



NEWS RELEASE

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Xcel Energy submits 2016 Colorado Electric Resource Plan

Plan addresses customer growth, potential new generation need for Colorado through 2023

DENVER –Xcel Energy filed the 2016 Electric Resource Plan (ERP) for its Colorado service territory today. The plan addresses the need for approximately 600 megawatts of additional power supplies through the year 2023.

Every four years, Public Service Co of Colorado, an Xcel Energy company, presents the Colorado Public Utilities Commission (CPUC) with an evaluation of future customer energy needs and a plan for how best to meet those needs. As part of the “Our Energy Future” initiative, the company is looking for a significant portion of the additional power supply in this ERP to be provided from renewable energy resources that are cost-effective for customers.

“We are seeking a forward-looking plan that contains flexibility; one that allows us to adapt to our customers demand for energy, changing economic and technology conditions, and environmental requirements over the next decade,” said David Eves, president, Xcel Energy - Colorado. “There is a real opportunity, at this point in time, to provide a ‘no regrets’ strategy to acquire increasingly cost-effective clean energy resources for customers through the addition of more renewable energy like wind and solar. Our proposal provides for the reliable power our customers expect, in an economic and increasingly clean manner. Additionally, the expected outcome will provide benefits to our state’s environment and economy.”

The plan, as noted, includes a forecast of customer demand for energy and begins the process to acquire the mix of generation resources that, in combination with the company’s recently proposed Rush Creek Wind Project, are best suited to meet that demand. It is anticipated that customer growth on Xcel Energy’s system in Colorado will continue at 1.4 percent annually, with approximately 126,000 new customers by year 2023.

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The company's plan does not specify a preferred portfolio of resources to be acquired, but instead provides a path and process forward (through 2023) that recognizes the transition from our current generation fleet to one that includes more distributed energy resources and customer choice along with increased levels of renewable energy resources.

The plan identifies that a competitive acquisition process will be used to acquire the needed power supplies and that all generation technologies, except coal-fired, will be considered. Public Service Co. is interested in participating in the ownership of generation resources that may be offered and/or selected in conjunction with that process.

Key aspects of the 2016 ERP include:

- **More Renewables:** The company believes that increased levels of renewable energy options are important to customers. Renewable generation on the Xcel Energy system already exceeds the minimum levels of the state Renewable Energy Standard. The addition of cost-effective renewables that take advantage of the recently extended Production Tax Credits (PTC) and Investment Tax Credits (ITC) can still provide significant savings in power supply costs for customers;
- **Customer Choice:** The plan recognizes and aligns with the increasing energy demands and preferences of our customers, and a transition from the current generation fleet to one that includes additional distributed energy resources, as well as greater customer participation in how their energy is produced;
- **Reliability and Environmental Considerations:** The plan will reliably meet the electric energy needs of our customers in a cost-effective manner. It also identifies a resource portfolio that positions the company to comply with any number of future regulatory landscapes, particularly with regard to air quality; and
- **Low Customer Costs:** The ERP outlines a plan to meet customers' needs for safe, reliable energy while balancing environmental responsibility, energy efficiency and cost.

If approved, the company anticipates the solicitation process for new generation to occur no earlier than July 2017.

Xcel Energy (NYSE: XEL) is a major U.S. electricity and natural gas company with regulated operations in eight Western and Midwestern states. Xcel Energy provides a comprehensive portfolio of energy-related products and services to 3.5 million electricity customers and 1.9 million natural gas customers through its regulated operating companies. Company headquarters are located in Minneapolis. More information is available at www.xcelenergy.com.

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