

# Political Contributions



## Role of the Governance Compensation and Nominating Committee (GCN)

The GCN Committee conducts an annual review of the lobbying expenditures that are made and political contributions that are given under the Political Contributions, Lobbying and Government Communications Policy 3.8 (“Political Contributions Policy”). The GCN Committee then gives recommendations, if needed, to the full board if there is a required change to the process or policy.

## 2018 Campaign Contributions

Xcel Energy is compliant with reporting of all Political Action Committee (PAC) receipts and donations. Xcel Energy has six state PACs and one federal PAC. Each PAC has a governing board that is made up of employees, and each PAC is funded through voluntary contributions made by eligible employees.

- No corporate funds were given to individual political campaigns and no corporate funds were used for independent expenditures advocating for or against a candidate in 2018.
- In accordance with the Political Contributions Policy, Xcel Energy may contribute to ballot initiative campaigns. In 2018 one such contribution was made:
  - \$5,000 to “Save our Neighborhoods” – in opposition to State Ballot Initiative Amendment 74, “Compensation for Reduction in Fair Market Value by Government Law or Regulation.” This measure would have allowed property owners to sue local government for compensation for property value losses related to land use regulations (including utility infrastructure placement).

## 2018 Corporate Contributions to 527 Organizations

Xcel Energy may contribute to groups organized and operating under Section 527 of the Internal Revenue Code. Contributions to these groups can only be done through the approval process outlined in the Political Contributions Policy and are to be disclosed annually. The 2018 corporate contributions are detailed below.

Recipient	Contribution
Coloradans for Fairness	\$10,000
Democratic Governors Association	\$100,000
Democratic Legislative Campaign Committee	\$25,000
GOPAC	\$7,500
Our Colorado Values	\$10,000
Republican Governors Association	\$110,000
Republican Legislative Campaign Committee	\$25,000
Senate Majority Fund	\$5,000
Texas House Republican Caucus	\$2,500
Texas Legislative Study Group	\$1,000
Values First Colorado	\$5,000
<b>2018 Total</b>	<b>\$301,000</b>
2017 Total	\$250,000

## Key Takeaways

- Lobbying expenses were down in 2018 compared to 2017
- 527 group contributions increased marginally in 2018, reflecting election year activity

### Contributions to Trade Associations

Xcel Energy belongs to many trade associations, some of which engage in lobbying activities. For federal income tax purposes, these organizations are required to report the portion of our dues that are not tax exempt under §162(e) of the IRS code. The trade associations below have informed the Company that the following dollar amounts are not deductible.

The Political Contributions Policy requires Xcel Energy to publicly report the portion of dues paid to trade associations above a minimal amount that are not tax deductible because they were used by the association for lobbying. This report lags one year because the data for the most recent year are not available until spring.

### Xcel Energy's Trade Association Dues Subject to §162(e) (2017 data)

Recipient	Amount
American Benefits Council	\$4,800
American Gas Association	\$35,796
American Wind Energy Association	\$20,000
Association of Electric Companies of Texas	\$75,555
Colorado Concern	\$1,100
Colorado Oil And Gas Association (COGA)	\$1,447
Denver Metro Chamber of Commerce	\$3,400
Eau Claire Area Chamber of Commerce	\$199
Edison Electric Institute	\$279,493
Fort Collins Area Chamber of Commerce	\$120
Greater North Dakota Chamber of Commerce	\$1,125
Metro North Chamber of Commerce	\$488
Michigan Chamber of Commerce	\$122
Minneapolis Downtown Council	\$1,170
Minneapolis Regional Chamber of Commerce	\$1,500
Minnesota Business Partnership	\$35,462
Minnesota Center for Fiscal Excellence	\$1,280
Minnesota Chamber of Commerce	\$27,500
Minnesota Employment Law Council	\$1,200
Minnesota High Tech Association	\$1,200
Minnesota Resource Recovery Association	\$3,308
Minnesota Utility Investors	\$92,050
Minot Area Chamber of Commerce	\$281
National Petroleum Council	\$447
North American Electric Reliability Corporation	\$997
Nuclear Energy Institute	\$25,732
Saint Paul Area Chamber of Commerce	\$9,000
Sioux Falls Area Chamber Of Commerce	\$216
South Dakota Electric Utility Companies	\$30,514
Wisconsin Utility Association	\$6,270
Wisconsin Utility Investors Inc	\$656
<b>2017 Total Trade Association Dues</b>	<b>\$662,428</b>
2016 Total Trade Association Dues	\$693,318

Xcel Energy may contribute to organizations organized under 501(c)(4) of the Internal Revenue Code. To the extent that those contributions are not already included in the trade association list above, we make a good faith effort to identify and disclose any contributions of \$25,000 or more to such organizations that primarily engage in political activities. In 2017, there were no such contributions.

### Lobbying Activity and Expenditures

Xcel Energy has a responsibility to participate in the formation of sound public policies to protect the interests of the company, and our customers, shareholders, and employees. We engage with policymakers and regulators at all levels on a wide range of matters, including economic development, tax policy, energy policy and more.

Disclosure requirements vary widely by jurisdiction. The table below uses publicly disclosed figures that follow the requirements or definitions of lobbying activity in a given jurisdiction (where applicable). Due to the differing standards between the states and at the federal level, some activities may be considered lobbying activities for disclosure purposes in one jurisdiction but not another.

Decreased lobbying expenditures for 2018 may be reflective of less legislative activity in certain jurisdictions (for example, North Dakota did not have a legislative session in 2018). Major public policy issues in 2018 included the company's ongoing fleet transition across multiple jurisdictions, economic development in our service territory, customer and community renewable energy programs, and the implementation of federal tax reform at both the state and federal levels.

Annual Minnesota disclosure filings are due to the Minnesota Campaign Finance and Public Disclosure Board in March. In previous iterations of this report, the Minnesota figures have lagged by one year due to the official filing with the state coming after this report is published. In order to align the Minnesota figures with the reporting period used for the rest of the jurisdictions, this report now includes an estimated figure for Minnesota legislative lobbying expenses in 2018. This figure will be finalized in the upcoming filing with the Minnesota Campaign Finance and Public Disclosure Board.

### Lobbying Expenditures

Jurisdiction	2018	2017	Definitions Uses/Reporting Entity
Federal	\$1,680,000	\$1,910,000	Federal Lobbying Disclosure Act
Colorado	\$360,057	\$370,113	Colorado Secretary of State
Minnesota	\$489,070*	\$540,734	Minnesota Campaign Finance and Public Disclosure Board (Legislative Only)
New Mexico	\$25,099	\$58,335	New Mexico Lobbying Actuals
North Dakota	\$0	\$50,000	North Dakota Lobbying Actuals
South Dakota	\$0	\$45,000	South Dakota Lobbying Actuals
Texas	\$246,381	\$259,516	Texas Lobbying Actuals
Wisconsin	\$165,540	\$167,742	Wisconsin Ethics Commission
<b>Total Expenditures</b>	<b>\$2,966,147</b>	<b>\$3,401,440</b>	

*\*In order to provide 2018 data for this report, we are disclosing estimated legislative, non-regulatory expenses. The full report to the Minnesota Finance and Public Disclosure Board for 2018 is due later this spring. That report will include regulatory expenses in addition to the legislative expenses indicated here. In 2017, regulatory expenses under the Minnesota standard totaled \$531,037. More information, including filed reports, is available at [www.cfb.mn.gov](http://www.cfb.mn.gov).*