



THE CLEAN ENERGY PARADIGM: BALANCING CONSUMER DEMANDS FOR GREENER POWER WITH THE NEED FOR AFFORDABILITY AND RELIABILITY

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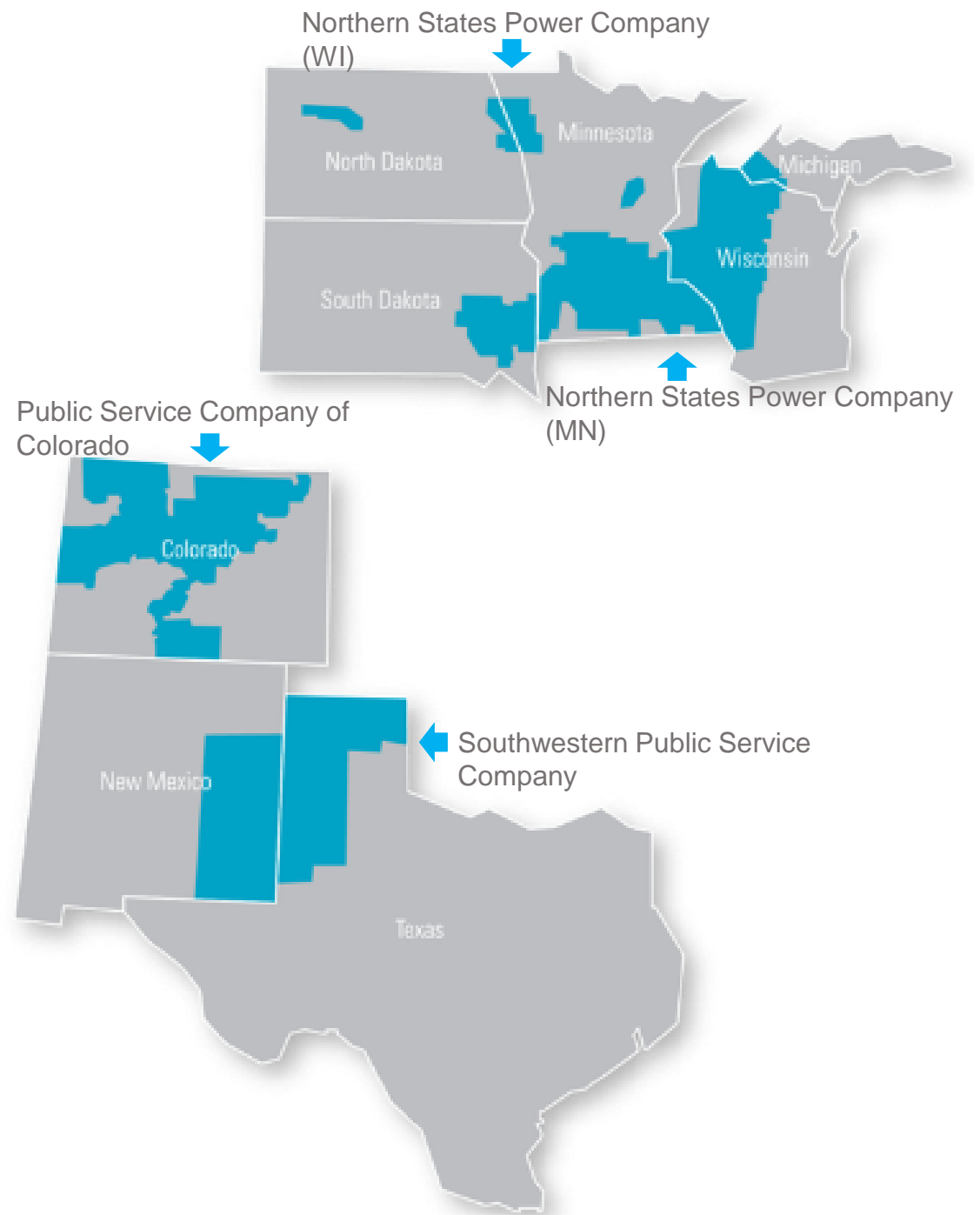
About Xcel Energy

Serving eight states

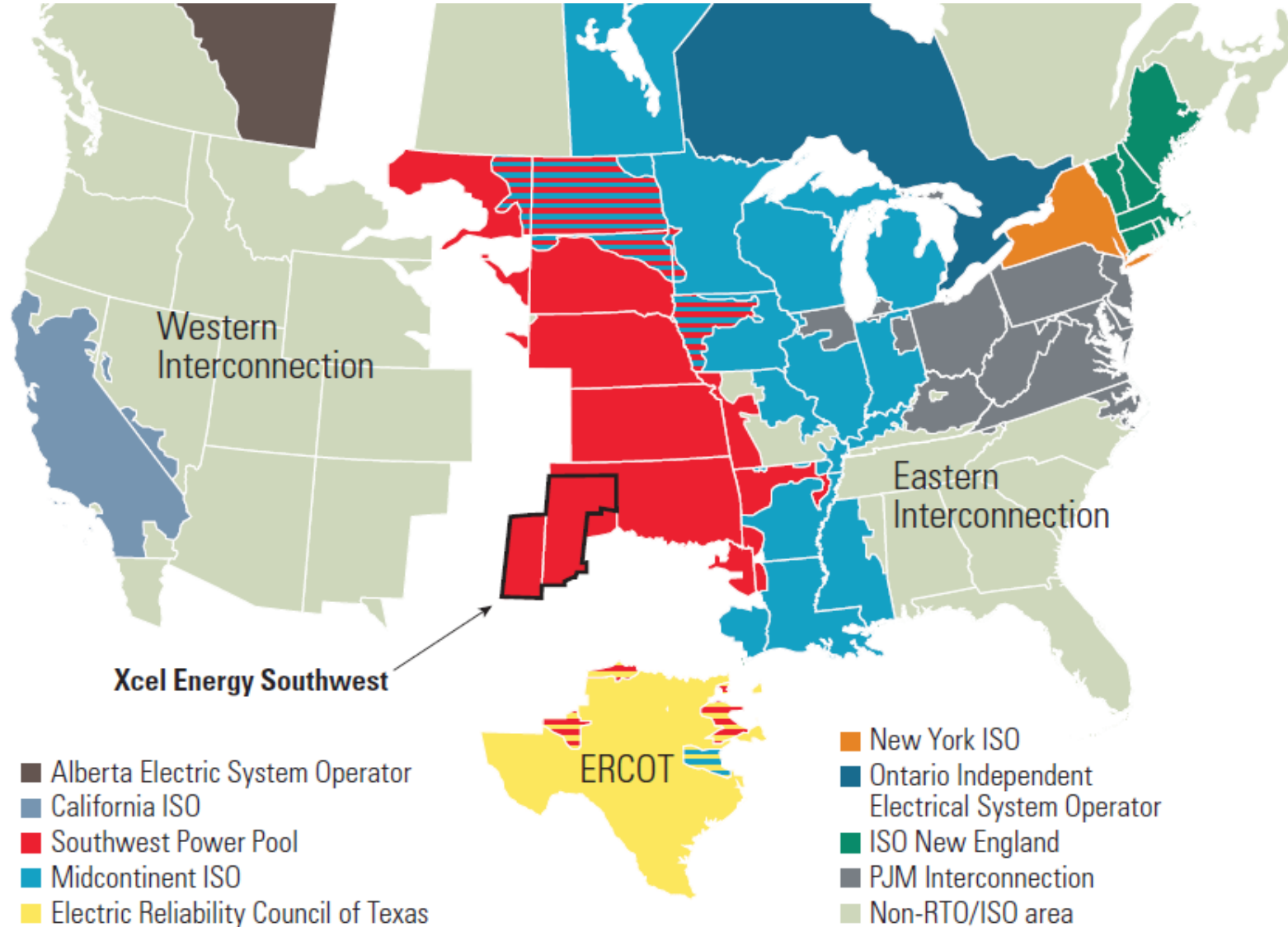
- 3.7 million electricity customers
- 2.1 million natural gas customers

Nationally recognized leader

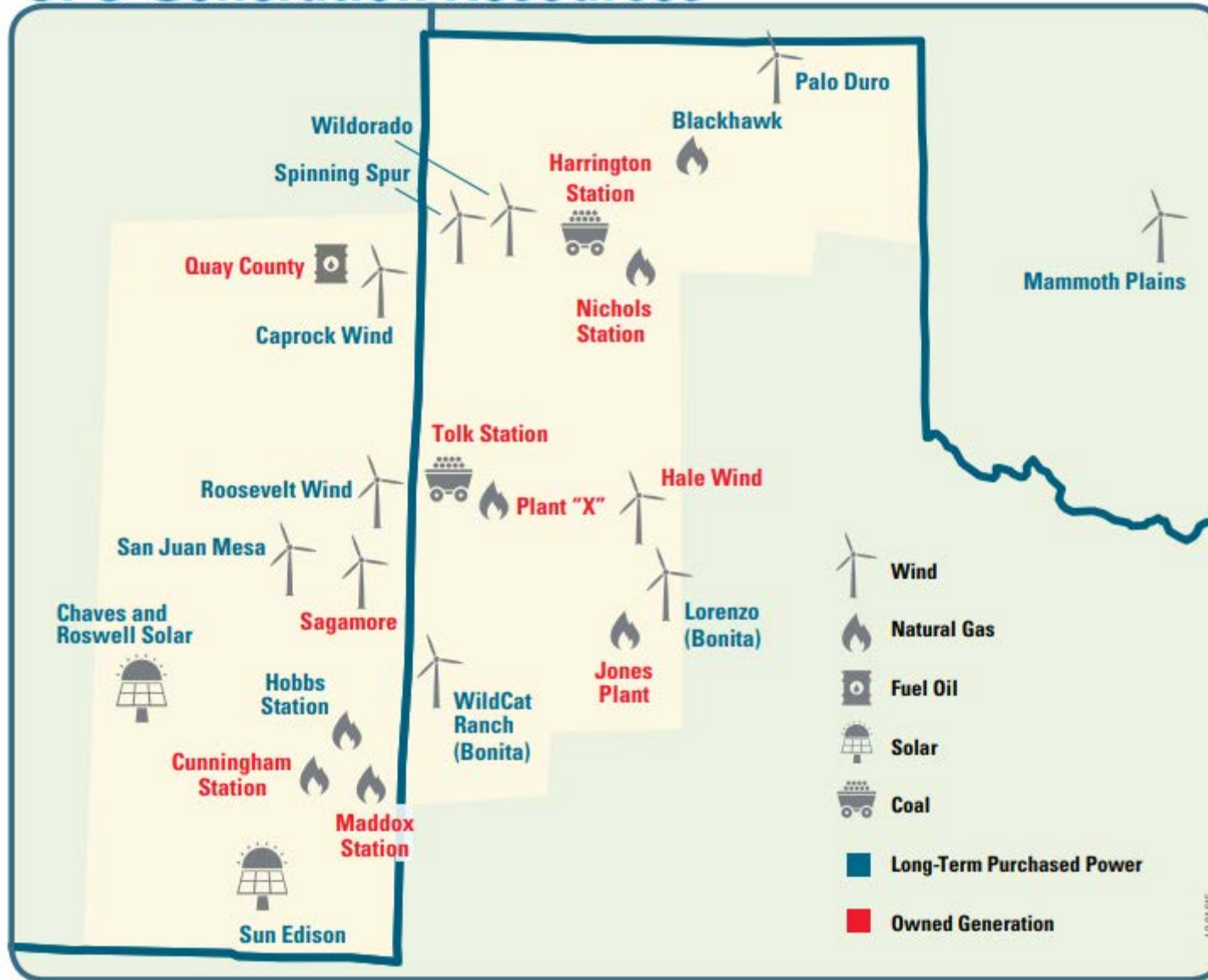
- Wind energy
 - CPA #1 2021 clean energy provider
- Energy efficiency
- Carbon emissions reductions
- Innovative technology



U.S. Electrical Grids and Power Pools

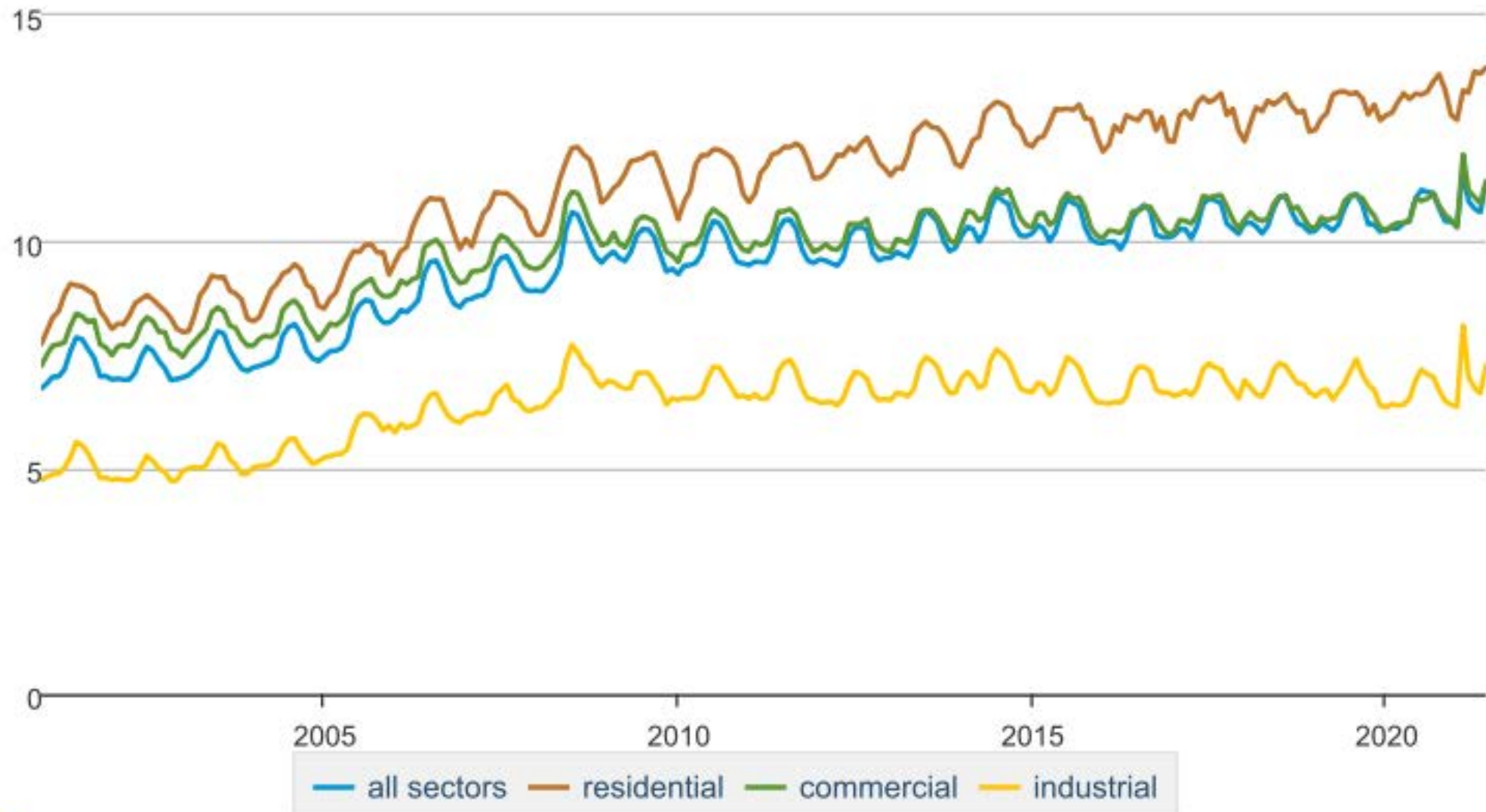


SPS Generation Resources



Average retail price of electricity, United States, monthly

cents per kilowatthour

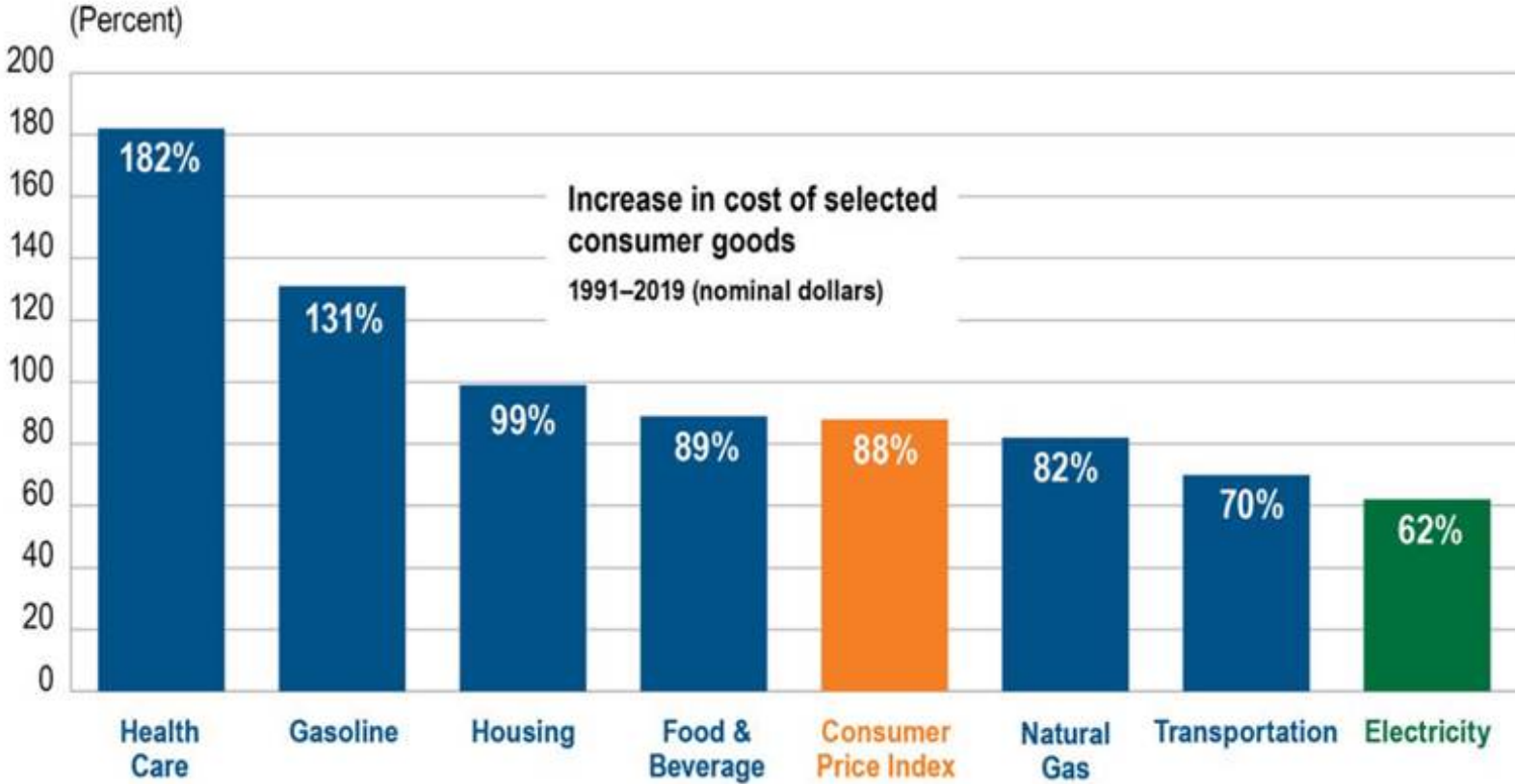


Source: U.S. Energy Information Administration

New Technologies and Customer Affordability



Electricity Is a Great Value



Sources: U.S. Department of Labor, Bureau of Labor Statistics, and U.S. Department of Energy, Energy Information Administration.

New Technologies and Customer Affordability

- New technologies will increase costs, but also opportunities for cost savings
 - Xcel Energy's 'Steel for Fuel' initiative
 - Increased wind generation, while capturing PTCs and avoiding fuel costs
- Policy makers need to be careful when encouraging new technologies
 - Policies need to focus on avoided costs, as uneconomic incentives will cause cross subsidies
 - In many jurisdictions, excessive incentives cause non-participants to subsidize participants
 - e.g.: net metering, Community Solar, distributed energy resources
- When the rules are fashioned appropriately, affordability will not be compromised
- Winter Storm Uri fuel cost impact relief
- COVID customer bill relief

