

XCEL CORPORATE ESCALATION FACTORS, Trend Forecast

YEAR	LABOR		NON-LABOR		Total based on weights		Total 1990 = 1.00	
	Index	% Change	Index	% Change	Index	% Change	Index	% Change
2000	0.8288		1.3803		1.1597		1.2209	
2001	0.8625	4.07%	1.4071	1.94%	1.1893	2.55%	1.2520	2.55%
2002	0.8928	3.51%	1.3888	-1.30%	1.1904	0.09%	1.2532	0.10%
2003	0.9265	3.77%	1.4330	3.18%	1.2304	3.36%	1.2953	3.36%
2004	0.9618	3.81%	1.4852	3.64%	1.2758	3.69%	1.3431	3.69%
2005	0.9918	3.12%	1.5577	4.88%	1.3313	4.35%	1.4015	4.35%
2006	1.0205	2.89%	1.6035	2.94%	1.3703	2.93%	1.4426	2.93%
2007	1.0520	3.09%	1.6661	3.90%	1.4205	3.66%	1.4954	3.66%
2008	1.0823	2.88%	1.7726	6.39%	1.4965	5.35%	1.5754	5.35%
2009	1.0980	1.45%	1.7278	-2.53%	1.4759	-1.38%	1.5537	-1.38%
2010	1.1188	1.89%	1.8004	4.20%	1.5278	3.52%	1.6084	3.52%
2011	1.1430	2.16%	1.9080	5.98%	1.6020	4.86%	1.6865	4.86%
2012	1.1653	1.95%	1.9450	1.94%	1.6331	1.94%	1.7192	1.94%
2013	1.1875	1.91%	1.9692	1.24%	1.6565	1.43%	1.7439	1.44%
2014	1.2163	2.43%	1.9804	0.57%	1.6748	1.10%	1.7631	1.10%
2015	1.2480	2.61%	1.9979	0.88%	1.6979	1.38%	1.7875	1.38%
2016	1.2842	2.90%	2.0311	1.66%	1.7323	2.03%	1.8237	2.03%
2017	1.3220	2.94%	2.0536	1.11%	1.7610	1.66%	1.8539	1.66%
2018	1.3610	2.95%	2.0776	1.17%	1.7909	1.70%	1.8854	1.70%
2019	1.4009	2.93%	2.1087	1.50%	1.8256	1.94%	1.9219	1.94%
2020	1.4425	2.97%	2.1481	1.87%	1.8659	2.21%	1.9643	2.21%
2021	1.4853	2.97%	2.1872	1.82%	1.9064	2.17%	2.0069	2.17%
2022	1.5291	2.95%	2.2169	1.36%	1.9418	1.86%	2.0442	1.86%
2023	1.5743	2.96%	2.2464	1.33%	1.9776	1.84%	2.0819	1.84%
2024	1.6195	2.87%	2.2819	1.58%	2.0169	1.99%	2.1233	1.99%
2025	1.6662	2.88%	2.3182	1.59%	2.0574	2.01%	2.1659	2.01%
2026	1.7145	2.90%	2.3574	1.69%	2.1002	2.08%	2.2110	2.08%
2027	1.7641	2.89%	2.3973	1.69%	2.1440	2.09%	2.2571	2.09%
2028	1.8153	2.90%	2.4303	1.38%	2.1843	1.88%	2.2995	1.88%
2029	1.8677	2.89%	2.4657	1.46%	2.2265	1.93%	2.3439	1.93%
2030	1.9213	2.87%	2.5029	1.51%	2.2702	1.96%	2.3899	1.96%
2031	1.9774	2.92%	2.5439	1.64%	2.3173	2.07%	2.4395	2.08%
2032	2.0348	2.90%	2.5836	1.56%	2.3641	2.02%	2.4888	2.02%
2033	2.0945	2.93%	2.6294	1.77%	2.4154	2.17%	2.5428	2.17%
2034	2.1559	2.93%	2.6791	1.89%	2.4698	2.25%	2.6001	2.25%
2035	2.2188	2.92%	2.7213	1.58%	2.5203	2.04%	2.6532	2.04%
2036	2.2837	2.93%	2.7674	1.69%	2.5739	2.13%	2.7097	2.13%
2037	2.3505	2.93%	2.8162	1.76%	2.6299	2.18%	2.7686	2.17%
2038	2.4193	2.93%	2.8650	1.73%	2.6867	2.16%	2.8284	2.16%
2039	2.4901	2.93%	2.9145	1.73%	2.7447	2.16%	2.8895	2.16%
2040	2.5631	2.93%	2.9647	1.72%	2.8041	2.16%	2.9520	2.16%
2041	2.6378	2.91%	3.0161	1.73%	2.8648	2.16%	3.0159	2.16%
2042	2.7141	2.89%	3.0682	1.73%	2.9265	2.15%	3.0809	2.16%
2043	2.7927	2.90%	3.1216	1.74%	2.9901	2.17%	3.1478	2.17%

Note:

Forecast on Global Insight employment cost and producer price U.S.

Long Term Forecast from September 2013.

Labor weighted at 40%, non-labor weighted at 60%

## JDE O&M OBJECT ACCOUNTS

This list is not inclusive and omits some object accounts used exclusively by small groups as well as IT object accounts used exclusively by Business Systems.

### O&M Object

<u>Account</u>	<u>JDE Description</u>
711142	<b>Productive Labor</b> Entries into timekeeping systems (Passport, Maximo, PTRS, TIME) for labor hours worked by company employees
711143	<b>Reg Labor Loading-Non Productive</b> System-generated loading as a percentage of Productive Labor to cover labor cost associated with earned PTO, holidays, personal floating holidays, and other paid time off. When employees use their earned PTO, the hours are paid from the liability account
711150	<b>Premium Time</b> Operating company employee's pay over base pay and overtime pay for such things as working evening or night shifts, weekends and on-call
711190	<b>Overtime</b> Non-exempt (hourly) employee overtime hours entered into timekeeping systems per company policy
711230	<b>Incentive</b> Business area specific incentives in addition to or different from executive officer or corporate incentive plan programs
711270	<b>Other Compensation</b> Used by the payroll and compensation groups to post employee payments in excess of salaries such as bonuses in excess of the corporate incentive plan, hiring bonuses or severances
712110	<b>Contract Labor</b> Work performed by non-employees who are engaged in short-term (less than a year) work that is supervised by a company employee, including temporary labor payable to a third party that replaces company labor for routine daily activities
713000	<b>Consulting/Professional Services - Other</b> Payments made to non-employee professional consultants or consulting organizations providing knowledge-based expertise, such as engineering or management services for a specific project
713050	<b>Contract Long Term Outside Vendor</b> Work performed by non-employees who are engaged in long-term (more than a year) special purpose work such as tree trimming, meter reading, and construction crews
713055	<b>Outside Services-Customer Care</b> Expenses paid to outside vendors for customer account expenses, such as customer surveys, satellite payments, outage notifications, or real time pricing. Note: Object is to be used with JDE Business Unit or Subledger Business Unit that is assigned a Reg
713100	<b>Consulting/Professional Services-Legal</b> Fees and expenses of legal consultants or attorneys who are not employees of the company, and expenses for other legal professional services
713150	<b>Consulting/Professional Services - Accounting</b> Payments made to non-employee professional consultants or consulting organizations providing knowledge-based accounting or finance expertise such as auditing services, tax consultants, and accounting consultants working on specific projects
713200	<b>CIP-Evaluation Expenses</b> Evaluation costs for the Conservation Improvement Program (CIP), market, process or impact
714000	<b>Materials</b> Non-office supplies such as first aid items Kitchen supplies including paper products, plastic ware, coffee, tea and water Subscriptions, books and reference materials received by hard copies (newspapers, periodicals) Office furniture and purchased equipment below the capital threshold Construction items (nuts, bolts, washers, sheet metal, tubing, gaskets, etc.) and tools below the capital threshold Gasoline, fuels or special gases used for equipment at company sites or construction sites
714100	<b>Print/Copy Other</b> Printing and duplication services (documents, forms, printed letterhead and envelopes, etc.)
714200	<b>Print/Copy-SEC Filings</b> Printing and duplication services required for Securities and Exchange Commission (SEC) filings and company annual reports
714300	<b>Legal-Other</b> Used by the Legal Services Department for expenses not related to legal professional services, such as payments for expert witnesses or court reporters
714500	<b>Equipment Maintenance</b>



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### O&M Object Account

### JDE Description

	Maintenance for office machines, such as copier and fax machines
	Other equipment maintenance for production, transmission or distribution activities
<b>714501</b>	<b>Equipment Maintenance-Customer Care</b>
	Maintenance for equipment used in customer care, such as maintenance for mail and encoding machines and automated meter reading equipment
<b>715600</b>	<b>Personal Communication Devices</b>
	Cell phones, personal digital assistants (PDAs), iPads, smartphones and pagers, including equipment, usage charges and accessories (batteries, cases, chargers, earphones, etc.)
<b>721005</b>	<b>EE Exp Airfare</b>
	Business travel airfare including travel agency service fees
<b>721010</b>	<b>EE Exp Car Rental</b>
	Car rental for business travel including gas purchased for rental cars
<b>721015</b>	<b>EE Exp Taxi/Bus</b>
	Bus fare, taxis, light rail and similar modes of transportation for business travel
<b>721020</b>	<b>EE Exp Mileage</b>
	Mileage expenses for employee's personal automobile travel for company business
<b>721025</b>	<b>EE Exp Conf/Semnrns/Trng</b>
	Registration costs for employees to attend conferences, seminars and training sessions
<b>721030</b>	<b>EE Exp Hotel</b>
	Overnight stays for business travel at hotels, motels or inns
<b>721035</b>	<b>EE Exp Meals/Ent - EE Exp's</b>
	Employee meals and beverages (includes beverages with alcohol) while traveling out of town for business
	Business meals and beverages where only employees are in attendance, including catered meals
<b>721040</b>	<b>EE Exp Meals/Ent-Incl.Non-EE's</b>
	Meals where non-employees or a combination of employees and non employees are in attendance, including catered meals
<b>721045</b>	<b>EE Exp Parking</b>
	Parking fees for a company or personal vehicle related to business travel
	Pre-approved monthly parking fees and unusual circumstance parking, such as for evening or weekend work
<b>721050</b>	<b>EE Exp Per Diem</b>
	Union employee per diem requirements
<b>721055</b>	<b>EE Exp Safety Equip</b>
	Employee safety equipment such as footwear, glasses and fire retardant clothing
<b>721060</b>	<b>EE Exp Other</b>
	Hotel telephone charges
	Tips for services provided to employees
	Tolls paid as part of business travel
	Facility rentals for off-site meetings and events
	Employee relocation expenses (authorized moving expenses for new or transferring employees)
	Employee expenses not identified elsewhere
<b>721500</b>	<b>Office Supplies</b>
	Supplies for the office such as writing and paper products, fasteners, calendars, tape, binders
	Computer accessories such as wrist pads, mouse, monitor risers
	Toner cartridges, calculators, desk cleaning supplies, phone headsets, desktop organizers and dispensers
<b>721700</b>	<b>Workforce Admin Expense</b>
	Items in support of workforce administration, including physicals, drug tests, face masks, flu mitigation and employee surveys budgeted by executives
<b>721750</b>	<b>Xpress Ideas</b>
	Xpress Ideas rewards
<b>721800</b>	<b>Safety/Recognition</b>
	Gifts or gift cards given to employees for safety recognition
<b>721810</b>	<b>Life Events</b>
	Gifts for life events, such as flowers for a birth, funeral or hospitalization
<b>721850</b>	<b>Employee Performance Recognition</b>
	Recognizing employees using the "Power of Recognition" website which includes Premiere Choice gift cards, items from Above and Beyond on-line catalogue, company store recognition. Recognition meals would include employee going above and beyond their regular work, extra projects or exemplary performance reviews. These expenses post to a centralized budget.

## JDE O&M OBJECT ACCOUNTS

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### O&M Object

<u>Account</u>	<u>JDE Description</u>
721851	<b>Non-recoverable Recognition</b> Includes holiday parties and year-end recognition. These expenses post to a centralized budget.
722000	<b>Transportation Fleet Cost</b> Charges for use of company-owned or leased vehicles
723021	<b>Routine Janitorial</b> Janitorial services for company owned or leased facilities
723027	<b>General Interior/Exterior Maintenance</b> Company facility general maintenance, such as painting and exterior façade repair
723031	<b>Electric Use Costs</b> Electric utility costs for company facilities
723032	<b>Gas Use Costs</b> Natural gas utility costs for company facilities
723033	<b>Lawn Care Maintenance Costs</b> Lawn care work at company facilities
723034	<b>Sewer Maintenance Costs</b> Costs to maintain sewer systems at company facilities
723035	<b>Snow Removal Costs</b> Snow removal costs at company facilities
723036	<b>Trash Removal Costs</b> Sanitation services for trash removal, portable toilets, land fill charges and waste disposal
723037	<b>Water Use Costs</b> Water and sewer utility costs for company facilities and separate from maintenance of sewer systems costs to object 723034
723040	<b>Facilities moves/adds/changes</b> Facilities costs such as moving employees to a different workstation or for changing office or cubicle configurations (other than IT costs for moving phones and computers)
723055	<b>Energy</b> Commodity bad debt, uncollectible accounts
723060	<b>Non-Energy</b> Non-commodity bad debt, uncollectible accounts
723110	<b>Space</b> Office rent, facility rental and costs for office space
723130	<b>Equipment Rental</b> Costs for leasing equipment from another company, including construction equipment; copiers, fax machines or other office equipment; and equipment for business meetings
723144	<b>Equipment Rental-Customer Care</b> Lease payments for office equipment (such as copiers and fax machines) supporting Customer Care functions
723300	<b>Lease Costs</b> Lease payments for facilities used by company
723400	<b>Postage</b> Mailing, shipping and freight costs, including postage, postage meter charges and payments to Federal Express, UPS, and the US Postal Service. Does not include postage costs related to dividend checks and notices.
723480	<b>Injuries &amp; Damages</b> Legal settlements not covered by insurance
723510	<b>Property Insurance</b> Insurance to cover accidental (fire, explosion, etc.) losses to vital company assets
723520	<b>General Liability Insurance</b> Insurance to cover injury and property damage to a third party caused by the Insured's negligence
723530	<b>Excess Liability Insurance</b> Insurance that covers losses above General Liability and Auto Liability
723535	<b>Auto Liability/Physical Damages</b> Insurance to cover losses caused by the Companies' motor vehicle fleet to others' property, person or vehicles
723540	<b>Directors and Officers Insurance</b> Insurance for protection of our officers and directors from legal action
723545	<b>Fiduciary Insurance</b>



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<u>O&amp;M Object Account</u>	<u>JDE Description</u>
	Fiduciary insurance covering those with responsibility for Xcel Energy's 401Ks, retirement plans, etc.
<b>723550</b>	<b>Other Insurance</b>
	Insurance for various smaller lines of business
<b>723572</b>	<b>Nuclear Property Insurance</b>
	Insurance to protect Xcel Energy's nuclear power plants
<b>723574</b>	<b>Nuclear Interrupt Insurance</b>
	Insurance to provide income in the event of prolonged outage at an Xcel Energy nuclear plant
<b>723576</b>	<b>Nuclear Liability Insurance</b>
	Insurance to cover losses that may occur from claims resulting in a nuclear hazard
<b>723577</b>	<b>Nuclear Liability ICRP</b>
	Industry Credit Rating Plan premium returns to nuclear liability insurance due to lack of claims
<b>723578</b>	<b>NEIL Surplus Insurance</b>
	Insurance premium returns from Nuclear Electric Insurance Limited due to investment returns and low loss experience
<b>723710</b>	<b>Brand/Image Advertising (Non-Recoverable)</b>
	Television, print, radio and outdoor brand and image advertising. Messages may include reliability, environmental and community.
<b>723720</b>	<b>Advertising - General</b>
	Non-specific advertising, including position postings and brand jurisdictional and chamber advertising
<b>723725</b>	<b>Brand Sponsorship (Non-Recoverable)</b>
	Sponsorships such as for sports teams (Xcel Energy Center and related activations, MN Wild, etc.)
<b>723730</b>	<b>Conservation DSM Advertising</b>
	Conservation Demand Side Management advertising
<b>723735</b>	<b>Conservation OM Advertising</b>
	Recoverable conservation advertising
<b>723740</b>	<b>Conservation DSM Communication (Demand Side Management)</b>
	Conservation and Demand Side Management promotion including all printed media such as bill inserts, billboards, flyers, direct mail, newspaper ads, or other printed material not considered advertising
<b>723745</b>	<b>Conservation OM Communication</b>
	Conservation recoverable communications - conservation promotion including printed media such as bill inserts
<b>723750</b>	<b>Customer Program Advertising</b>
	Customer program advertising including TV, radio, print advertising, outdoor billboards, interactive advertising or any other form of mass market advertising. Home Smart charges include specific subsidiary codes.
<b>723760</b>	<b>Customer Program Promotion</b>
	Customer program promotions including printed media such as billboards, flyers, newspaper ads and printed materials not considered advertising, excluding DSM and conservation program charges
<b>723765</b>	<b>Customer Program-Non-Recoverable</b>
	Customer program non-recoverable communications similar to 723760, but for non-recoverable costs such as general company information
<b>723770</b>	<b>Safety Advertising</b>
	Television, print, radio and outdoor safety advertising
<b>723775</b>	<b>Safety Information</b>
	Bill inserts, direct mail, brochures, sales collateral, brochures, invitations, booth signage, trinkets, etc. providing safety information
<b>723780</b>	<b>Mandated Regulatory Notices (Recoverable)</b>
	Includes mandated commission/regulatory display ads and/or classified ads in newspapers and legal notices
<b>723785</b>	<b>Mandated Inserts/Communication (Recoverable)</b>
	Commission or regulatory mandated bill inserts, direct mail, and brochures
<b>723790</b>	<b>Mandated/Regulated Promotion</b>
	Commission or regulatory mandated promotional items, such as bill inserts, sales collateral, invitations booth signage
<b>723810</b>	<b>Professional Association Dues</b>
	Employee memberships in professional associations, clubs or societies, including accounting, bar, notary or engineering associations. Includes employee professional licenses.
<b>723820</b>	<b>Utility Association Dues</b>
	Corporate memberships and contributions for convention and industry meetings not specific to just electric or gas