

2021 MINNESOTA ELECTRIC RATE PROPOSALS

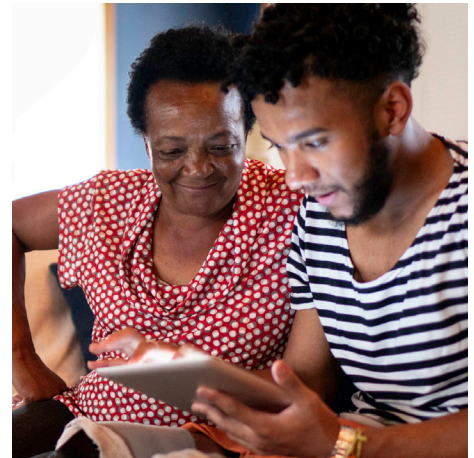
INFORMATION SHEET
MINNESOTA

TWO PROPOSALS TO KEEP BILLS LOW



At Xcel Energy, we work every day to provide the reliable energy that our customers depend on, delivering increasingly clean energy at an affordable price while supporting the communities we serve. We're helping customers through the challenges of COVID-19 by suspending residential service disconnections, helping with payment plans, donating to community organizations, and accelerating some projects to create jobs and drive economic recovery.

As part of our recent package of proposals to the Public Utilities Commission, we're offering a plan to avoid raising rates for customers in 2021, by extending the rate plan approved by the Commission last year. Or, the Commission may choose to pursue an alternate proposal, which would set new rates for the next three years. Under our alternative three-year plan, the average residential customer's electric bill would stay below the national average, and bills would stay flat over the decade between 2013 and 2023, when adjusted for inflation.



Avoiding rate increases for customers in 2021

We know this is a challenging economic time for many customers. That's why we've proposed plans to help create jobs, drive the state's economic recovery and provide extra help for customers in saving energy and money. As part of the proposals we made to the Public Utilities Commission earlier this year, we have proposed a plan to avoid raising rates for customers in 2021. That plan would extend several components of our current rate plan through 2021. Extending some of our existing rate mechanisms would allow us to continue our work to expand clean energy and ensure reliable service, while avoiding a request to increase rates for another year. The Commission approved a similar plan last year, which has led to benefits for our customers. In addition to avoiding rate increases in 2020, we expect residential customers to receive an average "true-up" credit on their bills of about \$3 per month, starting in April 2021.

Setting rates for the next three years

As an alternative, we proposed a three-year rate plan to the Commission, covering 2021 through 2023. This rate proposal supports investments to maintain and improve the reliability of the energy grid while delivering more clean energy to customers. We're making investments now for the long-term, as we make progress on our plan to reduce carbon emissions 80% by 2030 on our way to achieving our vision to provide 100% carbon-free electricity by 2050.

We are also making substantial and sustained investments maintain and replace power lines and poles over time to ensure service reliability and minimize outages. We will also invest in transmission and distribution lines to meet the evolving needs of our energy system. That includes bringing renewable energy to our customers from new wind farms and strengthening the reliability of the regional grid.

Keeping bills low

Throughout our clean energy transition over the last decade, our Minnesota residential customers' electric bills have been consistently below the national average; about 24% below the national average in 2019. We have kept bills low

by making investments in wind energy that lock in fuel savings for customers, by delivering energy efficiency programs that help customers use less energy, and through careful management of costs. Our proposed three-year rate plan means that the average residential customers' electric bill will be flat over the decade between 2013 and 2023, when adjusted for inflation.

If the Commission chooses to consider our alternative three-year rate proposal, average residential bills would remain below the national average. Under interim rates that would start in January 2021, average residential customer bills would increase about \$9.40 per month, as the Commission considers the full rate proposal. Under the full proposal, average monthly residential bills would increase about \$12 in 2021, \$1.20 in 2022 and \$0.50 in 2023. Typical small business customers could expect their monthly electricity bills to increase by about \$96 in 2021, \$28 in 2022 and \$14 in 2023.



We're here for you

Delivering for our customers around the clock, every day, is at the core of what we do. As the Commission considers our rate proposals for next year, we are committed to helping our customers, communities, and the state's economy through this difficult time. We will not disconnect residential electric customers in Minnesota until further notice, and we will always work with them to arrange a payment plan. To help customers avoid future disconnections, we proposed a Payment Plan Credit Program to encourage electric customers with high balances to set up payment arrangements with us to keep from falling further behind on their bills. We are also providing support to help businesses get back on their feet, and we've proposed to accelerate a number of energy projects that will drive economic recovery, creating thousands of jobs across the state.

Your Xcel Energy Bill

1	Usage _____ _____
2	Fuel _____ _____
3	Rate _____ _____

Three main components make up your electric bill, and we work with each of them to help keep your bill low.

- 1. Usage** is how much energy you use every month
- 2. Fuel** is the cost it takes to generate the energy you use
- 3. Rates** are set by Minnesota state regulators

Learn more

Our website, [xcelenergy.com](https://www.xcelenergy.com), provides more details and information on this proposal, plus tips for managing your energy bills.

Customers who anticipate or are having a difficult time paying their bill should call us at **800.895.4999**. We can arrange a payment plan that works for you, answer questions and provide information about energy efficiency and conservation tips, rebates, payment options and programs for those who qualify for energy assistance.

