

# Cherokee Pipeline

Despite unplanned issues,  
new line ready to roll



# XTRA

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## On the Cover

Pictured viewing construction progress on the Cherokee Pipeline project are Kent Larson, executive vice president and group president of Operations, and Cheryl Campbell, senior vice president of Gas Operations.





## Taking it on the road

(Editor's Note: Ben Fowke, chairman, president and CEO, periodically writes a blog on XpressNet, as well as other articles and communications. *Xtra* will feature Fowke's comments on a recurring basis to share his thoughts with a wider audience.)

**We had a great trip to Sioux Falls recently for our annual meeting. Part of the reason for taking the annual meeting on the road is that it gives us a chance to connect with more of our employees and shareholders, as well as policymakers and business and community leaders.**

I came back from this year's meeting in South Dakota with a lot of good impressions:

- Our employees are dedicated to their jobs and asked good questions at our meeting.
- Sioux Falls is thriving, with a lot of people who care about its growth and development.
- Business and community leaders consistently told me that they rely on Xcel Energy and appreciate the fact that we're not only there for them in emergencies, but also in the ongoing effort to build a stronger Sioux Falls.

As you can imagine, it's rewarding to hear people praise Xcel Energy. I was glad to have the opportunity

to meet more of our shareholders, including one who came all the way from Baltimore, my hometown. I also had a chance to meet with South Dakota Gov. Dennis Daugaard, who was especially gracious.

The annual meeting itself went off without a hitch, and we were honored to be welcomed to the city by Mayor Mike Huether, who was good enough to stop by.

Other community leaders who took the opportunity to say a few words included Jeff Eckhoff, a member of our South Dakota Advisory Board, Tony Burke of the American Red Cross, and Slater Barr, president of the Sioux Falls Development Foundation.

I'd like to wrap up by thanking everyone involved. It's no small task to plan and execute the annual meeting – let alone take it on the road. I appreciate all of your good work.

Finally, I'd like to give a special shout out to our own Jim Wilcox, who leads the management team in South Dakota. He worked hard to help us make all of those connections.

At least one person referred to Jim as "Mr. South Dakota," and he certainly made our trip to his state a memorable and successful one. Thanks, Jim! ←



# Annual Meeting

## Sioux Falls the focus of 2015 gathering of shareholders



**Xcel Energy's "Annual Meeting on the Road" tour made its 2015 stop on May 20 in Sioux Falls, S.D. – the fastest growing city in the NSP-Minnesota territory and a community served by the company for more than 100 years.**

"Our success is truly tied to our communities, and that's why we love to take this annual meeting on the road," said Ben Fowke, chairman, president and CEO, in opening the annual meeting. "We get to visit important places like Sioux Falls and meet shareholders we haven't met before."

"We also use the opportunity to participate in community events, talk with policymakers and connect with our customers. It reinvigorates us, highlights the importance of the work we do and reminds us that we've always felt honored to serve Sioux Falls."

The company hosted a reception at the city's Falls Overlook Café during the visit, which is also the site of a hydroelectric plant built in 1905. Sioux Falls also is the place where NSP built its first nuclear power plant back in the late 1950s. Today, the company's Angus Anson natural gas plant is located on the same site.

"So we have deep roots in the area and a rich history," Fowke said. "But I think you'll find that our future together is even more exciting."

The company is investing more than \$200 million in South Dakota through the end of this decade in projects to strengthen the electric system, he said, and that's on top of more than \$300 million it has invested in the state since the year 2000.

"South Dakota's important to us, and we're looking forward to serving it for many, many more years to come," Fowke said.

In reviewing the past year, Fowke started with financial and operational results, noting that 2014 was an excellent year. The company grew earnings by 4 percent, increased its dividend by 7 percent, and delivered a total shareholder return of 33.5 percent.

"Year after year, we've met or exceeded our financial targets, and we expect nothing less in 2015," Fowke said. "In fact, our financial performance is a big part of the reason that Forbes Magazine recently listed us among the top 100 most-trustworthy companies in America."

The company's operating performance was equally impressive, he added. Xcel Energy had its best year ever for employees' safety – with injuries down 21 percent. As well, reliability results were strong and customer satisfaction was an outstanding 94 percent.

The company also has been proactive in reducing carbon emissions. Xcel Energy already has reduced carbon-dioxide emissions by 20 percent and is on track to reduce that number by more than 30 percent by 2020. That's important, he added, because it puts the company in a stronger position as the U.S. Environmental Protection Agency prepares to finalize new rules around carbon-dioxide emissions.

Along those lines, Fowke said things are changing in the energy business, and that the company has a comprehensive plan to keep it strong and competitive as the energy landscape continues to evolve. That plan involves the company's four





strategic pillars – an approach that starts with improving the performance of its operating utilities.

"We're focused, in particular, on earning our return on equity," he said. "Our regulators give us an authorized return, and we want to get closer to earning it. One of the best ways to get there is through longer-term regulatory agreements, as long-term agreements provide greater certainty for customers and for us."

The second element is to continue to achieve operational excellence.

"We'll get there by adopting new technologies to increase productivity and by driving a corporate culture change to think and act more competitively than we ever have before," Fowke said. "Both are important, as many of our long-term employees begin to retire."

A third component of the four-pillar plan is about customers, he said, as their needs are changing.

"They want choices, convenience and new ways to communicate with us," Fowke said. "We want to make sure we have the solutions and options they want and need, because we fully understand that if we don't deliver, someone else will."

Finally, the company is looking at growth opportunities and already has identified capital opportunities that will grow the business by 4.7 percent over the next five years. Beyond that, the company has formed three independent transmission companies that will enable it to compete in the competitive transmission market.

In terms of another growth opportunity, Xcel Energy has plenty of expertise in the natural gas business. Because of that

experience, it's in a strong position to move upstream and own more pipelines than it does today, he said.

"We will build on the natural momentum we've already identified and look for incremental ways to grow the company," Fowke said. "So our plan is in place and it's working well, but our path forward also relies on strong communities."

To that end, the company supports the communities it serves with employee volunteers, funding from the Xcel Energy Foundation and an impressive United Way campaign, he said. In 2014, the Xcel Energy Foundation contributed more than \$3.4 million to promote workforce development, education, environmental stewardship and access to the arts.

"Our annual United Way campaign also raised more than \$5.2 million to benefit the communities we serve, and we're grateful for some outstanding community partners right here, including the Red Cross of the Dakotas," Fowke said. "Yesterday, we presented them with a \$20,000 donation. They do wonderful work, and we're proud to support them."

Finally, the company's success depends on its employees, he said, who have embraced the four-pillar strategic plan for the future.

"They come to work every day ready to serve our customers, and they understand the work they do is important to the quality of people's lives and the strength of the community," he said. "A pledge to all of our employees is to provide them a safe and welcoming workplace, and to ensure that their compensation and benefits are fair. I think we have the best employees in the business." ←

# JOB-SITE READINESS

## EFFORT HELPS IMPROVE EFFICIENCY OF FIELD CREWS

**It's difficult, frustrating and sometimes impossible for an Xcel Energy crew to start work if they arrive at their job site and everything is not ready to go.**

Last year, a Distribution Way employee team in Electric Construction – looking at possible ways to improve the efficiency of field crews – sent out a survey to all crew foremen throughout the service territory. The team wanted feedback on the most important elements of both getting to a job site, and then getting the job under way.

The team received more than 600 responses and divided the replies into four categories: job-site readiness, fleet issues, paperwork redundancy and access to needed materials. Quickly, they determined that job-site readiness encompassed the “low-hanging fruit” – the easiest category to improve.

“We have quite a list to choose from moving forward – anything from truck breakdowns to engineering problems to the job site not being ready,” said Scott Hindman, Field Operations supervisor out of Hereford, Texas. “In terms of job-site readiness, the customer may not be ready, debris may be in the way, locates may not be done or stakes may be missing, etc.”

Any number of things can hold up work, he said, and some delays are going to happen.

“The big item that we realized could have a significant impact on improving our Electric Construction crew efficiency were delays to jobs being able to start on time,” said Steve Schapekahm, director of Design and Construction out of Faribault, Minn. “Some of the delays are caused by customers not being prepared to start the work, others due to not having the right permitting ready.

“There also are delays due to materials not being available as expected,” he added, “and sometimes other utilities aren’t yet finished with their work when our crews show up to start working.”

Understandably, Xcel Energy can’t easily push customers to be fully ready, all materials to be onsite, or pressure other utilities to finish their work on a job. But the company certainly can help avoid wasted time by knowing about these potential problems before an Electric Construction team shows up expecting to work.

To tackle the problem, the team came up with a “Site Ready Form” and used it in a pilot program last fall to help determine if job sites are ready. For example, the form helps ensure that needed tree trimming has been done and that any obstructions present – such as dumpsters, lumber, dirt piles, snow or other impediments – have been removed.

“One of our Amarillo supervisors took one of our more experienced foremen and assigned him the task of going ahead of the crews, looking at the job site and determining if it was ready or not,” Hindman said of the initial work on the process change. “He used the Site Ready Form, attached it to the job packet and returned it to the supervisor.

“The supervisor then would only give out the job packets that were ready for the crews,” he added. “This has proven very beneficial and has saved numerous trips by crews who used to travel only to find out that the work could not be performed.”

**Site Ready Form**

Date: \_\_\_\_\_  
 Address: \_\_\_\_\_  
 Work Order: \_\_\_\_\_  
 Designer: \_\_\_\_\_

☐ Site Ready ☐ Site Not Ready

☐ Tree Trimming Needed  
☐ Traffic control needed  
☐ ROW permit  
☐ Burners needed  
☐ Locates needed  
☐ Job staked  
☐ Lot not within 4-6 inches of final grade  
☐ Pad site not ready / pipes not installed  
☐ Foundation not installed  
☐ Foundation not backfilled  
☐ Pole location flagged  
☐ Cable route not clear  
☐ No electric meter / CT's  
☐ Road crossings installed  
☐ Curb and gutter installed  
☐ Secondary conduits installed  
☐ Equipment Staged

Type of obstruction:

☐ Dumpster  
☐ Lumber  
☐ Dirt piles  
☐ Snow  
☐ Other (explain): \_\_\_\_\_



Initially, the team found that between 25 and 50 percent of the time, a job site was not ready. Now, while the company is still finding that a job site is not ready about 25 percent of the time, crews are not being sent until it is ready.

Not surprisingly, the Distribution Way team has been getting plenty of positive feedback from crews in the field, saying it's a big relief to show up and get to work right away, without having to deal with a lot of obstacles, setbacks or delays.

"It's been a huge advantage to have someone head out with a checklist first to get a visual of the actual job site before we send our crews out," Schapekahm said. "Sometimes everything isn't in place at a site, but with advance knowledge, we can often at least start some of the work while waiting on the missing pieces.

"If there's a delay due to the customer, for example, we can get in touch with them while part of the job is getting done," he added. "The key is being proactive and getting as much information about the readiness of a job site before dispatching our crews."

**“It’s been a huge advantage to have someone head out with a checklist first to get a visual of the actual job site before we send our crews out .**

In the next few months, all of the information gathered during the Electric Construction team's survey will be compiled, analyzed and shared with other Xcel Energy operating areas. The team has also started gathering information about which type of delays are the most frequent, and is now identifying specific delay issues and determining the best ways to take corrective action.

Schapekahm noted that the involvement of field crews in the efficiency improvement process has been key.

"Their input was invaluable," he said. "And it's good to be in partnership with them – working to improve things. Their perspectives and buy-in has been great, and has proven very helpful in meeting our goals."

This effort and others are part of the "Distribution Way" program – the business area's commitment to operational excellence through best practices, continuous improvement and a common operating model. The Distribution Way aligns with the company's Strategic Call to Action through its overall drive toward operational excellence. ←

## FAA approves company's request to use unmanned aircraft for energy inspections

The Federal Aviation Administration recently approved Xcel Energy's request to commercially operate small unmanned aircraft systems, or drones. Xcel Energy sought the approval so it can inspect its critical energy infrastructure.

The company inspects more than 320,000 miles of electricity and natural gas infrastructure to ensure the safety and reliability of its energy system. Now with FAA approval, Xcel Energy will be able to more efficiently, effectively and safely monitor its systems using drone technology.

Xcel Energy will use drones to visually inspect electricity transmission and distribution lines, power plants, renew-

able energy facilities, substations, and natural gas transmission and distribution pipelines.

"We are pleased with the FAA decision as we study how this new technology can best be used to enhance employee and public safety at our operations," said Kent Larson, executive vice president and group president of Operations.

The use of small unmanned aircraft systems will allow Xcel Energy employees to safely inspect hard-to-reach areas, keeping the workers out of danger. Employees also will use drones to observe environmentally sensitive areas without the use of trucks, helicopters or other utility equipment, minimizing the environmental impact.

"We believe these measures will increase electricity and gas system reliability, reduce customer costs and improve our emergency response times," Larson said.

The company's current plan is to use drones only over utility property or utility rights of way and away from populated areas and airports, he said. The drones will be flown at low altitudes and in the operator's line of sight.

"Several individuals from across the company and representing various business areas have served on our Unmanned Aircraft System strategy team," said Greg Bennett, regional vice president of PSCo Distribution Operations and UAS executive sponsor. "These individuals have brought a lot expertise and enthu effort, and should credit for moving u this point in our use this technology."

### News Brief





# 1800 Larimer

## Five years in, Denver building still attracts architect interest

**This summer marks the five-year anniversary of Xcel Energy employees moving into 1800 Larimer in downtown Denver. The building – the first high rise to appear in Denver since the late 1980s – received LEED platinum certification and was recognized as a landmark for 21st century design.**

Not only that, but as a high-performance building, 35 percent of 1800 Larimer's energy requirement is produced by Xcel Energy wind power.

"At the five-year anniversary of 1800 Larimer, our vision and design still holds relevant and provides a safe, collaborative work environment – complete

with great views and natural light for all employees," said John Bartel, director of Facility Services. "The building remains on the cutting edge of design and environmental attributes. It's built to save energy, water and waste, helping us bend the cost curve and providing a competitive advantage to attract and retain the best employees."

In June 2010, more than 1,300 Xcel Energy employees moved from three different locations into 1800 Larimer, creating a more centralized space for collaboration among a wide variety of departments and employees.

The building provides several options for work spaces that can adapt

to the varying work styles of different company teams. These options are in line with trends in the design industry and include flexible features, he said, such as redesigned collaborate break-room seating, informal circle seating, privacy rooms and more.

"Five years later, architects and engineers continue to tour the facility with their future clients," said David Franke, director of Project and Tenant Services. "The fixtures and features within 1800 Larimer have become industry standards, and we're still following many of the same standards and guidelines when remodeling at our other facilities today." ←



# Report



consistently rank near  
the top of the industry, our  
rank 99.9 percent of the time.

Under the company's Avian Plan,  
it has retrofitted more than 2,600  
distribution locations with equi-

## Xcel Energy builds on legacy of clean energy and community support

**Xcel Energy's investment in clean energy is paying off for the customers and communities it serves. The company has made significant strides in sustainable energy and plans to expand on it in the future, according to its newly released 2014 Corporate Responsibility Report (CRR).**

In 2014, 21 percent of the company's energy supply came from renewable resources, three times what it reported in 2005. Xcel Energy's efforts in this area will continue as it adds more wind and solar resources, growing renewable energy to an estimated 28 percent by 2020.

"Year after year, Xcel Energy turns

in outstanding operational and financial performances, but we are committed

to going beyond the fundamentals," said Ben Fowke, chairman, president and CEO. "Our path forward relies on working with the communities we serve and delivering the clean, reliable and cost-effective energy solutions they want in a responsible way.

"We recognize more than anything that our customers want us to go above and beyond – and that is where we've set our sights," Fowke stated in the CRR. "To guide that effort, we've developed a dynamic strategic action plan that focuses on improving the performance of our operating companies, expanding options for customers, growing our business, and ensuring we have the technology and people we need to be competitive.

"Customers are looking in particular

### Service that Provides Community Value

Our commitment to providing exceptional service to our customers is a core value of Xcel Energy. We are committed to providing reliable, cost-effective energy solutions that meet the needs and interests of our customers. As part of our commitment, we have implemented a number of programs to improve our service to our customers, including:

- Implementing a 24-hour service center to provide round-the-clock support for our customers.
- Providing a dedicated line of support for our customers with disabilities.
- Implementing a program to provide support for our customers who are elderly or have other special needs.

### Groundbreaking Upper Midwest Energy Resource Plan

Our commitment to providing exceptional service to our customers is a core value of Xcel Energy. We are committed to providing reliable, cost-effective energy solutions that meet the needs and interests of our customers. As part of our commitment, we have implemented a number of programs to improve our service to our customers, including:

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### Public Safety is a Priority

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for cleaner energy options and more control over their energy use," he added. "This year alone to keep our systems safe and reliable, we are investing more than \$3 billion, and we'll invest \$14.5 billion over the next five years. Beyond that, we are building an even more significant portfolio of renewable energy sources. By 2016, we plan to add 1,900 megawatts of wind energy across our service territory for a total of more than 7,000 megawatts."

According to the report, Xcel Energy has reduced carbon-dioxide emissions by 22 percent compared to 2005 when it first began reporting. The company is on track to achieve a 30-percent reduction in CO<sub>2</sub> emissions by 2020. In addition, air emissions of sulfur dioxide and nitrogen



oxides are down 60 percent compared to 2005 from the company's generating plants.

"Xcel Energy's significant emission reductions are directly tied to our renewable energy investments, customer efficiency programs, and the retiring and modernizing of our fossil-fuel power plants," said Frank Prager, vice president of Policy and Federal Affairs. "We are particularly proud that this strategy has accomplished so much while maintaining

more than 2.5 times the customer energy savings achieved in 2005.

Natural gas customers also benefited, saving 1.7 million dekatherms of natural gas in 2014. That is enough to fuel more than 20,000 homes for a year.

Xcel Energy's Corporate Responsibility Report also details its corporate citizenship. The company contributed more than \$45 million in 2014 to local communities through grants, volunteer efforts, and energy-assistance and economic-development support.

Other highlights from the company's 2014 Corporate Responsibility report include:

- About 86,000 customers currently participate in Xcel Energy's Windsource program that gives customers the option to buy more renewable energy. Participation has more than doubled since 2005, making it the third largest program of its kind in the country. In addition, the company's Solar Rewards programs have helped more than 25,000 customers in Colorado, Minnesota and New Mexico install solar panels since 2006.
- Xcel Energy continues to be recognized nationally for its leadership in military hiring. It is "Best for Vets," according to Military Jobs, and Civilian Jobs.com calls the company a "Most Valuable

Employer for Military." G.I. Jobs has recognized the company as a "Military Friendly Employer for the last six years. Xcel Energy's goal is for military veterans to make up 10 percent of its newly hired employees annually.

- Under its avian protection plans, the company has retrofitted more than 2,600 electric transmission and distribution locations with equipment to protect birds.
- Safety remains a top priority. Xcel Energy has reduced its safety incident rate by 63 percent, with employees achieving their seventh consecutive best-ever safety performance in 2014.

The full report is published online at [xcelenergy.com](http://xcelenergy.com). Plus, all employees recently received a copy of the short "overview" of the publication through company mail.

The overview provides a high-level snapshot of Xcel Energy and is available to share or send to stakeholders and business contacts, such as customers, policymakers, elected officials, business leaders, regulators and more.

Additional copies of the 2014 Corporate Responsibility Overview can be ordered through Xcel Energy's Marketing Fulfillment Management System or by contacting Pam Butler in Communications. ←

## "By 2016, we plan to add 1,900 megawatts of wind energy across our service territory for a total of more than 7,000 megawatts."

affordable energy costs for customers."

Xcel Energy currently offers customers nearly 150 programs to manage their electricity and natural gas use. In 2014, the company's customers saved 982-gigawatt-hours of electricity, enough to power more than 121,000 average-sized homes for a year, and

**Growing Our Business to Serve Customers**

As part of its strategy plan to the future, Xcel Energy will invest in renewable energy and efficiency programs to help customers save money and reduce their carbon footprint. Xcel Energy is committed to providing the best service and most competitive rates to its customers.

**A Clean Energy Strategy that Works**

Xcel Energy is committed to providing clean, reliable, and affordable energy to its customers. The company's strategy is to invest in renewable energy and efficiency programs to help customers save money and reduce their carbon footprint. Xcel Energy is committed to providing the best service and most competitive rates to its customers.

**Our Response to the EPA's Clean Power Plan**

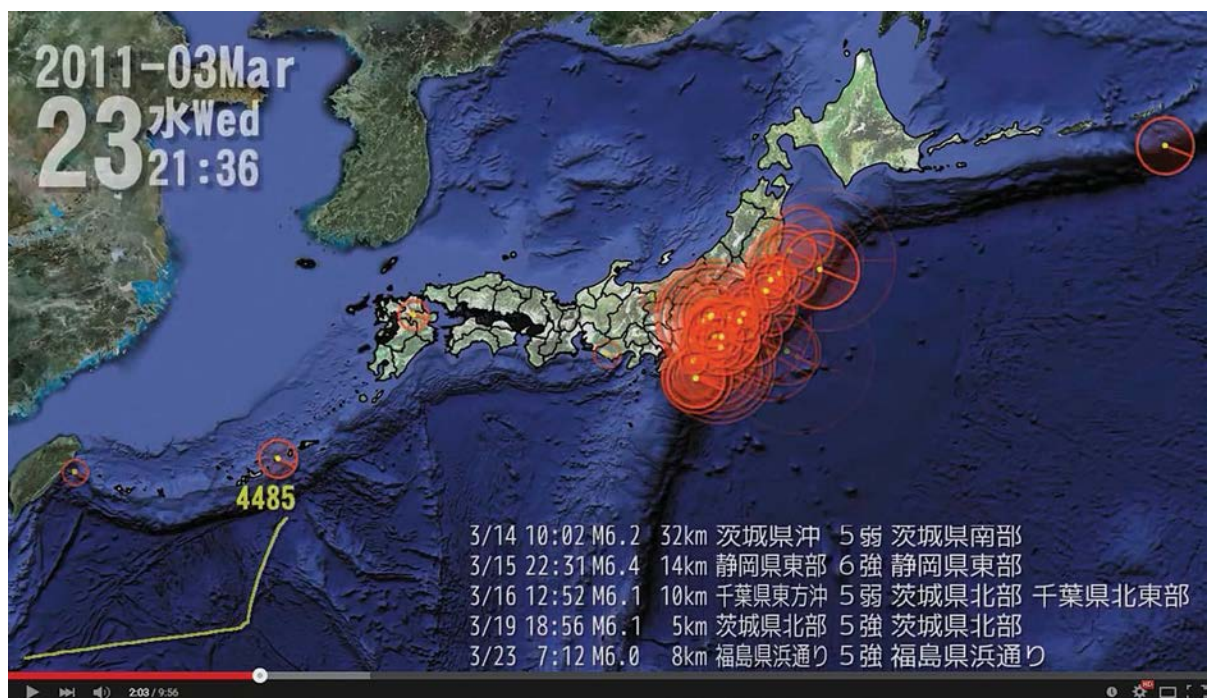
The U.S. Environmental Protection Agency (EPA) has proposed new rules to reduce greenhouse gas emissions from power plants. Xcel Energy is committed to providing clean, reliable, and affordable energy to its customers. The company's strategy is to invest in renewable energy and efficiency programs to help customers save money and reduce their carbon footprint. Xcel Energy is committed to providing the best service and most competitive rates to its customers.

**Wind Forecasting System Saves Customers Millions**

Xcel Energy has developed a new wind forecasting system that will help customers save millions of dollars. The system uses advanced technology to predict wind speeds and directions, allowing customers to make more informed decisions about their energy usage. Xcel Energy is committed to providing the best service and most competitive rates to its customers.

**Negotiating Favorable Renewable Energy Contracts**

Xcel Energy has successfully negotiated several favorable renewable energy contracts with its customers. These contracts will help customers save money and reduce their carbon footprint. Xcel Energy is committed to providing the best service and most competitive rates to its customers.





# PIPELINE ISSUES OVERCOME TO SUPPLY FUEL FOR NEW GENERATING UNITS AT CHEROKEE STATION



**Building a 34-mile, high-pressure gas pipeline through a large metropolitan area is tough enough without facing unplanned issues once the digging has begun and the clock is ticking.**

But such was the case for the 24-inch pipeline now providing a cleaner fuel source for Cherokee Generating Station in north Denver as part of Colorado's historic Clean Air-Clean Jobs Act (CACJ).

The pipeline is a component of the CACJ bipartisan legislation, designed to enable Colorado to cost-effectively and proactively address air-quality requirements in anticipation of federal environmental action. Initiated in 2010, the company's overall CACJ plan will modernize or retire aging power plants, while helping the state meet air-quality standards.

"There were a few significant hurdles," said Steve Laubhan, project manager with High-Pressure Gas Operations. "They made for some fast and furious and long days."

One major issue involved all of the increased ground water to deal with as a result of the historic floods of 2013. "That changed a lot of what we did, and resulted in a number of changes in construction practices in terms of more boring and less open trenching," he said.

Another issue involved a section near the Rocky Mountain Arsenal – a former U.S. Army chemical weapons facility and Superfund cleanup site. The project hit water laced with pesticides, "and in construction, water in the ground is your issue," Laubhan said.

The remedy involved drilling nearby well points, performing





onsite filtering, then disposing of the contaminated filters. “It was pretty complicated, but we put together a timely plan on the fly to keep our resources working,” he said.

Yet a third issue involved a known landfill – with unknown asbestos deposits. The pipeline had been designed to cross the old landfill, but an excavator and certified professionals were needed to pull out the contaminated soil and replace it with fresh soil.

All of this occurred on an accelerated schedule of just over nine months last year – from February to October. “But when you’re dealing with problems, it’s good to be done in a hurry,” Laubhan said.

Xcel Energy spent \$110 million and more than three years in total to design, plan, construct and test the new natural

gas pipeline, which is now serving a new 569-megawatt combined-cycle Cherokee power facility. The pipeline also will provide fuel for an existing 352-megawatt unit at the plant when it switches to natural gas from coal in 2017.

“The start of operations for this pipeline is an important milestone in our company’s efforts to improve air quality in Colorado under CACJ and to meet new federal standards for greenhouse gas emissions,” said Cheryl Campbell, senior vice president of Gas Operations.

“There were so many people at Xcel Energy who had a hand in this over the last few years, and I cannot thank them enough for all of their hard work,” Campbell said. “This is a terrific achievement.”

The Cherokee pipeline stretches from a new metering







## Construction

Construction of the Cherokee Pipeline involved some hurdles, but the new line is now helping fire new units at the Denver-area power plant. Pictured here and on pages 12 and 13 are photos of the project.



facility near Fort Lupton, Colo., into the Denver metro area's northeast side to the plant. It is the largest pipeline project completed by the company in 20 years.

Xcel Energy already has retired two generating units at the Cherokee plant, with a third unit set to retire next year. Upon conversion of the fourth unit in 2017, the plant will be entirely powered by natural gas.

Cherokee has undergone a complete makeover as part of the CACJ legislation, which includes the construction of the new power plant comprised of two combustion turbines, two heat recovery steam generators and a steam turbine. The new plant first fired up in May, and commercial operation is expected later this year.

A couple of other milestones in connection with the Cherokee Pipeline project included:

- Crossing three interstate highways, nine canals and one river, in addition to moving through significant existing urban corridors.
- Delaying construction and redeploying crews in one area

when the project encountered a Red-Tailed Hawk nesting site, a legally protected species under the Migratory Bird Treaty Act. Construction continued in the area once the fledglings were able to fly.

At the height of construction, 400 crew members were working up to 60 hours a week. No lost-time injuries occurred during the project.

The new pipeline will meet and exceed all federal and state standards and safety requirements. That includes installation of seven automatic shut-off valves, monitored 24 hours a day; independent inspection and X-raying of all welds; and hydrostatic testing of the entire length of the line. Internal integrity inspections will continue throughout the life of the pipeline.

"One of the great things about the Cherokee Pipeline project is that it proves to us and other outside organizations that we can plan and execute larger-scale projects beyond the more traditional utility street work and do it successfully," Campbell said. "We are looking forward to future projects and challenges." ←



## North Dakota industry partnership results in quick and safe fire restoration

When a grass fire recently damaged several Xcel Energy facilities near Grafton, N.D., Transmission crews relied on partnerships with other utility companies in the area to quickly and safely restore a two-mile section of 230-kilovolt line.

The fire burned a 60-mile stretch of Interstate 29 and a section of the Houghton National Wildlife management area, located a few miles from the Canada-U.S. border. The burned area included seven Xcel Energy transmission structures. A helicopter patrol revealed several of these structures were standing on one leg, and had missing poles and gaps between arms and poles.

Due to the remote location of the burned area and the challenging terrain, Xcel Energy leveraged its partnership with the Midwest Transmission Assistance Group (MTAG) to assist in promptly restoring this line to service.

MTAG is comprised of a group of utilities that meet regularly to create response plans for such events. Working together, 24 Canadian and American employees from Xcel Energy, Minnkota Power and Manitoba Hydro sprang into action to finalize and execute the restoration plan.

The restoration required specialized off-road equipment to work in the wet swampy area that was still covered with smoke and "hot" spots. Coordination with the U.S. Border Patrol also was needed to transport Manitoba Hydro's employees with specialized skill sets and equipment into the United States and back to Canada.

"It took great coordination, collaboration and partnering to complete this restoration in such trying conditions, including rain, mud and even a little snow," said Charles Dienger, interim manager of Transmission Construction and Maintenance. "Two of the structures were completely replaced, while the other five were repaired and had parts replaced."

## News Briefs

## Xcel Energy hits major milestone in New Mexico grid project

Xcel Energy has invested an estimated \$28 million in high-voltage transmission and distribution infrastructure in Eddy County, N.M., as part of its Power for the Plains capital investment initiative, delivering greater reliability and capacity to one of New Mexico's fastest-growing economies.

The new North Loving and China Draw substations are now in service, along with a new, 18-mile 115-kilovolt line that connects the two stations. Also, a new nine-mile 115-kilovolt line is now in service between the existing Hopi Substation, five miles southwest of the city of Carlsbad, to the new North Loving Substation.

"These projects have come in on time and in line with the budgeted cost, and they are bringing an additional 25,000 horsepower for the region's growing industrial base," said Shannon Close, project manager. "We're pleased to be able to play this important role in our region's development."

Horsepower is a standard measurement of power needed to run industrial equipment, such as oil pumpjacks. One horsepower is equivalent to 746 watts of power.

The project is one of 44 critical new transmission projects valued at \$557 million, approved by the Southwest Power Pool in April 2014. All but one of these 44 projects that Xcel Energy agreed to build are in eastern and southeastern New Mexico.

"We're investing hundreds of millions of dollars in the regional transmission and distribution networks to improve the reliability and capacity of our power delivery systems," said David Hudson, president of SPS. "This is especially important in light of the phenomenal growth in the energy and mining industries that support the southeastern New Mexico economy."

Xcel Energy is still connecting new wells that were drilled before oil prices fell in 2014, and though new drilling has slowed, it has not stopped, Hudson pointed out. And communities in the area continue to expand, demanding more power for a growing residential and commercial customer base, he said.

Xcel Energy is investing \$3 billion in new and improved power lines, substations and power generating equipment across its Texas-New Mexico service area between now and 2020, Hudson said. The impact of the capital spending generates an additional \$2 billion in value to the local economies and positions the region for future growth.

"A robust power grid that delivers reasonably priced power in a safe, reliable and environmental conscious way is invaluable to the future success of this region," Hudson said.

In addition to the Hopi-North Loving-China Draw project, Xcel Energy is constructing an estimated \$85 million in additional high-voltage delivery systems in 2015 across both southern Eddy and neighboring southern Lea County, N.M. — portions of which had little to no high-voltage service before.



## Xcel Energy reaffirms support of employees in National Guard and Reserves

Xcel Energy recently reaffirmed its commitment to Employer Support of the Guard and Reserve (ESGR) at the Minnesota Chapter's annual awards banquet.

During the same ceremony, the company was presented with the Above and Beyond Award for its support of its employees serving in the National Guard and Reserves. Xcel Energy first signed a National Statement of Support for ESGR in May 2014.

The Above and Beyond Award is given to companies that exceed the requirements of the Uniformed Services Employment and Reemployment Rights Act (USERRA).

The award recognizes those employers who provide their employees serving in the National Guard and Reserve additional non-mandated benefits, such as differential or full pay to offset lost wages and extended health benefits.

Xcel Energy was nominated for the award by Bill Wilts, plant services specialist at Sherco Generating Station and chief warrant officer in the Army Reserves.

Ben Fowke, chairman, president and CEO, and Cindy Shore, business support resource manager at Sherco, accepted the award on behalf of Xcel Energy. Shore is Wilts' supervisor at Sherco.

"It's an incredible honor to receive the Above and Beyond Award, and Ben Fowke and I are extremely proud to accept it on behalf of Xcel Energy," Shore said. "Receiving this award is a testimony to Xcel Energy's support for employees who are actively participating in their National Guard or Reserve duties."

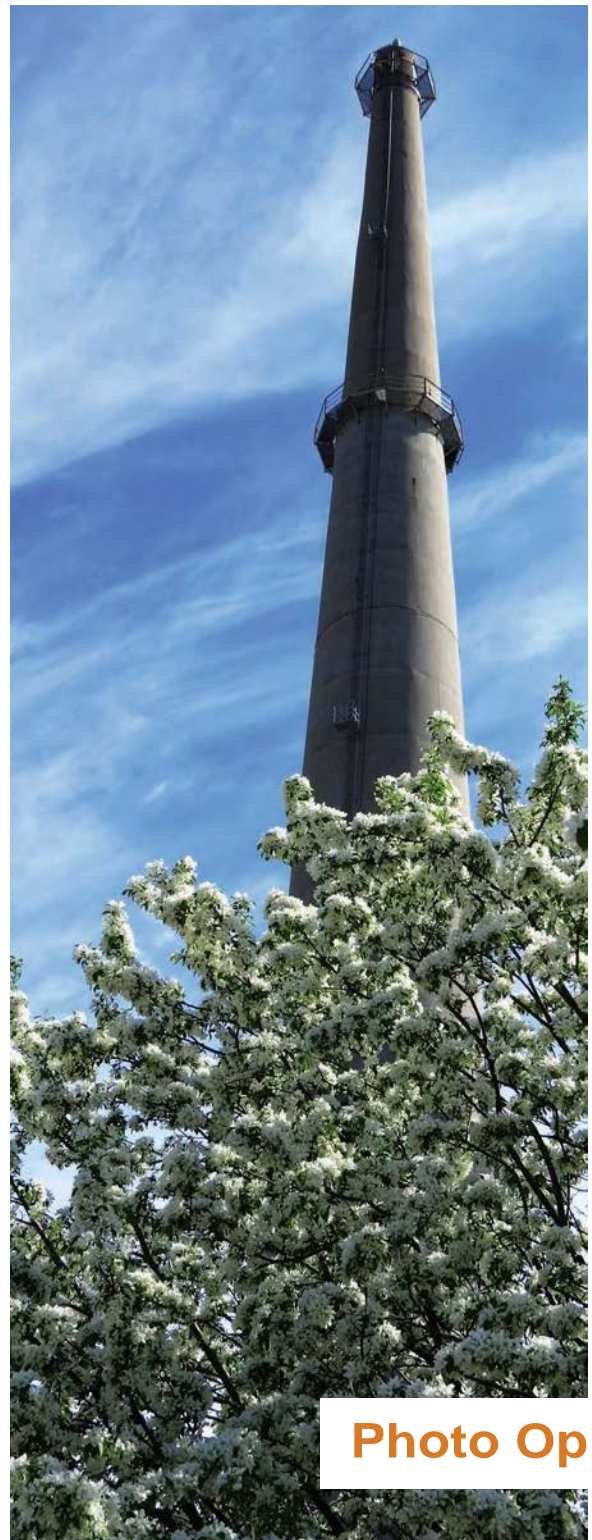
"As Bill's supervisor, I know he appreciates the company's support while he's serving his military obligations," she added. "The company benefits from his service because Bill brings back valuable professional development and capabilities from his military employment. Our team works together to take on the additional tasks and responsibilities during his absence, and it's been worth the sacrifice."

ESGR is a U.S. Department of Defense agency created to promote a cooperative culture of employer support for their employees serving in the National Guard and Reserve.

By signing the Statement of Support, Xcel Energy pledges to:

- Fully recognize, honor and enforce Uniformed Services Employment and Reemployment Rights Act.
- Provide managers and supervisors with the tools they need to effectively manage those employees who serve in the Guard and Reserve.
- Appreciate the values, leadership and unique skills service members bring to the workforce and will encourage opportunities to employ guardsmen, reservists and veterans.
- Continually recognize and support the country's service members and their families in peace, in crisis and in war.

### News Brief



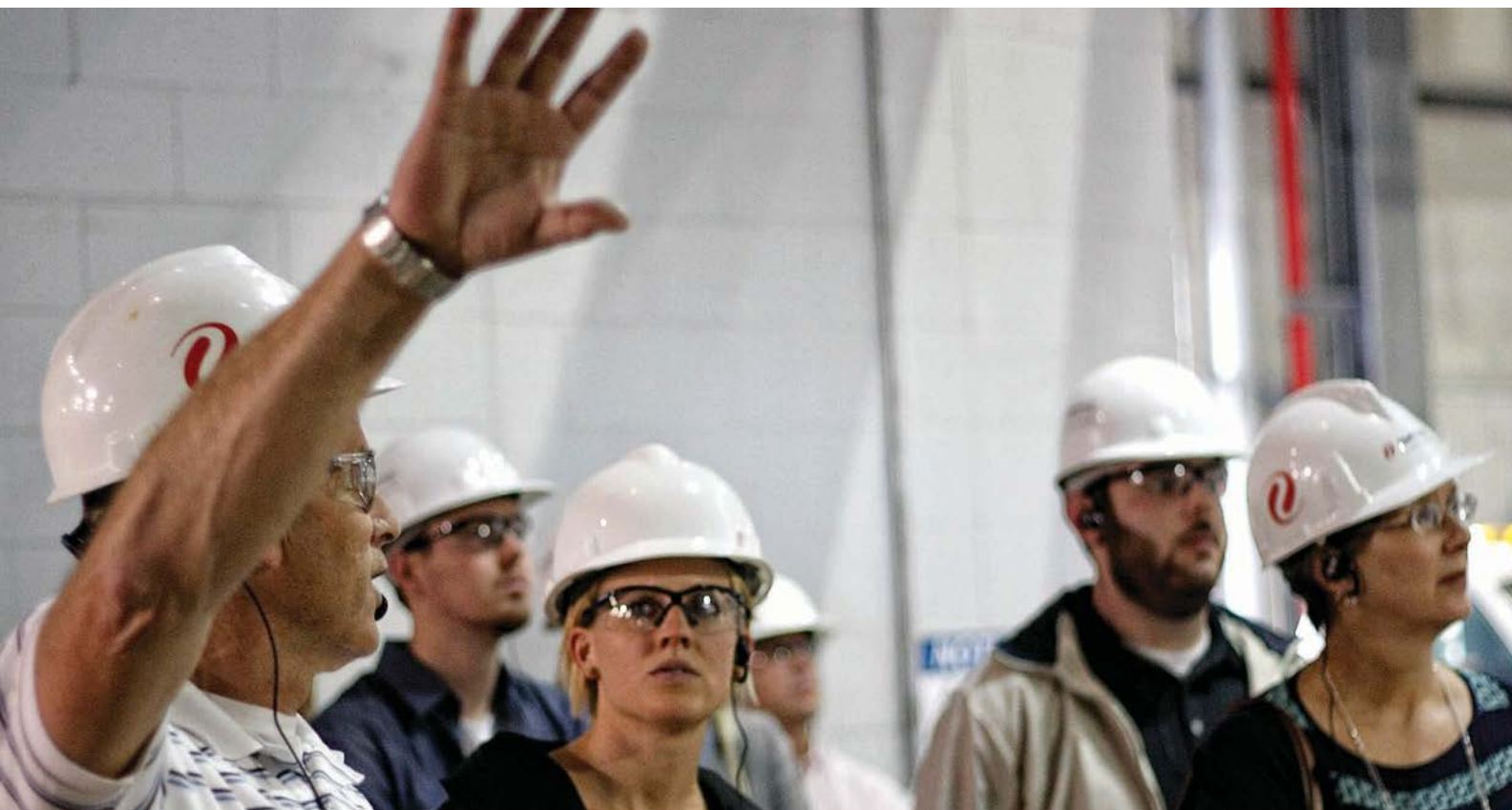
**Photo Op**

### Springtime at Monticello

Blooming crab apple trees at Monticello Nuclear Generating Station make for a picturesque foreground while framing the Minnesota plant's stack. Pat Thompson, communication consultant at the plant, took this photo on a bright spring day.

**Editor's Note:** "Photo Op" is a standing feature in Xtra. Each issue, a photo submitted by a reader or produced by a member of Corporate Communications will be published. Please submit high-resolution digital photos to the editor at the email address listed on the back page of this publication. By submitting images for "Photo Op," employees give Xtra permission to run the photos.





# New Hire Connection marks successful first year

## Program helps 750 new hires create strong bonds

**More than 750 new hires at Xcel Energy have passed through the two-day New Hire Connection program since its launch a year ago.**

"When the program first started, new employees didn't know what to expect," said Ashley Menard, program coordinator. "As more new hires have come through the program, however, they've gone back and shared stories with their co-workers about what a wonderful experience they had.

"That has helped build momentum, and new people coming through are excited about the opportunity," she added. "Company teams that hire in batches also have made an effort to schedule their new hires to attend orientation as a group to help form a stronger initial team bond."

Scott Knight, a line-crew foreman who has more than 30 years of experience of working safely, shares his experience with new hires as a presenter and has enjoyed taking part in the new-hire program.

"Everyone who has gone through the program loves it," Knight said. "

I enjoy doing the safety presentation, sharing our 'Rules to Live By' with new folks and telling them that safety is our No. 1 value at the company.

"It's just great when folks come up to you after they've been through the program and say, 'Thanks for telling us about safety and making it clear how important it is at the company.'"

The New Hire Connection orientation program was created to help new employees engage with the company and their new teammates from the outset of their employment, while also streamlining important tasks such as filling out HR paperwork and completing required training. The twice-monthly sessions are held at 414 Nicollet in Minneapolis.

"Having the orientation at our headquarters is an added benefit," said Bev Brown, director of Inclusion and Engagement. "This enables new employees to meet many of our leaders firsthand, which helps build a quick connection and makes them feel part of a great company from the start.

"Our orientation effort provides new hires an incredible and valuable experi-

ence as they learn about our company," she added. "They learn about our culture and performance expectations, our emphasis on safety and the great rewards they enjoy as an employee. In addition, they learn how the company operates and the key role their work can play in our success."

Mark Sauerbrey, consultant with Inclusion and Engagement, provides a warm welcome for each group of new employees.

"It has been an honor facilitating the New Hire Connection," Sauerbrey said. "Having the opportunity to help orientate our new employees to the culture, history and intricacies of the utility business and Xcel Energy has been amazing.

"I love hearing how much our new hires enjoy the orientation," he added. "I also love hearing that this is the first time some of our new employees have ever flown or been outside of their home town. We are excited that for the first time in many years, our new hires are able to gather in one place to learn about the company, hear from company leaders and connect with each other." ←

## Letters

### Thanks sent for 'service and caring attitude'

Dear Xcel Energy:

My mom's lights went out, and your employee who came to the house was such a blessing. Unfortunately, I didn't get his name.

It was pouring down rain, and he went above and beyond the call and got everything working safely. I just want to say thank you for his service and caring attitude.

It really made a bad situation turn out OK.

—Ashley Lee,  
Hereford, Texas

### 'And boy, she wasn't kidding'

Dear Xcel Energy:

Our facility lost power during a storm, and I called your 800 number and got Ashley Elliott [customer contact associate], who was very friendly and helpful. She said she would get someone right out — and boy, she wasn't kidding!

Within 20 minutes of calling, an Xcel Energy truck came to the office, looking for directions to the location. The problem was fixed and power restored within one hour of the call!

I was very impressed with your employees. Thank you for being so responsive to our needs.

Please pass along my kudos to Ashley and the guys in the field! They were exemplary, and I know they were busy with all the outages!

—Jackie

## Friends We'll Miss

### Allyn A. Abraham

87, maintenance supervisor, Power Production, Eau Claire, Wis., died on May 9, 2015. He worked for NSP from 1958 to 1984.

### James A. Brannon

92, died on April 22, 2015. He worked for SPS from 1948 to 1988.

### Eugene J. Brennan

86, principal analyst, H-Budget & Control, 414 Nicollet Mall, Minneapolis, Minn., died on May 15, 2015. He worked for NSP from 1953 to 1988.

### Wayne Bules

79, working foreman, Construction Field, Construction Division Office, Colorado, died on April 23, 2015. He worked for PSCo from 1969 to 1994.

### Zula M. Carlton

94, died on April 24, 2015. She worked for SPS from 1956 to 1985.

### Stanley W. Dale

62, plant supervisor, Operations, Tolk Generating Station, Earth, Texas, died on April 19, 2015. He worked for SPS from 1979 to 2014.

### William F. Eggert

91, special meter reader, Meter Reading, Edina Service Center, Edina, Minn., died on Jan. 23, 2015. He worked for NSP from 1950 to 1981.

### Michael John Hannegraf Jr.

63, lead machinist, Maintenance, King Generating Plant, Bayport, Minn., died on April 24, 2015. He worked for NSP from 1979 to 2010.

### John A. Houman

87, head meterman, Central-Electric Meter, Wisconsin, died on May 9, 2015. He worked for NSP from 1947 to 1991.

### Robert M. Hovdenes

83, storekeeper, Stores and Transportation Building, Sioux Falls Service Center, Sioux Falls, S.D., died on Feb. 21, 2015. He worked for NSP from 1949 to 1988.

### Robert L. Leider, Sr

72, troubleman, Metro East Trouble, Newport Service Center, Newport, Minn., died on April 26, 2015. He worked for NSP from 1967 to 2005.

### Richard F. McKnight

89, janitor, King Generating Plant, Bayport, Minn., died on April 30, 2015. He worked for NSP from 1955 to 1985.

### Robert E. Neudauer

72, distribution system operator, System Control Center, 414 Nicollet Mall, Minneapolis, Minn., died on April 27, 2015. He worked for NSP from 1964 to 1998.

### Donald E. Owen

68, area dispatcher, Engineering, Amarillo Operations Center, Amarillo, Texas, died on May 8, 2015. He worked for SPS from 1981 to 2011.

### John C. Pearce

93, assistant to director of Planning and Research, Minnesota, died on May 2, 2015. He worked for NSP from 1949 to 1980.

### Raymond P. Svea

88, journeyman lineman, Wisconsin, died on April 21, 2015. He worked for NSP from 1956 to 1989.

### Henry A. Swindall

83, died on May 7, 2015. He worked for SPS from 1967 to 1995.

### Louis H. Tepley

82, steamfitter-welder, High Bridge Generating Plant, Minneapolis, Minn., died on April 23, 2015. He worked for NSP from 1959 to 1988.

### Ronald G. Young

72, substations designer III, Substation & Engineering Support, Technical Services Building, Denver, Colo., died on May 14, 2015. He worked for PSCo from 1960 to 1999.

## Retiring

### David M. Bollig

(bollig1@izoom.net), senior nuclear plant components specialist, Maintenance, Monticello Nuclear Generating Plant, Monticello, Minn., retired on July 15, 2015. He worked for Xcel Energy for 34 years.

## People

### Clarence C. Anderson

89, electric meter superintendent, Electric Meter, Rice Street Service Center, St. Paul, Minn., died on April 26, 2015. He worked for NSP from 1947 to 1988.

### Sidney R. Anderson

83, inspector, Electric Construction, Brooklyn Center Service Center, Brooklyn Center, Minn., died on April 23, 2015. He worked for NSP from 1955 to 1990.

### Paul M. Bacon

73, control specialist, Operations, Comanche Generating Station, Pueblo, Colo., died on April 10, 2015. He worked for PSCo from 1962 to 2000.

### James O. Barnett

65, plant superintendent, Cunningham Generating Station, Hobbs, N.M., died on Jan. 20, 2015. He worked for SPS from 1972 to 2010.

### Jason E. Bennett

34, senior systems sustainability analyst, Performance Assurance & Technology, 1800 Larimer, Denver, Colo., died on May 26, 2015. He worked for Xcel Energy from 2012 until the time of his death.

### Kathy S. Bohanan

49, credit & collections associate, Amarillo Call Center, Amarillo, Texas, died on May 29, 2015. She worked for Xcel Energy from 2014 until the time of her death.



**Nunzio J. Cogliandro, Jr.**  
control room operator B, Operations, Tolk Station, Muleshoe, Texas, retired on July 3, 2015. He worked for Xcel Energy for 33 years.

**Pete Deleon**  
storekeeper, Logistics, Tolk Station, Muleshoe, Texas, retired on June 5, 2015. He worked for Xcel Energy for 25 years.

**Bruce Denney**  
(bdenney149@msn.com), senior environmental analyst, Environmental Services, Marquette Plaza, Minneapolis, Minn., retired on May 29, 2015. He worked for Xcel Energy for 24 years.

**Steve Feidt**  
(fidowork69@gmail.com), operations foreman, Energy Supply, Allen S. King Plant, Bayport, Minn., retired on May 26, 2015. He worked for Xcel Energy for 35 years.

**Debbie Folska**  
customer representative, Residential Property Management, Sky Park, Eau Claire, Wis., retired on May 29, 2015. She worked for Xcel Energy for 20 years.

**John M. Gushue**  
(jmg97ia@gmail.com), project manager, Nuclear Capital Projects, Marquette Plaza, Minneapolis, Minn., retired on June 3, 2015. He worked for Xcel Energy for 24 years.

**Jerry Hall**  
plant superintendent, Energy Supply, Harrington Station, Amarillo, Texas, retired on June 30, 2015. He worked for Xcel Energy for 37 years.

**Chris Hartig**  
senior engineer, HP Gas Pipeline Engineering, Lipan Distribution Center, Denver, Colo., retired on June 1, 2015. He worked for Xcel Energy for 31 years.

**Tom Haville**  
(hhaville@gmail.com), line crew foreman, Electric Construction, LaCrosse, Wis., retired on June 4, 2015. He worked for Xcel Energy for 35 years.

**Gale O. Herman**  
surveillance coordinator, Production Planning, Monticello Nuclear Generating Plant, Monticello, Minn., retired on July 1, 2015.

**Michael J. Higgins**  
lineman, Cheyenne, Wyo., retired on June 16, 2015. He worked for Xcel Energy for 41 years.

**Mark Hoffarth**  
(hoffarths@frontiernet.net), engineering senior analyst, Design Engineering, Monticello Nuclear Generating Plant, Monticello, Minn., retired on June 1, 2015. He worked for Xcel Energy for 20 years.

**Greg Holmstadt**  
(gholmstadt2@gmail.com), senior operations instructor, Operations Training, Monticello Nuclear Generating Plant, Monticello, Minn., retired on May 29, 2015. He worked for Xcel Energy for 31 years.

**Timothy Jasperson**  
district troubleman, Operations & Maintenance, Baldwin Service Center, Baldwin, Wis., retired on June 1, 2015. He worked for Xcel Energy for 34 years.

**Michael D. Kasten**  
(kastenmd@msn.com), control specialist, Operations, Fort St. Vrain Generating Station, Platteville, Colo., retired on May 31, 2015. He worked for Xcel Energy for 36 years.

**Steven Keegan**  
(swkeegan@charter.net), principal rate analyst, Regulatory, Sky Park, Eau Claire, Wis., retired on June 5, 2015. He worked for Xcel Energy for 35 years.

**J. Nathan May**  
control specialist, Operations, Hayden Generating Station, Hayden, Colo., retired on June 23, 2015. He worked for Xcel Energy for 36 years.

**Jan McGrady**  
(jdavid53@aol.com), C&I billing analyst, Billing Operations, 1800 Larimer, Denver, Colo., retired May 29, 2015. She worked for Xcel Energy for 33 years.

**Valerie McMorrow**  
(valmac8@msn.com), communication specialist, Customer Care Communications, Centre Point, Roseville, Minn., retired on June 2, 2015. She worked for Xcel Energy for 34 years.

**Lucy Pavlovic**  
(lpavlovic@comcast.net), senior energy forecasting analyst, Sales, Energy and Demand Forecasting, 1800 Larimer, Denver, Colo., retired on May 29, 2015. She worked for Xcel Energy for 26 years.

**David Pritekel**  
manager, System Protection, Table Mountain, Golden, Colo., retired on April 1, 2015. He worked for Xcel Energy for 41 years.

**Brad Reinschmidt**  
senior distribution system operator, System Control Center, Chestnut Service Center, Minneapolis, Minn., retired on July 1, 2015. He worked for Xcel Energy for 35 years.

**Delilah J. Sandoval**  
senior associate, CIAC Extension Processing, Boulder Service Center, Boulder, Colo., retired on May 29, 2015. She worked for Xcel Energy for 37 years.

**Robert M. Torres**  
(rmtorres1224@gmail.com), designer, New Business West Design, Maple Grove Service Center, Maple Grove, Minn., retired on July 2, 2015. He worked for Xcel Energy for 29 years.

**Jan Wills**  
(wingjeep2@live.com), remittance clerk, Remittance Processing, Denver, Colo., retired on June 15, 2015. She worked for Xcel Energy for 26 years.

## Continuing Education

**Steve Berry**  
graphic designer, 1800 Larimer, Denver, Colo., received his Masters of Arts degree in Art and Culture from the University of Denver, Denver, Colo., on June 5, 2015.

## Online Xtra subscription now available

Employee readers of *Xtra* can now opt out of receiving the print version of Xcel Energy's employee and retiree publication, and instead read the online version on XpressNet or via a portal on the company's website at [xcelenergy.com](http://xcelenergy.com).

To complete the opt-out process, employees need to fill out a form on the *Xtra* homepage of XpressNet, providing their name, employee ID and company email address. Those who choose to opt out will receive an email when a new issue is available for online viewing.

The opt-out form and online versions of *Xtra* can be found by clicking on the "Xtra Online" link, located at the bottom of the XpressNet homepage. The online edition of *Xtra* also can be found at [xcelenergy.com/Xtra](http://xcelenergy.com/Xtra) – or from the homepage, look under Community/Community Involvement/Retiree Directory (or visit [xcelenergy.com/Retirees](http://xcelenergy.com/Retirees)).

## Retiree information

Retirees can opt out of receiving the print version, or request address changes regarding home delivery of the print edition, by calling Human Resources' Service Center at 800-689-7662.

They also are invited to visit the webpage noted above to view the latest issue, as well as a number of back issues of *Xtra*.

In addition, and as a reminder, Xcel Energy's main phone number is 800-328-8226. Just hit "0" for an operator to contact various departments and employees.



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