



# SECOND QUARTER 2024 EARNINGS PRESENTATION

August 1, 2024



## 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 those relating to 2024 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, expected pension contributions, and expected impact on our results of operations, financial condition and cash flows of interest rate changes, increased credit exposure, and legal proceeding outcomes, 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, 2023 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: operational safety, including our nuclear generation facilities and other utility operations; 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; violations of our Codes of Conduct; our ability to recover costs and our subsidiaries’ ability to recover costs from customers; changes in regulation; reductions in our credit ratings and the cost of maintaining certain contractual relationships; general economic conditions, including recessionary conditions, inflation rates, monetary fluctuations, supply chain constraints and their impact on capital expenditures and/or 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; uncertainty regarding epidemics, the duration and magnitude of business restrictions including shutdowns (domestically and globally), the potential impact on the workforce, including shortages of employees or third-party contractors due to quarantine policies, vaccination requirements or government restrictions, impacts on the transportation of goods and the generalized impact on the economy; effects of geopolitical events, including war and acts of terrorism; cybersecurity threats and data security breaches; seasonal weather patterns; changes in environmental laws and regulations; climate change and other weather events; natural disaster and resource depletion, including compliance with any accompanying legislative and regulatory changes; costs of potential regulatory penalties and wildfire damages in excess of liability insurance coverage; regulatory changes and/or limitations related to the use of natural gas as an energy source; challenging labor market conditions and our ability to attract and retain a qualified workforce; and our ability to execute on our strategies or achieve expectations related to environmental, social and governance matters including as a result of evolving legal, regulatory and other standards, processes, and assumptions, the pace of scientific and technological developments, increased costs, the availability of requisite financing, and changes in carbon markets.

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# Xcel Energy 2024 Q2 Highlights

- 2024 Q2 EPS of \$0.54 compared to \$0.52 in 2023 Q2
- 2024 YTD EPS of \$1.42 compared to \$1.28 in 2023 YTD
- Reaffirming 2024 ongoing EPS guidance of \$3.50 to \$3.60
- Continued progress with clean energy transition RFPs
  - NSP issued RFP for 1,600 MW of wind, solar, storage and hybrid resources. NSP now has active RFPs for 4,000+ MW
  - Texas and New Mexico Commissions approved 418 MW company-owned solar generation
  - SPS issued RFP that could yield up to 5,000+ MW of generation in alignment with resource plan
- Wildfire risk mitigation highlights:
  - Filed new Wildfire Mitigation Plan for Colorado
  - Enhanced Wildfire Safety Operations implemented system wide
  - Accelerated pole inspections and replaced all Priority 1 & 2 poles system-wide
- Modified Colorado Clean Heat Plan approved
- Distribution legislation passed in Colorado
- Settlement filed in Minnesota natural gas rate case
- Published Sustainability Report, highlighting our clean energy transition progress

# Resource Plan and RFP Schedule

	RFP	In-Service	Status
<b>NSP</b>	800 MW Firm Dispatchable*	By 2028	<ul style="list-style-type: none"> <li>Decision expected mid-2025</li> </ul>
	1,200 MW Build-Own-Transfer Wind**	By 2027	<ul style="list-style-type: none"> <li>Filing recommendations Fall 2024</li> <li>Decision expected mid-2025</li> </ul>
	650 MW Solar + Storage**	2027-2029	<ul style="list-style-type: none"> <li>Bids due September 2024</li> <li>Decision expected 2025</li> </ul>
	1,600 MW Solar, Wind, Storage, Hybrid***	By 2029	<ul style="list-style-type: none"> <li>Bids due September 2024</li> <li>Decision expected 2025</li> </ul>
<b>SPS</b>	418 MW Owned Solar**	2026-2027	<ul style="list-style-type: none"> <li>Approved by NM and TX PUC</li> </ul>
	3,100 MW Accredited Capacity***	By 2029 / 2030	<ul style="list-style-type: none"> <li>Bids due January 2025</li> <li>Decision expected 2026</li> </ul>
<b>PSCo</b>	Just Transition / Resource Plan Filing**	By 2031	<ul style="list-style-type: none"> <li>Filing October 2024</li> </ul>

\* Included in base capital plan

\*\* Included in upside capital plan. Portion of Just Transition filing included in upside plan

\*\*\* Not included in base or upside capital plan

# 2025-2027 Colorado Wildfire Mitigation Plan\*



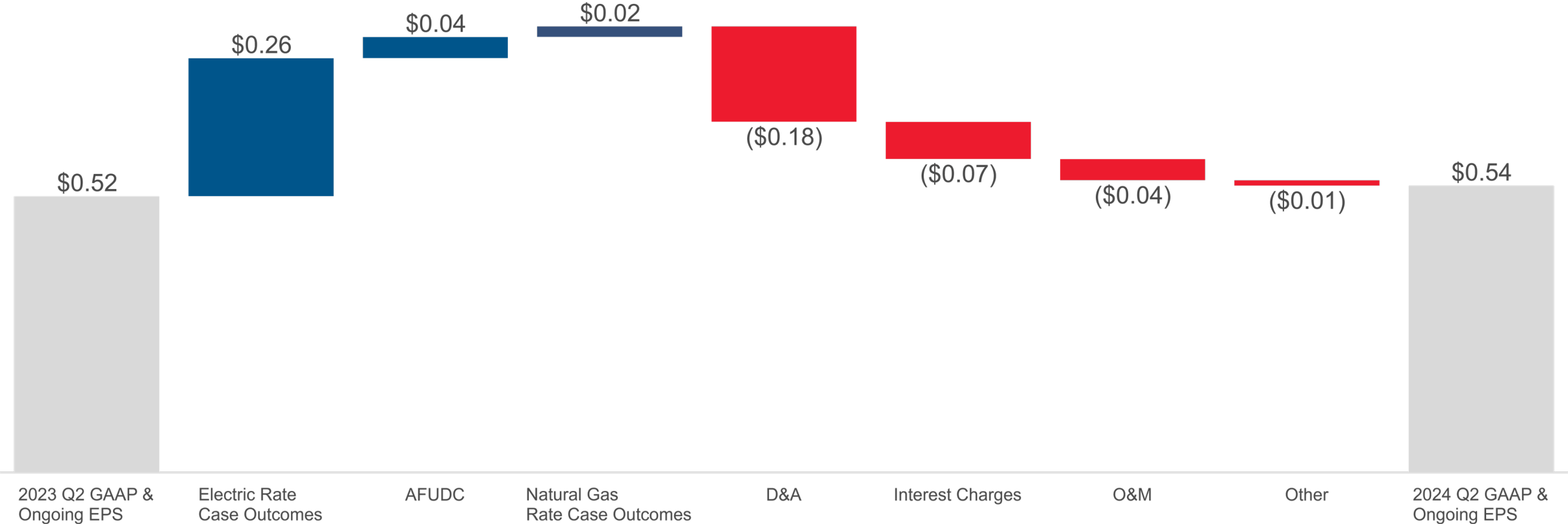
\* \$1.6 billion of capital investment and \$250 million of O&M from 2025-2027. CPUC decision expected in early 2025

\*\* EPSS builds on risk reductions enabled with current wildfire safety settings with more precise targeting and remote capabilities

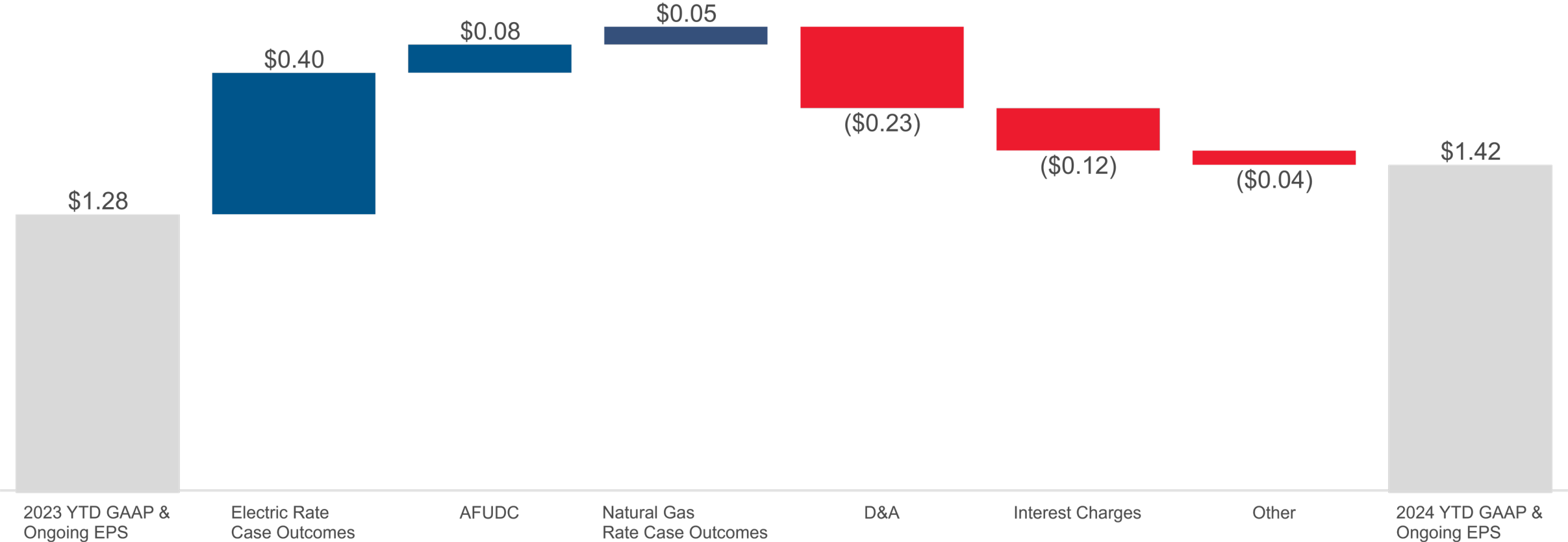
# EPS Results by Operating Company

Operating Company	Second Quarter		YTD	
	2024	2023	2024	2023
NSPM	\$ 0.24	\$ 0.23	\$ 0.61	\$ 0.48
PSCo	0.21	0.17	0.61	0.56
SPS	0.16	0.15	0.26	0.25
NSPW	0.04	0.05	0.12	0.13
Earnings from equity method investments	0.01	0.01	0.02	0.02
Regulated utility	0.66	0.60	1.62	1.43
Holding company and other	(0.12)	(0.08)	(0.20)	(0.15)
<b>Total GAAP and ongoing diluted EPS</b>	<b>\$ 0.54</b>	<b>\$ 0.52</b>	<b>\$ 1.42</b>	<b>\$ 1.28</b>

# Quarterly GAAP and Ongoing EPS Change



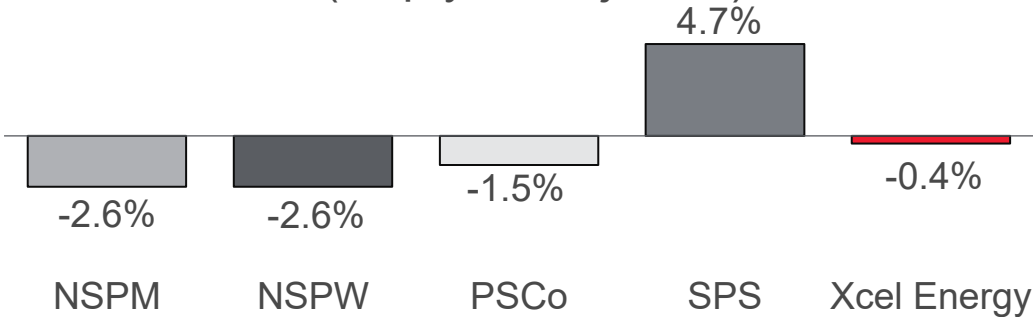
# YTD GAAP and Ongoing EPS Change



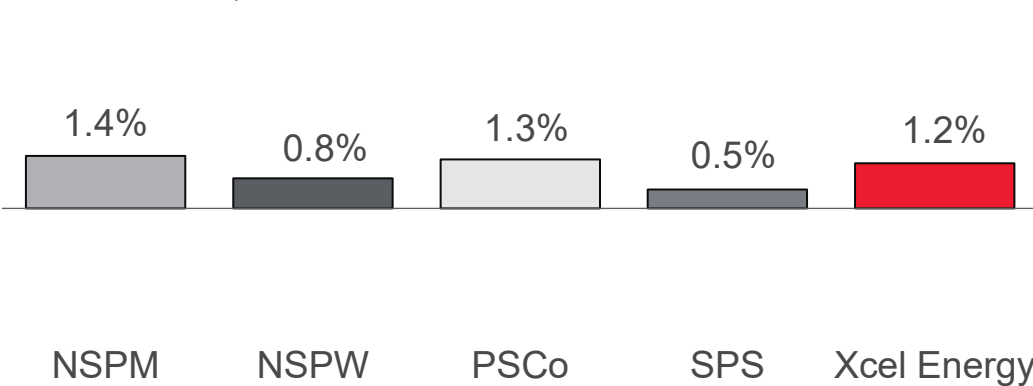


# Sales and Customer Data

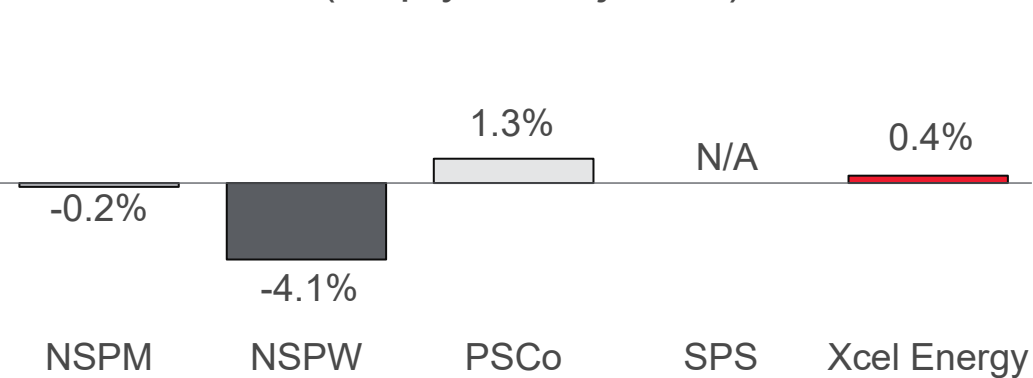
2024 YTD W/A Retail Electric Sales Growth  
(leap year adjusted)



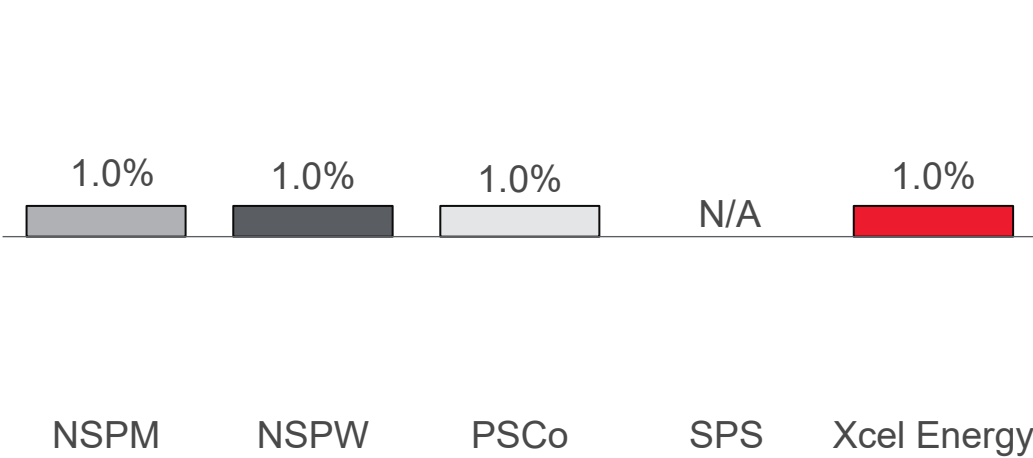
2024 Q2 YoY Electric Customer Growth



2024 YTD W/A Natural Gas Sales Growth  
(leap year adjusted)

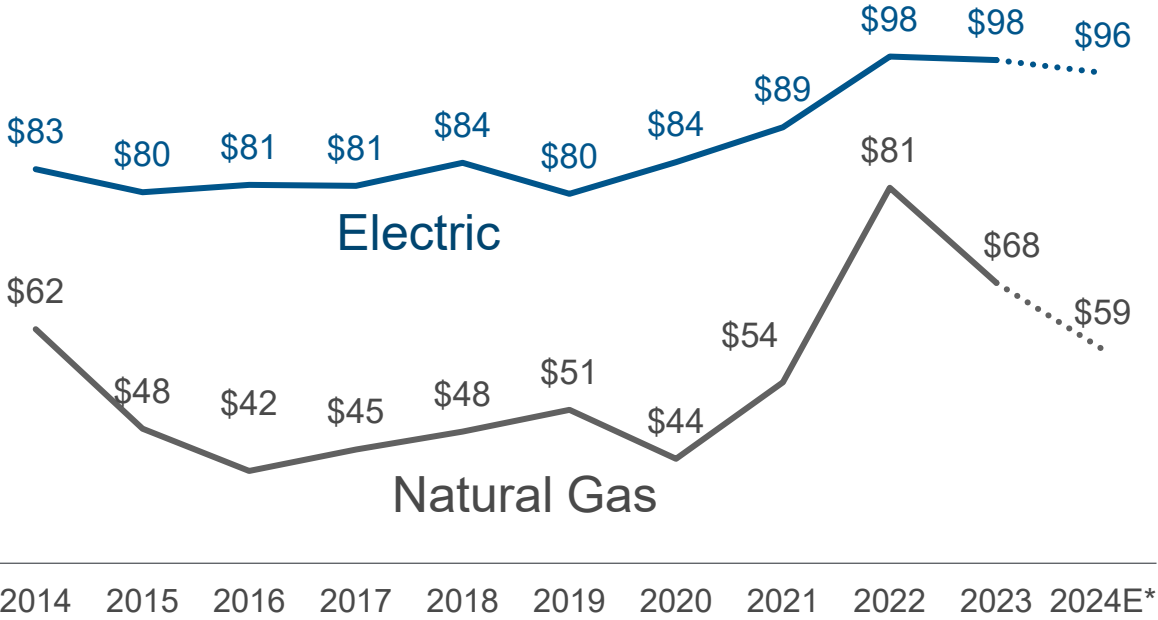


2024 Q2 YoY Natural Gas Customer Growth

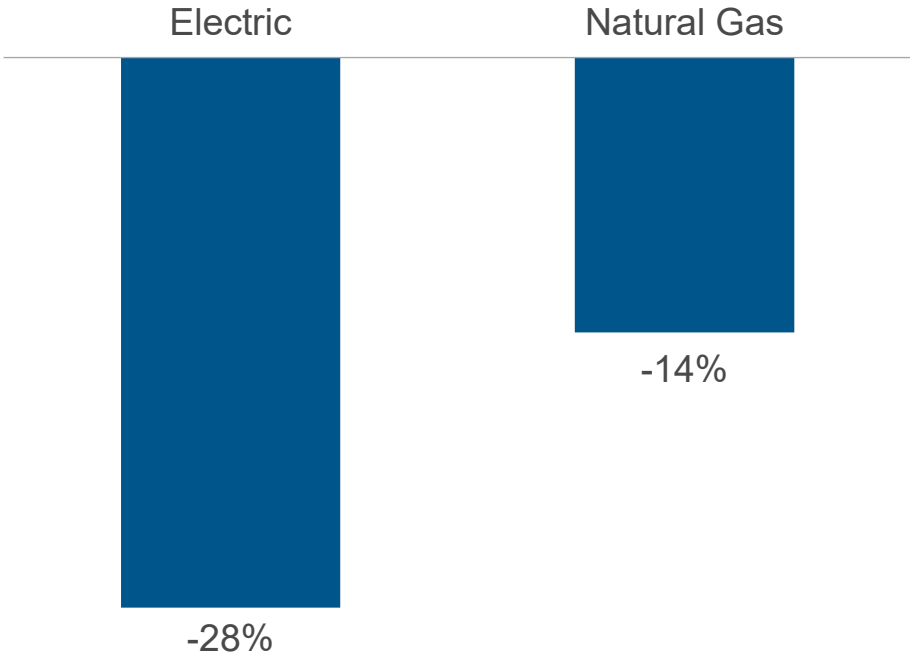


# Keep Customer Bills Low

2014-2024E Residential Electric CAGR = ~1.5%  
 2014-2024E Natural Gas CAGR = ~(-0.5%)



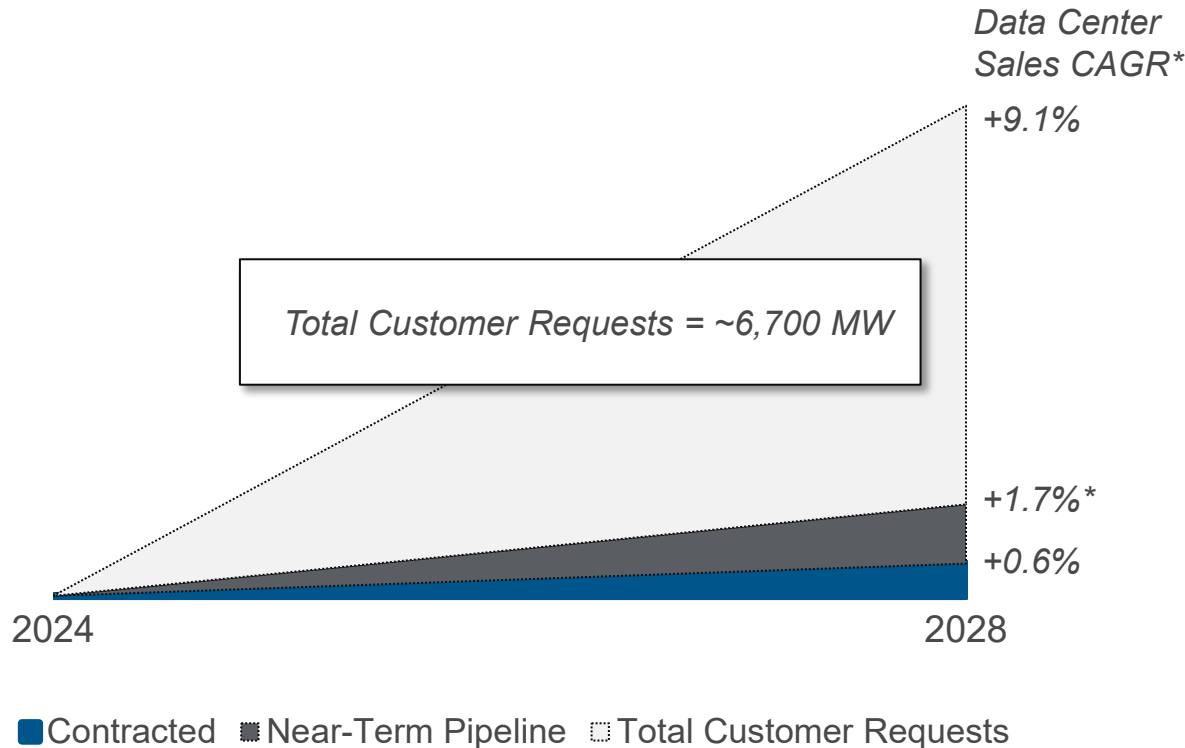
## Average Xcel Energy Residential Bill to National Average



\* 2024E is an estimate based on weather adjusted volumes and current / historical fuel prices and is subject to change

# Data Center Growth

## Data Center Load Growth



## Data Center Wins

- Recent Contracts: Meta (MN) and QTS (CO)
- Land sales to Microsoft and third-party to support multiple data sites at Sherco (MN)
- Xcel Energy competitive advantages:
  - Low priced wind and solar resources
  - Access to unencumbered land
  - Access to water
  - Constructive regulatory processes
  - Balance reliable service with clean power
  - Proven economic development teams
  - Contracts that benefit all customers

\* Xcel Energy base five-year sales forecast ~3% annually for 2024-2028, which reflects data center growth of 1.7%

# NSPM Minnesota Natural Gas Rate Case

Proceeding No. 23-413

- In November 2023, NSPM filed a natural gas rate case requesting:
  - Base rate increase of ~\$59 million
  - ROE of 10.2%, equity ratio of 52.5%, rate base of \$1.27 billion and 2024 forward test year
- MPUC approved interim rates of \$51 million (subject to refund) effective January 2024
- In June 2024, NSPM filed an unopposed settlement reflecting:
  - Rate increase of ~\$46 million
  - ROE of 9.6% and equity ratio of 52.5%
  - Continued uses of decoupling mechanism
  - MPUC decision expected by year-end 2024

# PSCo Colorado Natural Gas Rate Case

Proceeding No. 24AL-0049G

- In January 2024, PSCo filed a natural gas rate case requesting:
  - Base rate increase of ~\$171 million
  - ROE of 10.25%, equity ratio of 55%, rate base of \$4.2 billion and 2023 historic test year
- Procedural Schedule:
  - Intervenor testimony: Filed July 11, 2024
  - Rebuttal testimony: August 15, 2024
  - Settlement deadline: August 27, 2024
  - Hearings: September 4-12, 2024
  - CPUC decision is expected 2024 Q4



# Smokehouse Creek Fire

- Our distribution poles appear to have been involved in an ignition of the Smokehouse Creek Fire and the smaller Reamer Fire (which burned into the Smokehouse Creek Fire)
  - We dispute claims that we acted negligently in maintaining and operating our infrastructure
  - We have established a claims process for those impacted by the Smokehouse Creek Fire
  - Received 141 claims
  - 43 settlements resolved
  - 21 lawsuits filed
- We accrued a liability of \$215 million with an offsetting insurance receivable (liability based on current information and subject to change)
- We have approximately \$500 million of insurance to cover potential 2024 policy period losses
- Xcel Energy is unable to reasonably estimate an upper end of the loss range due to unknown facts and legal considerations that may impact the potential liability

# 2024 Ongoing EPS Guidance: \$3.50 - \$3.60

Earnings Drivers	Key Assumptions (as compared to 2023 levels unless noted)
Regulatory proceedings	Constructive outcomes in all pending proceedings
Weather	Normal weather patterns for the remainder of the year
W/A retail electric sales	Increase of ~1%
W/A retail firm natural gas sales	Flat
Capital riders (net of PTCs)	Increase \$60 - \$70 million
O&M expenses	Increase ~1 - 2%
Depreciation expense	Increase \$305 - \$315 million
Property taxes	Flat. Changes are largely earnings neutral due to offset in revenue for property trackers
Interest exp. (net of AFUDC-debt)	Increase \$140 - \$150 million, net of interest income
AFUDC-equity	Increase \$65 - \$75 million
Effective tax rate (net of PTCs)	~(6%) to (8%). The negative ETR is largely offset by PTCs flowing back to customers in capital riders and fuel mechanisms, and is largely earnings neutral

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.

# Attractive Investment Thesis

## Pure-Play, Regulated Utility that Consistently Delivers

- Vertically integrated utility across eight states
- Met or exceeded earnings guidance for 19 consecutive years
- Dividend increases for 21 consecutive years

## Transparent Long-term Growth Plan

- Long-term EPS and dividend growth of 5-7%
- Base 5-year capital plan of \$39 billion, reflecting 9.0% rate base growth
- Incremental \$5 billion of potential upside, reflecting 10.6% rate base growth
- Competitive advantages and robust pipeline to capture data center demand

## Leading the Clean Energy Transition

- Sustainability goals across electricity, natural gas service and transportation
- Full coal retirement by 2030; 80% reduction in carbon emissions by 2030
- Average residential electric and natural gas bills well below industry average
- 10-year customer bill growth below rate of inflation

## Accelerated Wildfire Risk Management

- Implemented proactive power shutoffs, enhanced wildfire safety settings and accelerated pole inspections / replacements
- Wildfire mitigation/resiliency plans: filed at PSCo; planned filing at SPS by 2024 YE
- Exploring legislative and industry-sponsored solutions to reduce risk and exposure

# Target Returns

**~9-11%**  
**Total Shareholder  
Return**

**5-7% EPS Growth**

**~4% Dividend Yield**  
5-7% CAGR | 50-60% Payout Ratio

# APPENDIX

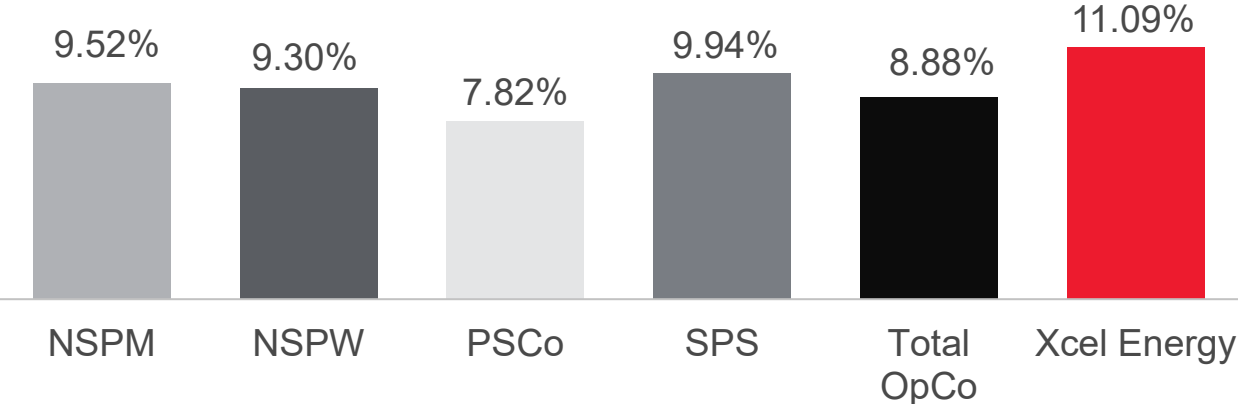
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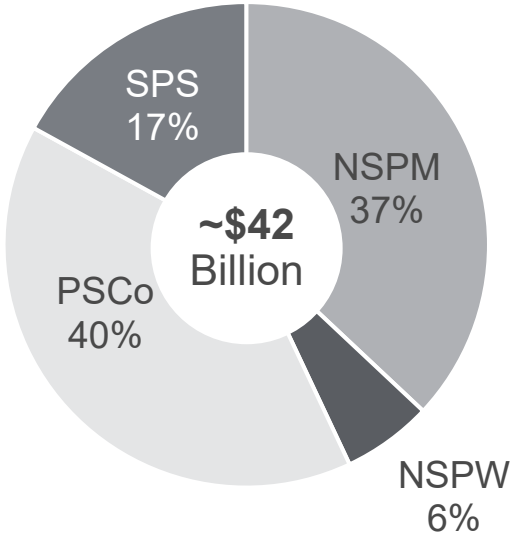
# ROE Results – Ongoing Earnings

## Ongoing ROE\*

Twelve Months Ended 6/30/2024



## 2023 Rate Base



\* Ongoing ROEs exclude impacts of Comanche Unit 3 litigation and workforce reduction

# Base Capital Expenditures by Function

\$ Millions

	2024	2025	2026	2027	2028	Total
Electric Transmission	\$1,710	\$2,020	\$2,450	\$2,850	\$2,470	\$11,500
Electric Distribution	\$1,770	\$1,960	\$2,200	\$2,200	\$2,470	\$10,600
Renewables	\$1,500	\$2,910	\$940	\$240	\$20	\$5,610
Electric Generation	\$940	\$1,290	\$1,050	\$1,060	\$600	\$4,940
Natural Gas	\$740	\$680	\$630	\$620	\$570	\$3,240
Other	\$760	\$420	\$670	\$630	\$630	\$3,110
<b>Total</b>	<b>\$7,420</b>	<b>\$9,280</b>	<b>\$7,940</b>	<b>\$7,600</b>	<b>\$6,760</b>	<b>\$39,000</b>

Base capital forecast excludes additional generation investment associated with resource plans

# Base Capital Expenditures by Company

\$ Millions

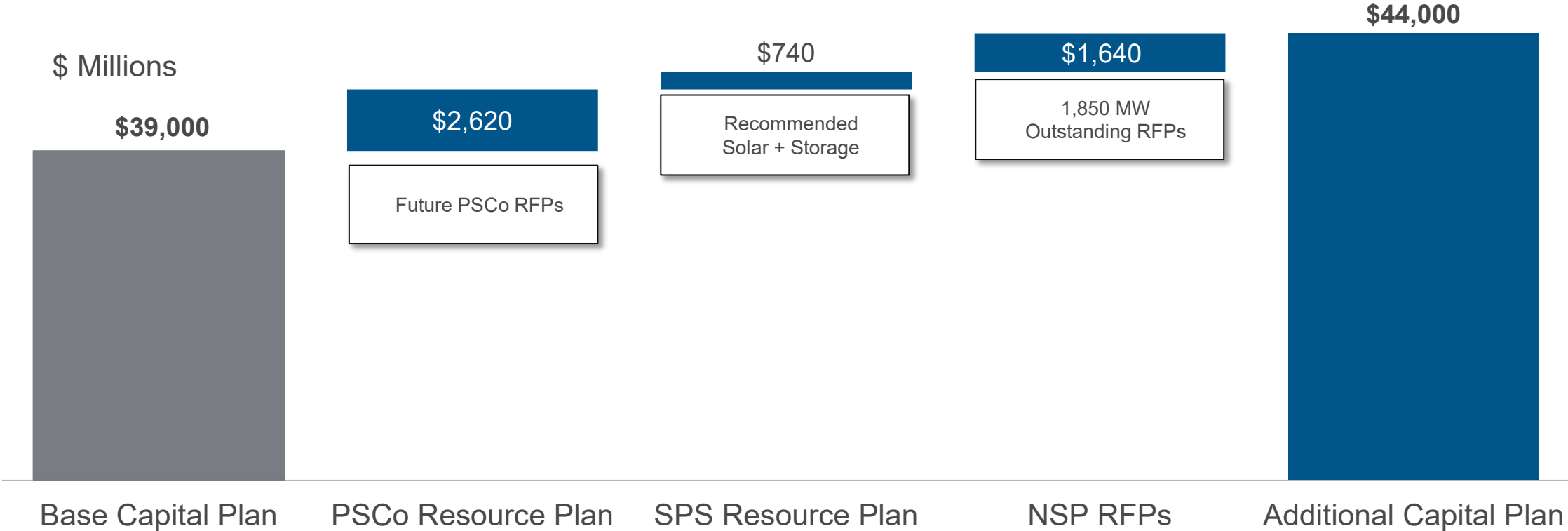
	2024	2025	2026	2027	2028	Total
NSPM	\$2,660	\$2,970	\$2,380	\$2,500	\$2,540	\$13,050
NSPW	\$570	\$600	\$570	\$600	\$650	\$2,990
PSCo	\$3,300	\$5,230	\$4,320	\$3,620	\$2,730	\$19,200
SPS	\$910	\$780	\$660	\$870	\$830	\$4,050
Other*	(\$20)	(\$300)	\$10	\$10	\$10	(\$290)
<b>Total</b>	<b>\$7,420</b>	<b>\$9,280</b>	<b>\$7,940</b>	<b>\$7,600</b>	<b>\$6,760</b>	<b>\$39,000</b>

Base capital forecast excludes additional generation investment associated with resource plans

\* Includes intercompany transfers for renewable equipment

# Incremental Capital Investment – Steel for Fuel 2.0

## Capital Investment 2024 – 2028



Estimates are subject to change, RFP processes and regulatory approvals

Additional capital investment above the Base Plan would be funded with approximately 40% equity and 60% debt

# Potential Investment Not Included in Base or Incremental Plan

## NSP Resource Plan

- 1,600 MW Solar, Wind, Storage, Hybrid RFP
- ~2,100 MW future RFPs
- Assuming 50% ownership, capital costs of ~\$1,500-2,000/kw
- Potential capital investment of \$3-4 billion\*

## SPS Resource Plan

- 5,000-10,000 MW of incremental generation (3,100 MW accredited capacity)
- Assuming 50% ownership, capital costs of ~\$1,500-2,000/kw
- Potential capital investment of \$4-10 billion\*

## Wind Repowerings

- 3.3 GW of potential repowering opportunities from 2028-2031
- Repowering capital costs could range between ~\$1,500-2,000/kw
- Potential capital investment of \$5-7 billion\*

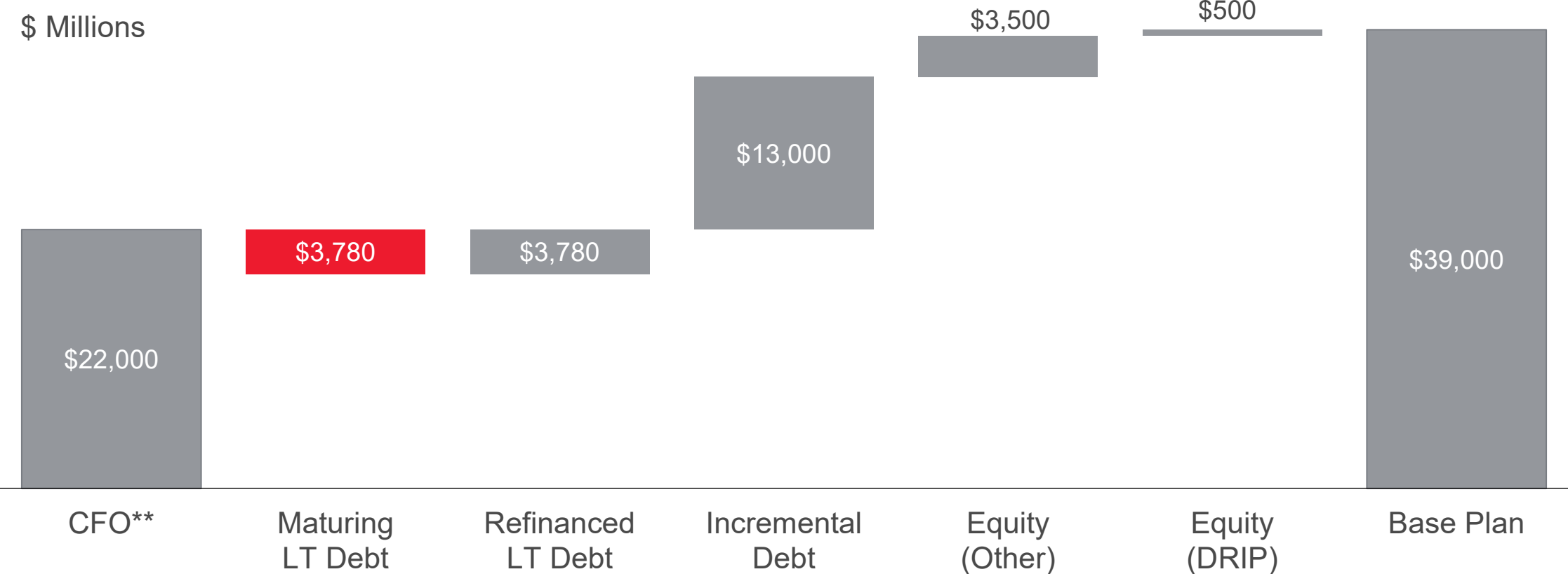
## Resiliency and Reliability

- Distribution and transmission investments to support new demand
- Wildfire mitigation/resiliency plans: filed in PSCo; planned filing at SPS by 2024 YE
- Plan to file additional wildfire mitigation plans in other states
- Potential capital investment to be determined in third quarter

\* Potential investment could extend past 2028. Estimates are subject to change, RFP processes and regulatory approvals.



# Financing Plan 2024 – 2028\*



\* Financing plans reflect tax credit transferability and are subject to change

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

\*\*\* Additional capital investment above the Base Plan would be funded with approximately 40% equity and 60% debt

# 2024 Debt Financing

\$ Millions

Issuer	Security	Amount	Status	Tenor	Coupon
Hold Co	Unsecured Bonds	\$800	Complete	10-Yr	5.50%
NSPM	First Mortgage Bonds	\$700	Complete	30-Yr	5.40%
PSCo	First Mortgage Bonds	\$1,200	Complete	10-Yr 30-Yr	5.35% 5.75%
NSPW	First Mortgage Bonds	\$400	Complete	30-Yr	5.65%
SPS	First Mortgage Bonds	\$600	Complete	30-Yr	6.00%

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

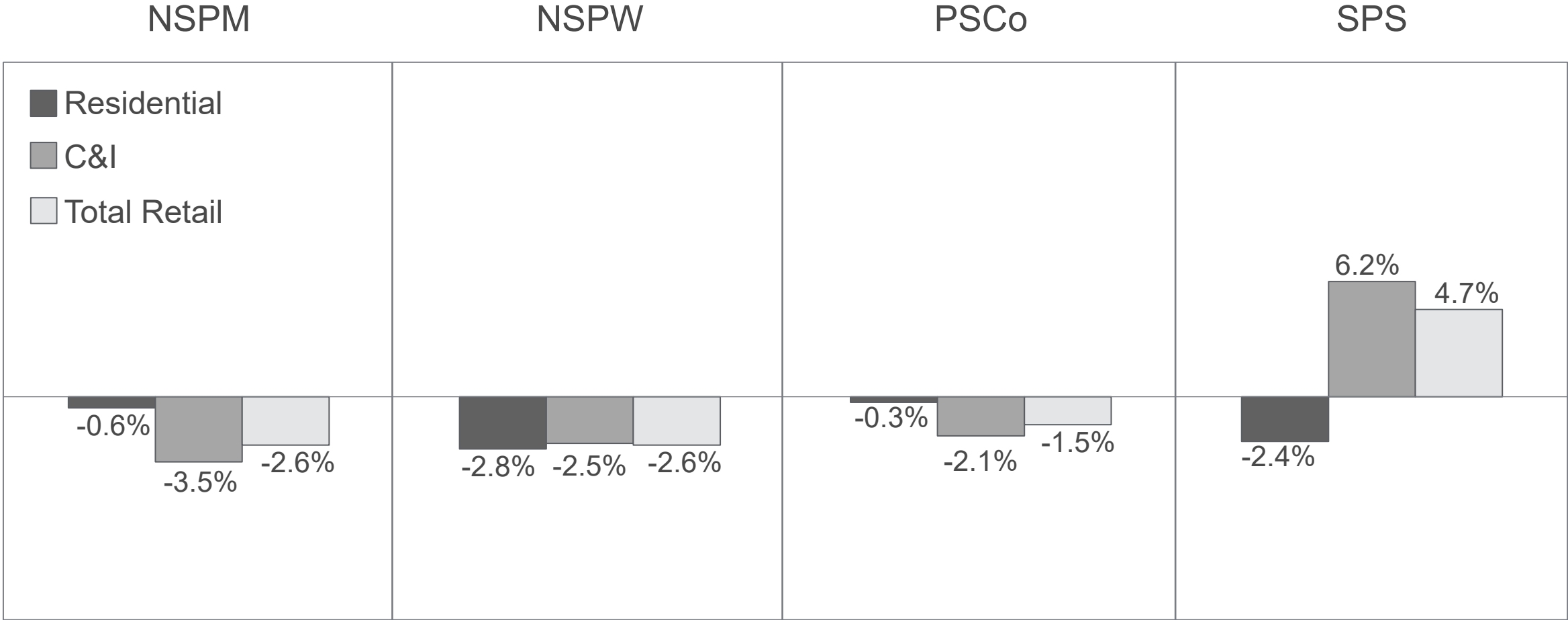
# Strong Balance Sheet and Credit Metrics

Plan	2024	2025	2026	2027	2028
FFO/Debt	17%	17%	17%	17%	17%
Debt/EBITDA	5.3x	5.3x	5.3x	5.3x	5.2x
Equity Ratio	41%	41%	41%	40%	41%
Hold Co Debt/Total Debt	24%	22%	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 based on base capital forecast, include tax credit transferability, and do not reflect rating agency adjustments. The FFO/Debt and Debt/EBITDA ratios are non-GAAP financial measures. FFO is generally calculated as GAAP-basis net cash provided by operating activities, adjusted for working capital and other items. EBITDA is generally calculated as GAAP-basis net income before interest, taxes, depreciation and amortization. Due to the forward-looking nature of these measures, Xcel Energy is unable to provide a reconciliation of these measures to the corresponding GAAP measures.

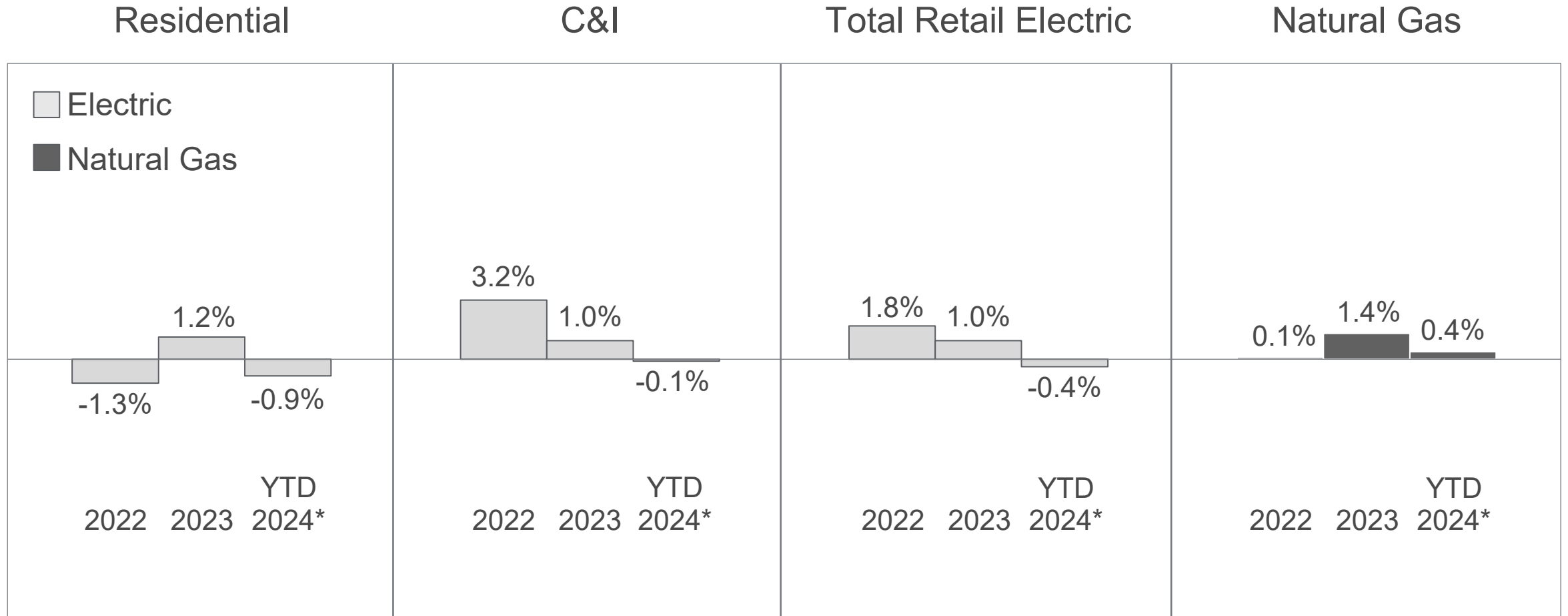
# 2024 YTD W/A Electric Sales Growth



Leap year adjusted

Extreme weather variations, windchill and cloud cover may not be reflected in estimates

# Xcel Energy W/A Sales Growth



\* Leap year adjusted

Extreme weather variations, windchill and cloud cover may not be reflected in estimates



# NSPM North Dakota Natural Gas Rate Case

Proceeding No. 23-367

- In December 2023, NSPM filed a natural gas rate case requesting:
  - Base rate increase of ~\$8.5 million
  - ROE of 10.2%, equity ratio of 52.5% and 2024 forward test year
  - Rate base of \$168 million
- Interim rates of ~\$8 million in effect March 1, 2024
- NDPSC decision is expected by year-end 2024

# NSPW Michigan Electric Rate Case

Proceeding No. U-21565

- In June 2024, NSPW filed a Michigan electric rate case requesting:
  - Base rate increase of ~\$2.9 million
  - ROE of 10.0%, equity ratio of 52%, and 2025 forward test year
- Proposed an Investment Recovery Mechanism (IRM) seeking additional increases of \$2.0 million in 2026 and \$0.8 million in 2027 for distribution and generation investments
- Procedural Schedule:
  - Staff and Intervenor Testimony: October 29, 2024
  - Rebuttal: November 19, 2024
  - Hearings: December 3-5, 2024
  - MPSC decision expected by mid-2025

# Marshall Wildfire

- Xcel Energy agrees with the Sheriff that Twelve Tribes caused the first ignition – which was burning for more than an hour before the second ignition
- We strongly disagree with the conclusions in the Sheriff's report that we caused the second ignition, which reportedly started 80 to 110 feet away from Xcel Energy's power lines
- The Sheriff's report stated that it cannot be ruled out that the second ignition was caused by an underground coal fire
- Colorado courts do not apply strict liability. For negligence claims, Colorado courts look to whether a utility operated its system with a heightened duty of care consistent with the practical conduct of its business, and liability does not extend to occurrences that cannot be reasonably anticipated
- The Sheriff's report stated that no design, installation or maintenance defects were identified on our electrical circuit in the area of the second ignition
- Target trial date: September 2025

# 2024 Q3 Events

Events	Dates
Midwest / Texas Non-Deal Roadshow	August 7-8
UBS Kohler Conference	August 14
Barclays Energy & Power Conference	September 4
Canada Non-Deal Roadshow	September 10-11



