounding

Quarterly GAAP and Ongoing EPS Change



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

YTD GAAP and Ongoing EPS Change

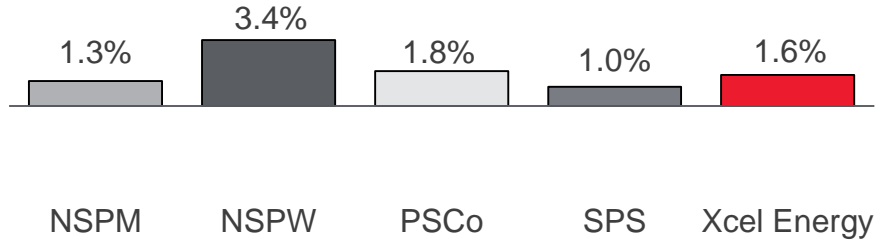


* Combined electric and natural gas margins include ~\$0.02 of positive weather impacts (post decoupling)

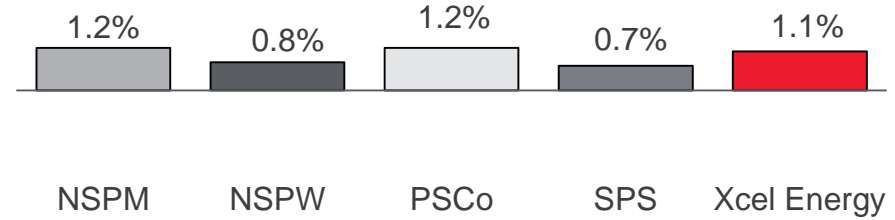
** Includes PTCs and plant regulatory amounts, which are primarily offset in electric margin

Sales and Customer Data

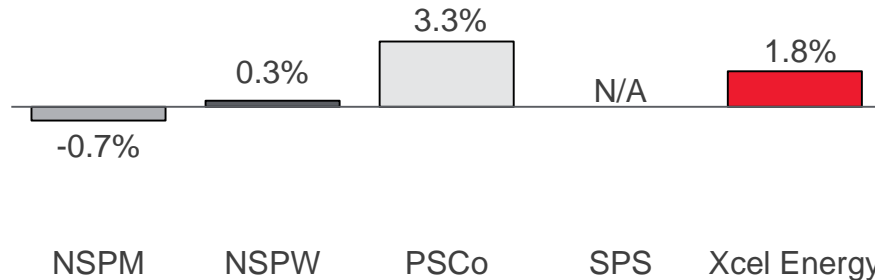
2021 YTD W/A Retail Electric Sales Growth
(leap year adjusted)



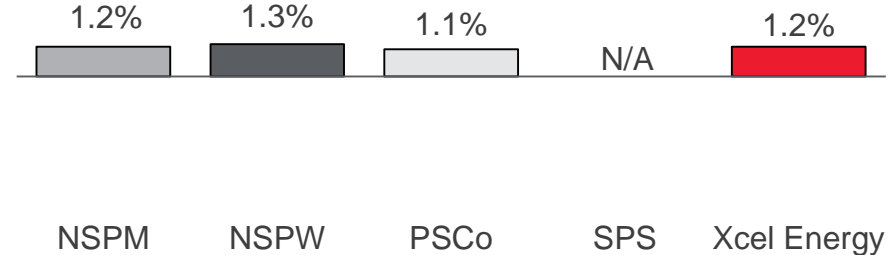
2021 Q2 YoY Electric Customer Growth



2021 YTD W/A Natural Gas Sales Growth
(leap year adjusted)



2021 Q2 YoY Natural Gas Customer Growth



NSPW Electric and Natural Gas Rate Case

Docket No. 4220-UR-125

- In July 2021, NSPW filed an electric and natural gas rate case settlement based on a FTY, reflecting:
 - Electric rate increase: \$35 million for 2022 and incremental \$18 million for 2023
 - Natural gas rate increase: \$10 million for 2022 and incremental \$3 million for 2023
 - ROE of 9.8% for 2022 and 10.0% for 2023; equity ratio of 52.5%
 - Electric rate base: ~\$1.75 billion for 2022 and ~\$1.98 billion for 2023
 - Natural gas rate base: ~\$195 million for 2022 and ~\$223 million for 2023
 - COVID-19 deferral recovery to be addressed in next rate proceeding
 - Deferral of impacts from potential changes in federal or state tax law
 - Earnings sharing mechanism, which would return to customers 50% of earnings 50 - 75 basis points over authorized ROE and 100% of earnings equal to or in excess of 75 basis points
- Decision expected 2021 Q4

SPS New Mexico Electric Rate Case

Case No. 20-00238-UT

- In January 2021, SPS filed a required electric rate case:
 - Requesting base rate increase of ~\$84 million
 - ROE of 10.35% and equity ratio of 54.72%
 - Retail rate base of ~\$1.9 billion
 - HTY ended September 30, 2020, including capital additions through February 2021
 - Changes to depreciation rates to reflect early retirement of Tolk coal plant (2032) and Harrington plant coal handling assets due to conversion to natural gas (2024)
- In June 2021, SPS and various parties filed an uncontested settlement, including:
 - Base revenue increase of \$62 million
 - ROE of 9.35% and equity ratio of 54.72%
 - Accelerated depreciation rates for Tolk plant and Harrington coal handling assets
- Decision expected 2021 Q4

NSPM North Dakota Electric Rate Case

Case No. PU-20-441

- In November 2020, NSPM filed an electric rate case:
 - Requesting rate increase of \$19 million
 - ROE of 10.2% and equity ratio of 52.5%
 - Rate base of ~\$677 million
 - 2021 forecast test year
 - Interim rates of \$13 million (subject to refund) implemented
- In July 2021, NSPM and various parties filed an uncontested settlement, including:
 - Base rate increase of \$7 million
 - ROE of 9.5% and equity ratio of 52.5%
 - Deferral of \$1.6 million of advanced grid costs
 - Earnings cap would return to customers 100% of earnings equal to or in excess of 9.75% ROE
- Decision expected 2021 Q4

PSCo Electric Rate Case

Docket No. 21AL-0317E

- In July 2021, PSCo filed an electric rate case:
 - Requesting base rate increase of ~\$343 million (\$470 million total increase, which includes \$127 million previously authorized costs currently recovered through riders)
 - ROE of 10.0% and equity ratio of 55.64%
 - Rate base of ~\$10.3 billion
 - 2022 forecast test year
 - A historical test year including a 10.5% ROE was also filed as required
 - Rates effective April 2022
- Decision expected 2022 Q2

SPS Texas Electric Rate Case

Docket No. 51802

- In February 2021, SPS filed a required electric case:
 - Requesting base rate increase of ~\$143 million
 - Customer increase of \$74 million after reflecting fuel savings & PTCs from Sagamore wind farm
 - ROE of 10.35% and equity ratio of 54.60%
 - Rate base of ~\$3.3 billion
 - Historic test year ended December 31, 2020
 - Changes to depreciation rates to reflect early retirement of Tolk coal plant (2032) and Harrington plant coal handling assets due to conversion to natural gas (2024)
- Decision expected 2022 Q1

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 for remainder of year
W/A retail electric sales	Increase of approximately 1%
W/A retail firm natural gas sales	Increase of approximately 1%
Capital rider revenue (net of PTCs)	Increase of \$100 million - \$110 million
O&M expenses	Increase of 0% - 1%
Depreciation expense	Increase of \$155 million - \$165 million
Property taxes	Increase of \$40 million - \$50 million
Interest exp. (net of AFUDC-debt)	Increase of \$20 million - \$30 million
AFUDC-equity	Decline of \$40 million - \$50 million
Effective tax rate (net of PTCs)	Approximately (7%) to (8%)

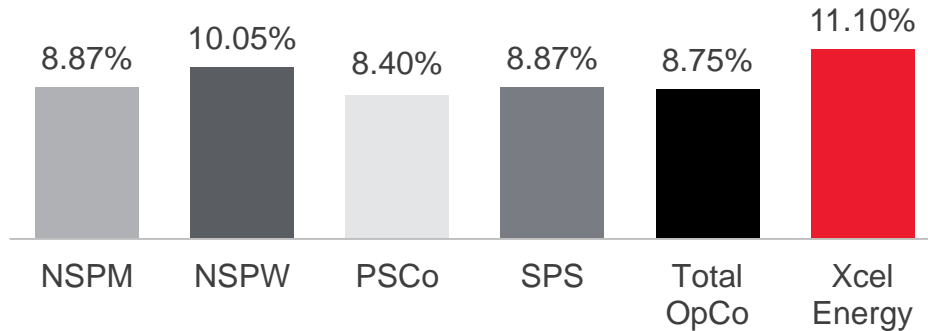
Ongoing earnings is calculated using net income and adjusting for certain nonrecurring or infrequent items that are, in management's view, not reflective of ongoing operations. Ongoing earnings could differ from those prepared in accordance with GAAP due to unplanned and/or unknown adjustments. Xcel 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.

APPENDIX

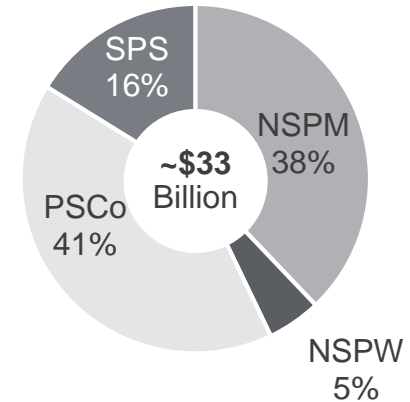
ROE Results – GAAP and Ongoing Earnings

GAAP and Ongoing ROE

Twelve Months Ended 6/30/2021

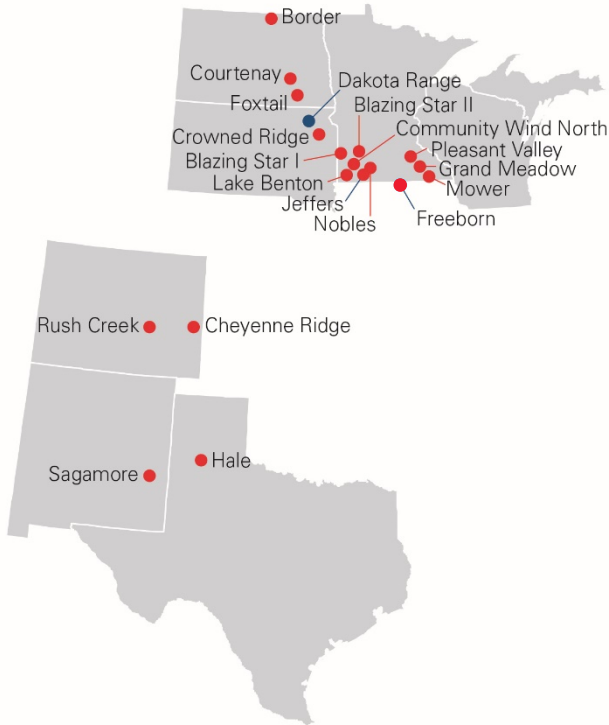


2020E Rate Base



Proven Strength in Wind Development

~4,200 MW of Owned Wind Now in Service



In Served Pre-2020	Capacity
Border	150 MW
Courtenay	200 MW
Grand Meadow	100 MW
Nobles	200 MW
Pleasant Valley	200 MW
Rush Creek	600 MW
Hale	478 MW
Lake Benton	100 MW
Foxtail	150 MW
Total	2,178 MW

In Served In 2020	Capacity
Blazing Star 1	200 MW
Cheyenne Ridge	500 MW
Crowned Ridge	200 MW
Sagamore	522 MW
Jeffers	44 MW
Community North	26 MW
Total	1,492 MW

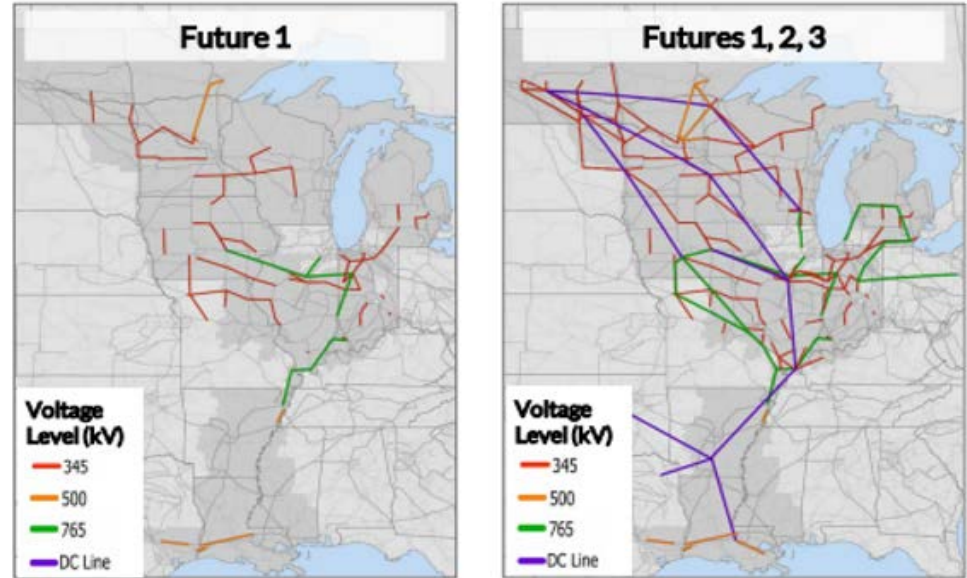
To Be In Service 2021	Capacity
Mower	99 MW ✓
Blazing Star 2	200 MW ✓
Freeborn	200 MW ✓
Dakota Range	300 MW
Total	799 MW

MISO Transmission Outlook

MISO's long-range potential transmission planning roadmap highlighted:

- Three potential futures with up to 50% renewables by 2039
- Urgency for significant expansion over next ~15 years
- Initial set of projects with preliminary estimate of ~\$30 billion; potential full rollout up to \$100 billion
- ~87 GW in MISO queue, primarily solar and wind

Indicative Transmission Development in MISO



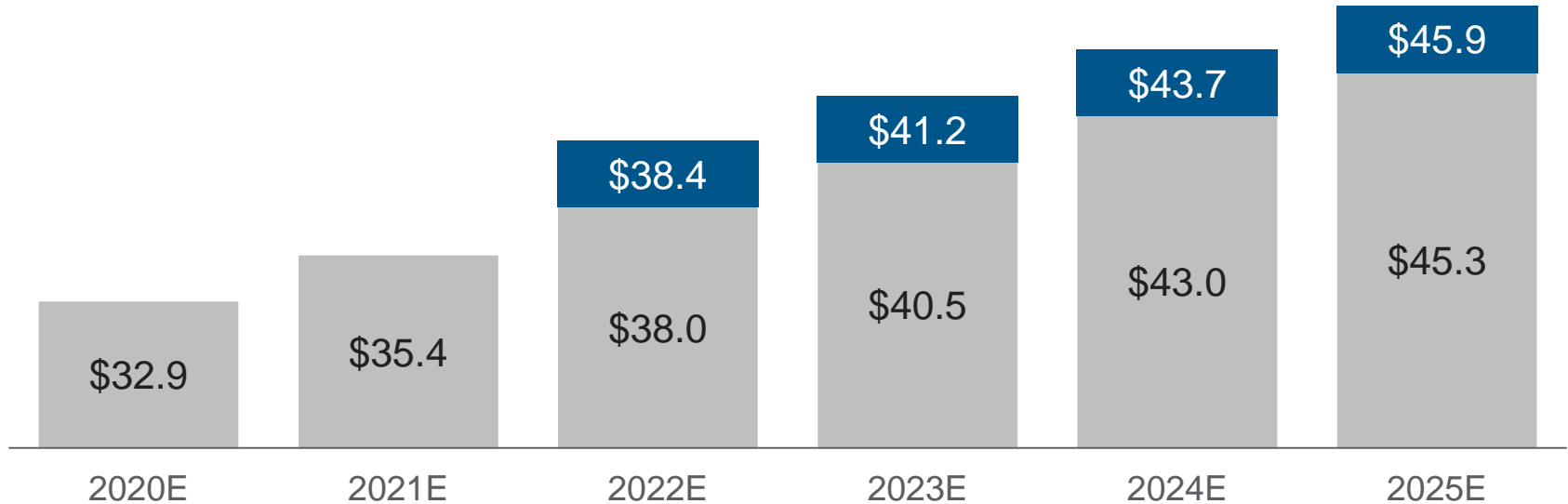
Source: MISO

Strong Rate Base Growth

\$ Billions

Incremental forecast: 2020 - 2025 CAGR: ~6.9%

Base forecast: 2020 - 2025 CAGR: ~6.6%



Incremental forecast includes proposed NSPM Sherco solar and Allele wind PPA repowering/buy-out; it excludes a significant portion of proposed CO Pathway transmission expansion

2021 Debt Financing Base Plan

\$ Millions

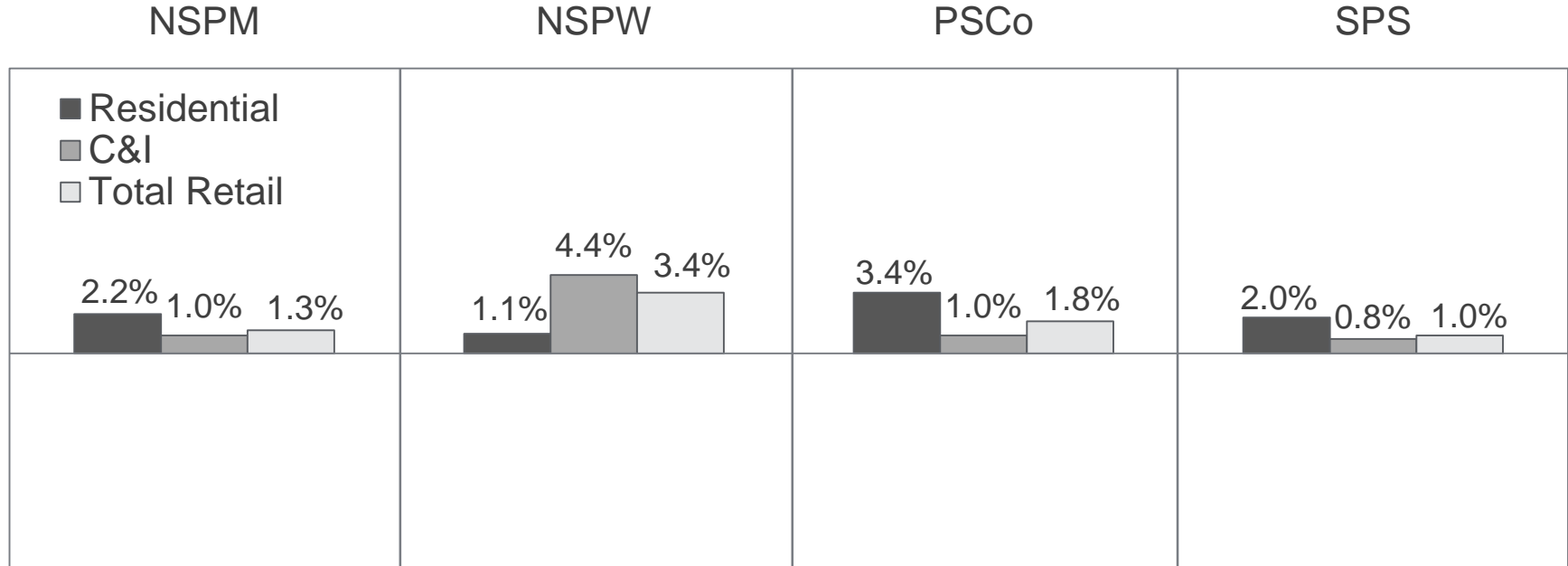
Issuer	Security	Amount	Status	Tenor	Coupon
Hold Co	Unsecured Term Loan	\$1,200	Completed	1 Yr	N/A
PSCo	First Mortgage Bonds	\$750	Completed	10 Yr	1.875%
SPS	Green First Mortgage Bonds	\$250	Completed	29 Yr	3.15%
NSPM	Green First Mortgage Bonds	\$850	Completed	10 Yr (\$425) 31 Yr (\$425)	2.25% 3.20%
NSPW	First Mortgage Bonds	\$100	Completed*	30 Yr	2.82%

* NSPW issued a private placement bond that has been priced and is expected to close on July 30, 2021

Xcel Energy may issue a holding company bond in the fourth quarter to pay down the outstanding term loan

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

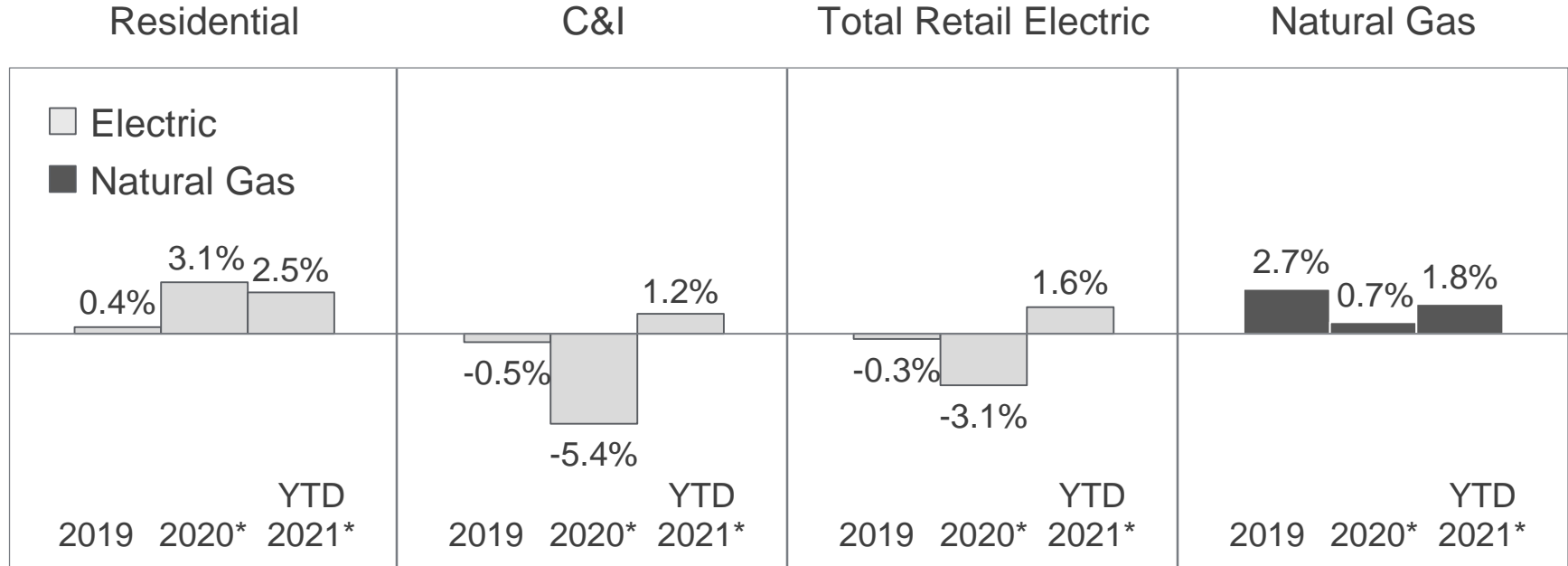
2021 YTD W/A Electric Sales Growth



Leap year adjusted

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

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

Storm Uri Impacts

Maintained Reliability, Managing Customer Bill Impacts

Company	Estimated Storm Impact (\$ Millions)			Total Average Resi Bill Impact	Average Monthly Resi Bill Impact
	Electric	Natural Gas	Total		
NSPM	(\$20)	\$250	\$230	\$250 - \$300	\$10 - \$13
PSCo	\$305	\$305	\$610	\$210 - \$220	\$8 - \$9
SPS	\$100	N/A	\$100	\$60 - \$70	\$2 - \$3
NSPW	---	<u>\$45</u>	<u>\$45</u>	\$180	\$20
Total	\$385	\$600	\$985		

SPS figures reflect updates due to SPP resettlement process

NSPW costs approved and being recovered April - December 2021; New Mexico costs approved with 24-month recovery

Other Op Cos reflect preliminary net impacts, including system sales benefits, and proposed monthly bill impacts

NSPM and PSCo bill impacts reflect combination natural gas and electric customers

2021 Q3 Events

Virtual Events	Dates
Goldman Sachs Conference	August 11
UBS Kohler Conference	August 19-20
Barclays Conference	September 10
Wolfe Research Conference	September 29

