



Transmission Leadership

Teresa Mogensen
Vice President, Transmission



Safe Harbor

This material contains forward-looking statements that are subject to certain risks, uncertainties and assumptions. Such forward-looking statements, including 2013 and 2014 earnings per share guidance and assumptions, capital expenditures and dividends, 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 do not undertake any obligation to update them to reflect changes that occur after that date. Factors that could cause actual results to differ materially include, but are not limited to: 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 Inc. and its subsidiaries; unusual weather; effects of geopolitical events, including war and acts of terrorism; 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; actions by regulatory bodies impacting our nuclear operations, including those affecting costs, operations or the approval of requests pending before the Nuclear Regulatory Commission; financial or regulatory accounting policies imposed by regulatory bodies; availability or cost of capital; employee work force factors; the items described under Factors Affecting Results of Operations; and the other risk factors listed from time to time by Xcel Energy in reports filed with the SEC, including “Risk Factors” in Item 1A and Exhibit 99.01 of Xcel Energy Inc.’s Annual Report on Form 10-K for the year ended Dec. 31, 2012, and Item 1A and Exhibit 99.01 to the Quarterly Reports on Form 10-Q for the quarters ended March 31, June 30, and September 30, 2013.



Xcel Energy Transmission

- Net book value, transmission \$4.16B (YE 2012)
- 18,610 transmission line miles
- 1,100 substations
- Assets in 10 states
- Over \$1 billion invested in 2013



Transmission Investment Five-Year Capital Forecast of \$4.5 Billion

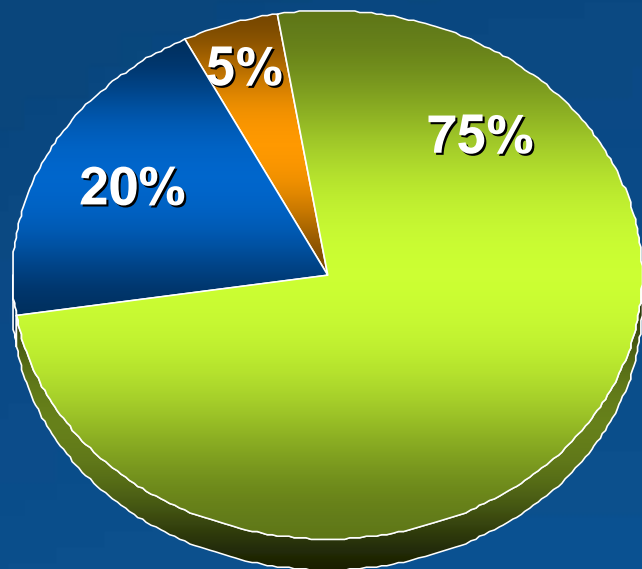
Dollars in millions



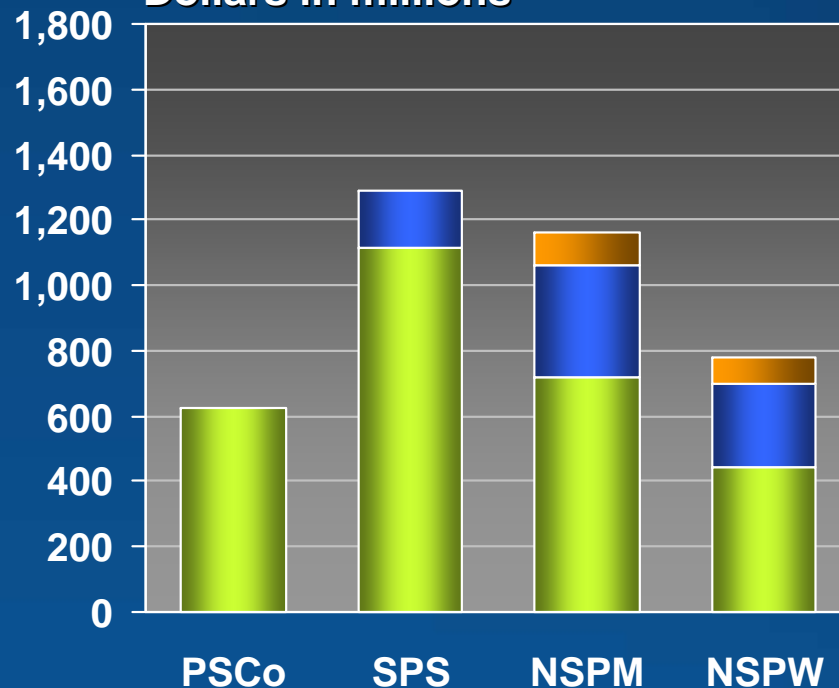


Constructive Transmission Recovery 2014 – 2018

Xcel Energy



Dollars in millions



Rider & Formula Rates Rate Case Biennial Rate Case

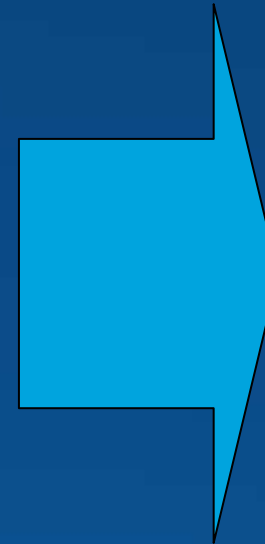
FERC Objectives

Promote more transmission build

Meet policy needs along with reliability/economic

Ensure beneficiaries pay

Enable robust energy market



**FERC
Order
1000**



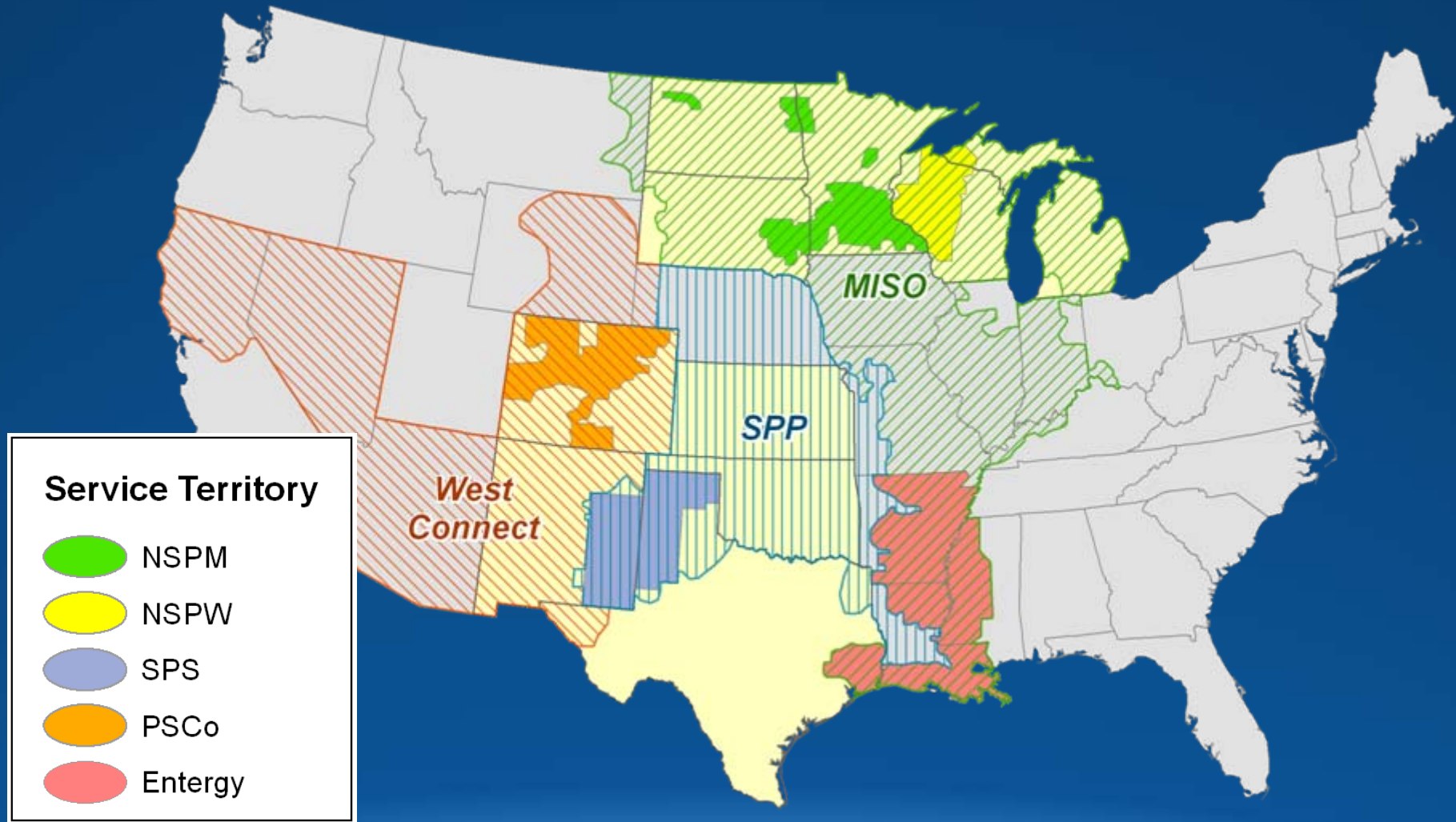
Key Post-FERC Order 1000 Objectives

- Right rules
- Right transmission plans
- Win projects
- Successful project execution





Xcel Energy FERC Order 1000 Regions





Right Rules, Right Plans

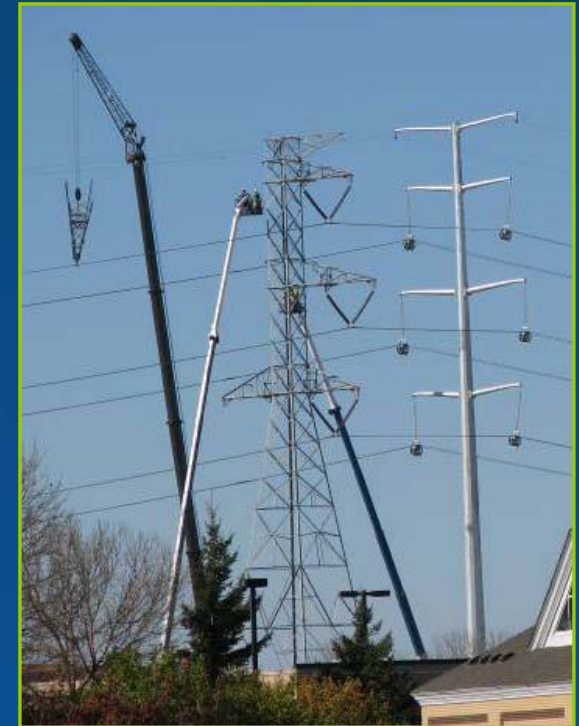
- **Foundational principles**
 - **Customer benefit**
 - **Collaboration**
- **Build what makes sense for short & long term**
- **Pragmatic approaches based on extensive experience**
- **Aligned with regulators & policymakers**
- **Deeply engaged in regional planning & policy**





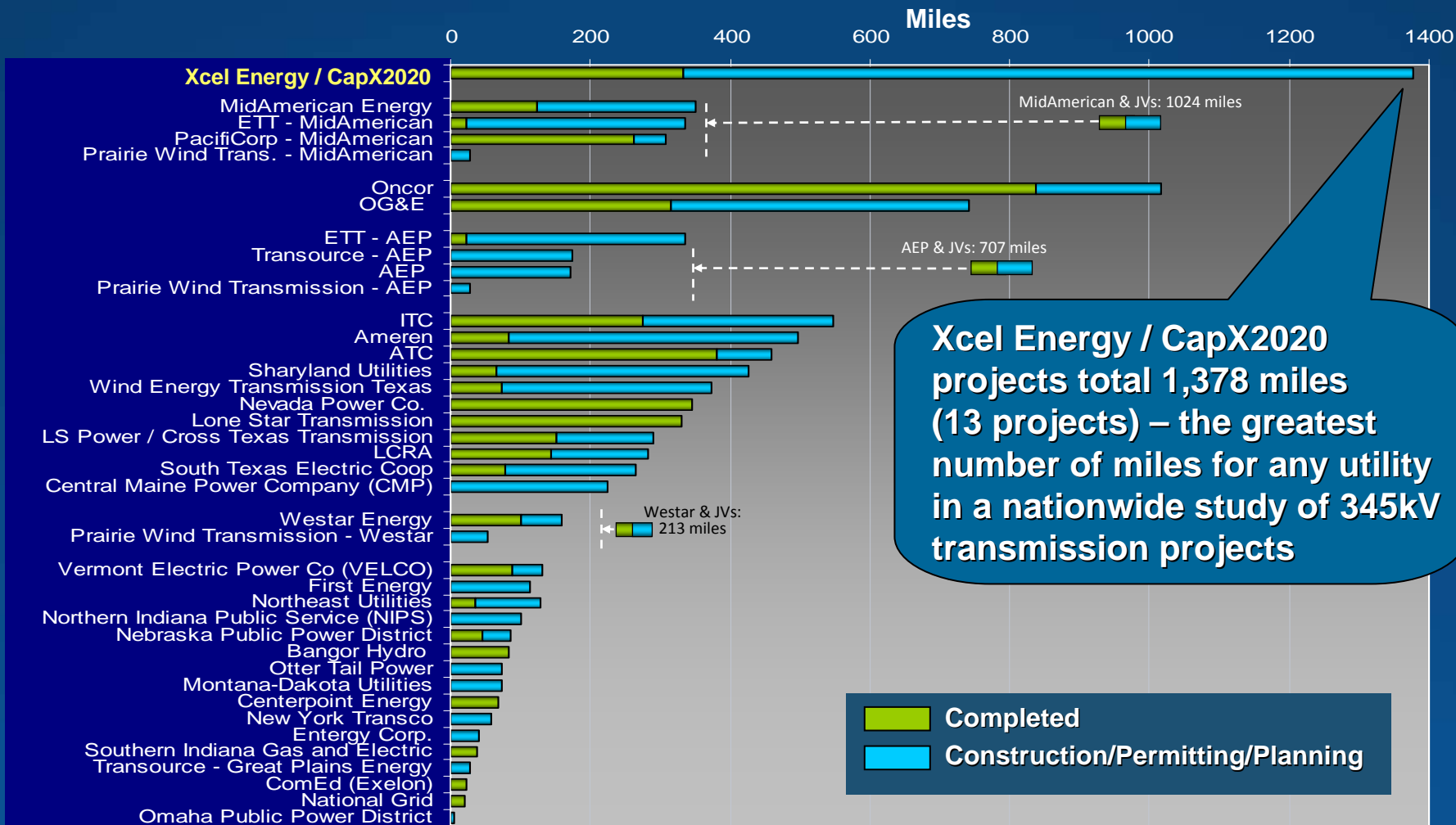
“TransCo” Investment Structures

- **FERC Order 1000 creates opportunities and challenges**
- **Multiple approaches needed to win competitive projects**
- **Developing strategic flexibility to respond effectively**
- **Creating alternative investment structures to provide options**





Proven Performer – Industry 345 kV Leader

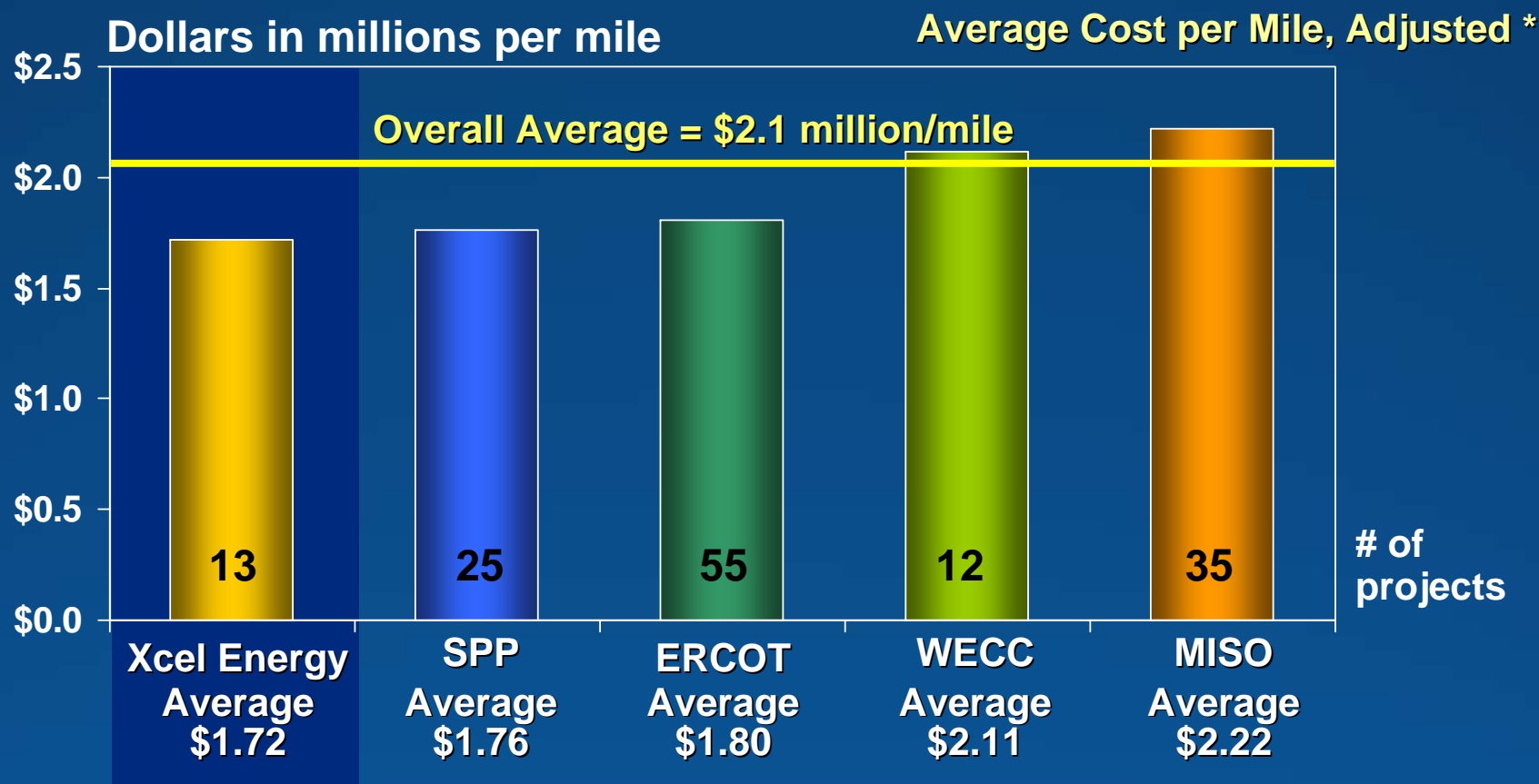


Xcel Energy / CapX2020 projects total 1,378 miles (13 projects) – the greatest number of miles for any utility in a nationwide study of 345kV transmission projects

Parent company projects are listed adjacent to Joint Ventures (JV's); in the case of projects developed by JV's, mileage is prorated based on parent company share in JV (e.g., total project mileage = 100 miles, parent company ownership of JV = 25%, parent company credited with 25 miles). Project In Service Dates 1998-2020.



Regional Cost Variation – 345 kV Lines



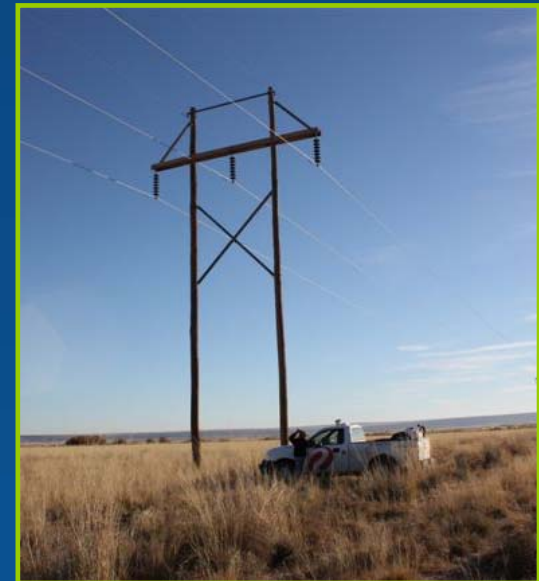
* Adjusted to 2013 dollars using the Handy Whitman Construction Cost Index

Source: Analysis uses data from FERC, State Commissions, Regional Transmission Organizations, Edison Electric Institute publications and other publicly available data sources



Transmission Summary

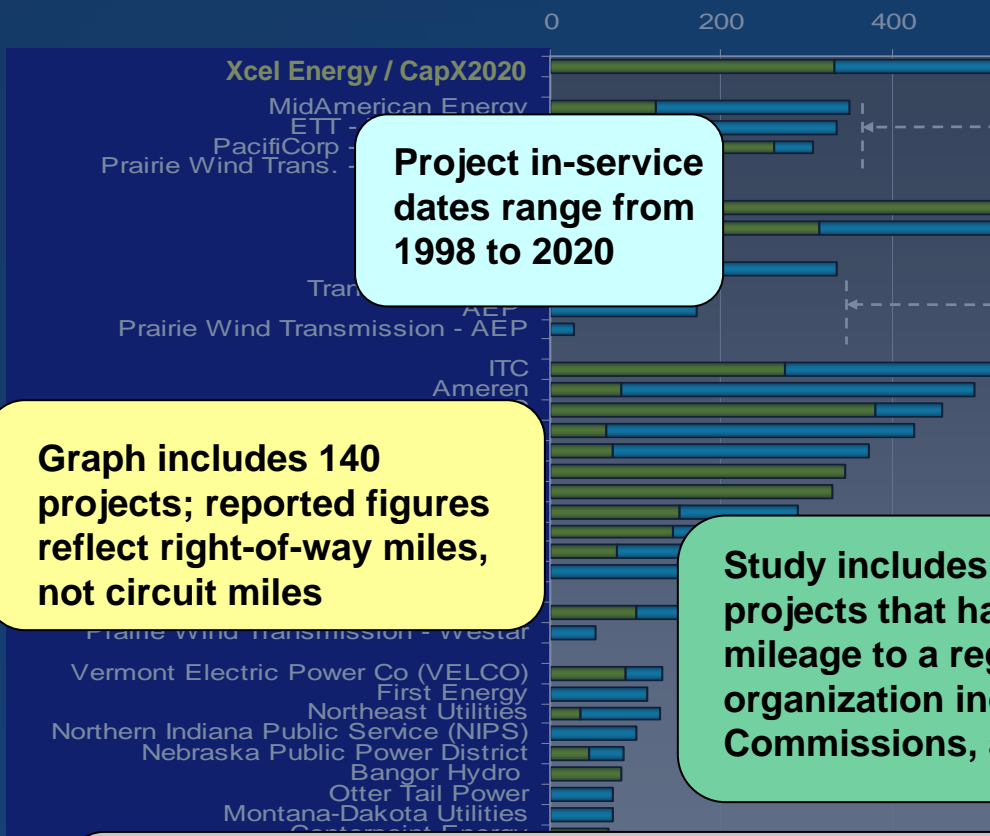
- **Industry leader & proven performer**
- **Positioned well for continued investment opportunities**
- **Focus on customer benefit and collaboration creates stakeholder alignment**
- **Best value delivery model**
- **Attractive returns**



Appendix



Proven Performer – Industry 345 kV Leader



Project in-service dates range from 1998 to 2020

**Xcel Energy/CapX2020
13 Projects
1,378 Miles**

The greatest number of miles for any utility in a nationwide study of 345kV transmission projects

Graph includes 140 projects; reported figures reflect right-of-way miles, not circuit miles

Study includes 10,192 miles of 345kV projects that have reported cost and mileage to a regulatory agency or organization including FERC, State Commissions, and RTO's

Parent company projects are listed adjacent to Joint Ventures (JV's); in the case of projects developed by JV's, mileage is prorated based on parent company share in JV (e.g., total project mileage = 100 miles, parent company ownership of JV = 25%, parent company credited with 25 miles)