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## **Xcel Energy advances clean energy transition with new Upper Midwest Energy Plan**

*Company proposes extensions at its nuclear plants in Minnesota*

**MINNEAPOLIS** (February 1, 2024) – Xcel Energy today proposed a new clean energy plan for the Upper Midwest that advances the company’s ambitious carbon reductions while ensuring customers continue to have the reliable, safe and affordable electric service they depend on.

Under the proposal, carbon emissions reductions are expected to exceed 80% by 2030, potentially reaching up to 88%. This positions the company well to meet Minnesota’s new carbon-free standard for 2040 and continues on a path to achieving the clean energy goals of all Upper Midwest states it serves. The plan calls for extending the use of Xcel Energy’s two carbon-free nuclear plants while adding more wind and solar energy, battery energy storage systems, and always-available sources of electric generation capacity.

“This new proposal builds on our already-approved plans to retire all coal plants by 2030 and replace them with nation-leading amounts of renewable energy like wind and solar, as we transition to a clean, secure energy future,” said Ryan Long, president of Xcel Energy—Minnesota, South Dakota and North Dakota. “Our strategy will support renewables with always-available generation resources to ensure the reliability that our customers depend on.”

The plan will keep costs low for customers by unlocking \$5.7 billion in estimated tax credit savings from the Inflation Reduction Act for renewable generation and energy storage additions.

Xcel Energy’s Upper Midwest electric system serves Minnesota, Wisconsin, North Dakota, South Dakota and Michigan. Electric use in the region is expected to grow more significantly in the coming years, and this plan meets the needs of customers into the future.

### **All-of-the-above strategy**

To achieve these nation-leading carbon reductions, Xcel Energy proposes to:

- Add 3,600 megawatts of new wind and solar facilities by 2030.
- Extend the operation of the carbon-free Prairie Island and Monticello nuclear plants through the early 2050s.
- Add 600 megawatts of battery energy storage by 2030, taking advantage of expected advances in battery technologies.
- Add more than 2,200 megawatts of always-available resources by 2030 to back up renewables and supply power during peak demand on the hottest summer days and coldest winter nights. These new resources will only run when needed, meaning they’ll have very low emissions, in line with Xcel Energy’s long-term carbon goals.
- Build on the success of the company’s energy efficiency and demand response programs that help customers save energy and money while reducing energy use on the grid.

These proposed resources are in addition to projects that have already received approval from regulators. Xcel Energy was the first electric provider in the U.S. to set a vision to deliver 100% carbon-free

electricity. The elements of this integrated plan work together to achieve the company's goals: decreasing carbon, maintaining reliable service to customers, and keeping costs low.

### **Carbon-free nuclear**

As part of its plan, Xcel Energy is proposing to extend the operating life of its two Prairie Island Nuclear Generating Plant units by 20 years, to 2053 and 2054, and the [Monticello Nuclear Generating Plant](#) by 10 years, to 2050.

Nuclear power has been a key component of the company's generation fleet for more than 50 years. By continuing the operation of these plants, customers will benefit from the affordable, always-available, carbon-free electricity the plants generate.

Xcel Energy's nuclear plants account for approximately 30% of the company's total electric generation in the Upper Midwest. Maintaining these valuable resources is critical to ensuring that the company continues to make progress in reducing carbon emissions.

### **Focus on affordability, communities and employees**

As a national leader in wind energy and driving carbon reductions over the past 20 years, Xcel Energy has a successful track record of making progress while maintaining reliability, keeping customers' bills affordable, and working with communities and employees to manage the transition. Xcel Energy's proposal keeps costs low for customers, with an estimated average increase in customers' electric rates of less than 1% per year—less than half of the expected national average increase in electricity prices.

In addition to taking advantage of \$5.7 billion in federal tax credits, expanding low-cost renewables like wind and solar is projected to save customers money in the coming years, because wind and solar energy have no fuel costs. From 2017-2022, the company's wind farms saved customers about \$1.6 billion in the Upper Midwest through tax credits and avoided fuel costs.

As it retires coal plants, Xcel Energy is committed to a smooth transition for its employees, who have played a vital role in powering the region for decades. The company has closed or converted more than 20 coal units across the eight states it serves without layoffs and expects to accomplish this again at the [Sherco](#) and Allen S. King facilities in Minnesota between now and 2030. The company will work with employees, communities and stakeholders to ensure that anyone working at a retiring coal plant who wants a job with Xcel Energy will have one.

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### **About Xcel Energy**

Xcel Energy (NASDAQ: XEL) provides the energy that powers millions of homes and businesses across eight Western and Midwestern states. Headquartered in Minneapolis, the company is an industry leader in responsibly reducing carbon emissions and producing and delivering clean energy solutions from a variety of renewable sources at competitive prices. For more information, visit [xcelenergy.com](https://www.xcelenergy.com) or follow us on X, formerly known as [Twitter](#), and [Facebook](#).