

Southwestern Public Service Company

Description of Company

Southwestern Public Service Company, a New Mexico corporation (“SPS”), is an electric utility company and wholly-owned subsidiary of Xcel Energy Inc. (“Xcel Energy”). Xcel Energy is a utility holding company that was incorporated under the laws of Minnesota in 1909. Xcel Energy, through its subsidiaries, is a major U.S. electric and natural gas company, with annual revenues of more than \$11.7 billion. Based in Minneapolis, Minnesota, Xcel Energy operates in eight western and mid-western states. Xcel Energy provides a comprehensive portfolio of energy-related products and services to 3.5 million electricity customers and 2 million natural gas customers. Through a subsidiary, Xcel Energy Transmission Holding Company, LLC, Xcel Energy also owns three transmission-only operating companies: Xcel Energy Southwest Transmission Company, LLC; Xcel Energy Transmission Development Company, LLC; and Xcel Energy West Transmission Company, LLC, all of which are either currently regulated by the Federal Energy Regulatory Commission (“FERC”) or expected to be regulated by FERC. In terms of customers, Xcel Energy is the fourth-largest combination electric and natural gas company in the nation.

SPS serves approximately 378,000 electric customers in a 50,000 square mile area of the Panhandle and the South Plains of Texas, eastern and southern New Mexico. SPS has no non-regulated activities. Its service area has a customer density of 7.68 customers per square mile. The total electric customer count is comprised of: 74.5% Residential customers, 17.7% Commercial and Industrial customers, 6.3% Lighting customers, and 1.6% Municipal and School customers. SPS also serves seven wholesale customers.

SPS’s service territory is primarily agricultural, with large areas of oil and gas production. The oil and natural gas segments have been growing rapidly. SPS serves most of the cities and towns within the service territory, while many areas outside those towns are served by rural electric cooperatives.

The agricultural areas are mostly irrigated by pumping from natural underground water supplies. Crops include cotton, corn, grain sorghums, soybeans, and peanuts. Also, there is a large investment in cattle feeding operations in the service territory. The dairy and cheese industries are expanding within the service territory.

SPS is regulated by the 80 municipalities it serves in Texas, the Public Utility Commission of Texas, the New Mexico Public Regulation Commission and the FERC.

SPS is uniquely located relative to the electrical grid of North America. SPS is a member of the Southwest Power Pool, Inc. (“SPP”), which is a FERC-approved regional transmission organization. SPS is located in the southwest corner of SPP and the Eastern Interconnection. It is bordered to the west by the Western Electricity Coordinating Council (“WECC”) and to the south and southeast by the Electric Reliability Council of Texas (“ERCOT”).

SPS is interconnected with the Eastern Interconnection through six synchronous interties with the SPP. These interties are near Elk City, Oklahoma (230 kV); Guymon, Oklahoma (115 kV); Shamrock, Texas (115 kV); Groom, Texas (115 kV); Holcomb, Kansas (345 kV) and Oklaunion, Texas (345 kV). Four of these interties interconnect with utility operating company subsidiaries of American Electric Power Company. The interconnection near Holcomb, Kansas is with Sunflower Electric Cooperative and the interconnection in Guymon, Oklahoma is with WestPlains Energy in Kansas.

SPS is interconnected to the Western Interconnection through three high-voltage direct-current ("HVDC") converters owned by three utilities in the WECC. SPS is interconnected to the west jointly with El Paso Electric Company and Public Service Company of New Mexico ("PNM") at the Eddy County HVDC tie located near Artesia, New Mexico, and then with PNM solely in Roosevelt County, New Mexico at the Blackwater Draw HVDC tie located near Clovis, New Mexico. The third HVDC tie is with Public Service Company of Colorado, an Xcel Energy operating company, at the Lamar HVDC tie in Prowers County, Colorado.

SPS is not interconnected with ERCOT.

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LIST AND DESCRIPTION OF SOUTHWESTERN PUBLIC SERVICE COMPANY'S AFFILIATES
As of September 30, 2015

Name	Description	Incorporated	Owner	Ownership %
Xcel Energy Inc. (Xcel Energy)	Holding Company	MN - 1909		
Northern States Power Co. (Minnesota) (NSPM)	Public utility (gas & electric)	MN - 2000	Xcel Energy Inc.	100.00%
NSP Nuclear Corporation	Holds NSPM's interest in Nuclear Management Co. LLC	MN - 1999	NSP - MN	100.00%
Nuclear Management Co. LLC (NMC)	Former holder of NSPM's nuclear licenses. The nuclear licenses held by NMC have been transferred to NSPM.	WI - 1999	NSP Nuclear Corporation	100.00%
Private Fuel Storage LLC	Development of private temporary spent nuclear fuel storage facility	DE - 1995	NSP - MN	32.80%
United Power and Land Co. (UP&L)	Holds non-utility real estate	MN - 1924	NSP - MN	100.00%
Northern States Power Co. (Wisconsin) (NSPW)	Public utility (gas & electric)	WI - 1901	Xcel Energy Inc.	100.00%
Chippewa and Flambeau Improvement Co.	Operates hydro reservoirs in Wisconsin	WI - 1909	NSP - WI	75.86%
Clearwater Investments, Inc. (Clearwater Inv)	Owns interests in affordable housing projects	WI - 1991	NSP - WI	100.00%
Woodsedge Eau Claire LP	Owns interests in affordable housing projects	MN - 2002	Clearwater Inv	99.99%
Shoe Factory Holdings, LLC	Owns interests in affordable housing projects	WI - 1994	Clearwater Inv	98.99%
NSP Lands Inc.	Holds non-utility real estate in Wisconsin	WI - 1992	NSP - WI	100.00%
Public Service Co. of Colorado (PSCo)	Public utility (gas, electric & thermal)	CO - 1924	Xcel Energy Inc.	100.00%
PSR Investments Inc.	Owns certain life insurance policies acquired prior to 1986	CO - 1985	PSCo	100.00%
1480 Welton Inc.	Holds real estate	CO - 1958	PSCo	100.00%
Green and Clear Lakes Co.	Water storage for Cabin Creek hydro facility	NY - 1886	PSCo	100.00%

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Name	Description	Incorporated	Owner	Ownership %
Beeman Irrigating Ditch and Milling Co. Consolidated Extension Canal Co. East Boulder Ditch Co. Fisher Ditch Co. Gardeners' Mutual Ditch Co. Hillcrest Ditch and Reservoir Co. Las Animas Consolidated Canal Co. United Water Co.	Cooling water for generating facilities Cooling water for generating facilities Cooling water for generating facilities Cooling water for generating facilities Cooling water for generating facilities Cooling water for generating facilities Cooling water for generating facilities Cooling water for generating facilities	CO - 1878 CO - 1910 CO - 1865 CO - 1921 CO - 1915 CO - 1918 CO - 1941 CO - 1916	PSCo PSCo PSCo PSCo PSCo PSCo PSCo PSCo	51.00% 53.54% 88.97% 62.32% 100.00% 77.78% 76.57% 81.74%
WestGas InterState Inc.	Natural gas transmission company	CO - 1990	Xcel Energy Inc.	100.00%
Xcel Energy Communications Group Inc. (Xcel Energy Comm)	Intermediate holding company for subsidiaries providing broadband telecommunications	MN - 2000	Xcel Energy Inc.	100.00%
NCE Communications Inc. (NCE Comm)	No operations	CO - 1996	Xcel Energy Comm	100.00%
Seren Innovations Inc.**	Provides cable, telephone and high speed internet access	MN - 1996 Calif. assets sold 11-3-05	Xcel Energy Comm	100.00%
Xcel Energy Foundation	Charitable activities	MN - 2001	Xcel Energy Inc.	100.00%
Xcel Energy International Inc. (Xcel Energy Int'l)**	Intermediate holding company for international subsidiaries	DE - 1997	Xcel Energy Inc.	100.00%
Xcel Energy Markets Holdings Inc. (Xcel Energy Mkts)	Intermediate holding company for subsidiaries providing energy marketing services	MN - 2000	Xcel Energy Inc.	100.00%
e prime Inc. (e prime)**	Unregulated commodity marketing affiliate	CO - 1995	Xcel Energy Mkts	100.00%
Young Gas Storage Co. Ltd.	Owns and operates an underground gas storage	CO - 1993	Xcel Energy Mkts	47.50%

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Xcel Energy Retail Holdings Inc. (Xcel Energy Retail)	Intermediate holding company for subsidiaries providing services to retail customers	MN - 2000	Xcel Energy Inc.	100.00%
Reddy Kilowatt Corporation	Energy sales and marketing services	MT - 1972	Xcel Energy Retail	100.00%
Xcel Energy Performance Contracting Inc.	Holds contracts related to energy conservation	MN - 1993	Xcel Energy Retail	100.00%
Xcel Energy Services Inc. (Xcel Energy Svcs)	Service company for Xcel Energy system	DE - 1997	Xcel Energy Inc.	100.00%
Xcel Energy Transmission Holding Co. LLC (Xcel Energy Transmission Holding)	Intermediate holding company for Xcel Energy transmission subsidiaries	DE - 2014	Xcel Energy Inc.	100.00%
Xcel Energy Southwest Transmission Co. LLC	Transco for southwest region of Xcel Energy Transmission Holding	DE - 2014	Xcel Energy Transmission Holding	100.00%
Xcel Energy Transmission Development Co. LLC	Transco for midwest region of Xcel Energy Transmission Holding	DE - 2014	Xcel Energy Transmission Holding	100.00%
Xcel Energy West Transmission Co. LLC	Transco for western region of Xcel Energy Transmission Holding	DE - 2014	Xcel Energy Transmission Holding	100.00%
Xcel Energy Ventures Inc. (Xcel Energy Ventures)	Intermediate holding company for subsidiaries to develop and manage new business ventures	MN - 2000	Xcel Energy Inc.	100.00%
Eloigne Co. (Eloigne)	Owns interests in affordable housing projects which qualify for low income housing tax credits	MN - 1993	Xcel Energy Ventures	100.00%
Bemcil Townhouse LP	Owns interests in affordable housing projects	MN - 5/3/93	Eloigne	99.00%
Chaska Brickstone LP	Owns interests in affordable housing projects	MN - 10/7/97	Eloigne	99.99%
Cottage Court LP	Owns interests in affordable housing projects	MN - 6/23/94	Eloigne	99.00%
Crown Ridge Apartments LP	Owns interests in affordable housing projects	MN - 2/16/96	Eloigne	99.99%
Dakotah Pioneer LP	Owns interests in affordable housing projects	ND - 4/20/99	Eloigne	99.99%
East Creek LP	Owns interests in affordable housing projects	MN - 10/23/95	Eloigne	99.00%
Edenvale Family Housing LP	Owns interests in affordable housing projects	MN - 8/29/97	Eloigne	99.99%
Fairview Ridge LP	Owns interests in affordable housing projects	MN - 12/20/93	Eloigne	99.00%
Farmington Family Housing LP	Owns interests in affordable housing projects	MN - 2/16/99	Eloigne	99.99%
Farmington Townhome LP	Owns interests in affordable housing projects	MN - 2/15/98	Eloigne	99.99%
Hearstone Village LP	Owns interests in affordable housing projects	ND - 9/14/97	Eloigne	99.00%

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J&D 14-93 LP	Owns interests in affordable housing projects	MN - 1/3/94	Eloigne	99.00%
Jefferson Heights of Zumbrota LP	Owns interests in affordable housing projects	MN - 10/4/95	Eloigne	99.00%
Lauring Green LP	Owns interests in affordable housing projects	MN - 8/14/89	Eloigne	99.00%
Links Lane LP	Owns interests in affordable housing projects	MN - 8/11/93	Eloigne	99.00%
Lyndale Avenue Townhomes LP	Owns interests in affordable housing projects	MN - 5/6/99	Eloigne	99.99%
Mahtomedi Woodland LP	Owns interests in affordable housing projects	MN - 12/3/96	Eloigne	99.00%
Mankato Townhomes LLP	Owns interests in affordable housing projects	MN - 6/20/97	Eloigne	59.99%
Marvin Garden LP	Owns interests in affordable housing projects	MN - 4/1/94	Eloigne	99.00%
Moorhead Townhomes LP	Owns interests in affordable housing projects	MN - 9/8/99	Eloigne	99.99%
Park Rapids Townhomes LP	Owns interests in affordable housing projects	MN - 6/17/95	Eloigne	99.99%
Rochester Townhome LP	Owns interests in affordable housing projects	MN - 2/5/98	Eloigne	99.00%
Rushford Housing LP	Owns interests in affordable housing projects	MN - 3/27/96	Eloigne	99.99%
RWIC Credit Fund LP-1993	Owns interests in affordable housing projects	12/31/1992	Eloigne	99.00%
Safe Haven Homes LLC	Owns interests in affordable housing projects	DE - 1997	Eloigne	100.00%
Shade Tree Apartments LP	Owns interests in affordable housing projects	MN - 6/11/99	Eloigne	99.99%
Shakopee Boulder Ridge LP	Owns interests in affordable housing projects	MN - 10/20/98	Eloigne	99.99%
Shenandoah Woods LP	Owns interests in affordable housing projects	MN - 8/29/97	Eloigne	99.99%
Sioux Falls Partners LP	Owns interests in affordable housing projects	SD - 9/2/94	Eloigne	99.00%
St. Cloud Housing LP	Owns interests in affordable housing projects	MN - 1/13/03	Eloigne	99.99%
Tower Terrace LP	Owns interests in affordable housing projects	MN - 5/9/94	Eloigne	99.00%
Wyoming LP II	Owns interests in affordable housing projects	MN - 10/29/99	Eloigne	99.00%
Xcel Energy Wholesale Group Inc. (Xcel Energy Wholesale)**	Intermediate holding company for subsidiaries providing wholesale energy	MN - 2000	Xcel Energy Inc.	100.00%
Quixx Corporation (Quixx Corp.)**	Energy related projects	TX - 1985	Xcel Energy Wholesale	100.00%
Quixx Carolina Inc. (Quixx Carolina)**	Energy related projects	TX - 1995	Quixx Corp.	100.00%
Quixx Linden L.P.**	Energy related projects	DE - 1996	Quixx Corp.	43.18%
Quixxlin Corp. (Quixxlin)**	Energy related projects	DE - 1997	Quixx Corp.	100.00%
Xcel Energy WYCO Inc. (Xcel Energy WYCO)	Finance and holds 50% interest in WYCO Development LLC	CO - 1999	Xcel Energy Inc.	100.00%
WYCO Development LLC	Acquire, own and lease natural gas transportation facilities	CO - 1997	Xcel Energy WYCO	50.00%

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