

Exh. No. SPS -14

TOWERS WATSON 

Suite 1700
8400 Normandale Lake Boulevard
Minneapolis, MN 55437

T 952 842 7000

towerswatson.com

May 7, 2014

Mr. Richard R. Schrubbe
Director, Corporate and Benefits Accounting
Xcel Energy Inc.
414 Nicollet Mall
4th Floor
Minneapolis, MN 55401

Subject: 2014 Valuation Results and 2015-2019 Contribution and Cost Estimates

Dear Rick:

Attached are exhibits summarizing the 2014 U.S. GAAP cost and IRS funding valuation results and estimated 2015-2019 results for the retirement and postemployment benefit programs of Xcel Energy Inc. (Xcel Energy).

SUMMARY OF KEY RESULTS

U.S. GAAP Costs for the Long-Term Disability (LTD) plan and the Workers Compensation plan have been updated to reflect 2014 census data and final 2014 discount rate, developed using plan cash flows based on the 2014 census data. U.S. GAAP Costs for all other plans are unchanged from February 2, 2014.

U.S. GAAP Results

Cost/(Income) (\$ in Millions)	2013 Actual ¹	2014 Preliminary Cost February 2, 2014	2014 Cost May 7, 2014
Qualified Pension Plans ²	\$161.5	\$131.9	\$131.9
Nonqualified Pension Plans	6.5	4.7	4.7
Retiree Medical & Life Insurance Plan	13.9	4.6	4.6
Workers' Compensation	3.1	0.4	(0.9)
Long-Term Disability	<u>4.0</u>	<u>0.4</u>	<u>(0.9)</u>
Total	\$189.0	\$142.0	\$139.4
Discount Rate	3.58%-4.17%	4.32%-5.00%	4.32%-5.08%

¹ As provided on May 7, 2013 for all plans except retiree medical. Retiree Medical & Life Insurance Plan results based on adjusted cost provided December 5, 2013.

² Qualified Pension Plan results assume all NSP-MN costs determined under the Aggregate Cost Compensation Method. Results do not include any regulatory deferrals, including the deferrals for the 20-Year Aggregate Cost Method.

Additional details regarding the 2014 results are provided below.

TOWERS WATSON Mr. Richard R. Schrubbe
May 7, 2014

The following provides a reconciliation of cost between the actual 2013 cost provided in our August 30, 2013 reports, the 2014 budget estimates provided in our May 7, 2013 letter, the preliminary 2014 cost provided in our February 2, 2014 letter and the costs provided in this letter (\$ in millions):

	Qualified Pension ¹	Nonqualified Pension	Retiree Medical	Long Term Disability	Workers' Compensation	Total
Actual 2013²	\$161.5	\$6.5	\$19.0	\$4.0	\$3.1	\$194.1
Historical asset performance	(6.9)	0.0	0.0	0.0	0.0	(6.9)
Expected liability experience/demographics	(27.7)	(1.7)	(3.8)	(2.6)	(2.6)	(38.4)
Census data projection	5.1	0.7	0.5	0.0	0.0	6.3
Mortality table update	6.0	0.0	1.8	0.0	0.0	7.8
Initial 2014 Estimate (May 7, 2013)	\$138.0	\$5.5	\$17.5	\$1.4	\$0.5	\$162.9
2013 Asset Returns	1.0	0.0	0.0	0.0	0.0	1.0
Reduce 2014 contributions from \$150M to \$130M	1.1	0.0	0.0	0.0	0.0	1.1
Updated retiree claim costs ³	0.0	0.0	(5.9)	0.0	0.0	(5.9)
Change in expected return on asset assumptions ⁴	(5.0)	0.0	(0.3)	0.0	0.0	(5.3)
Change in discount rates ⁵	(12.1)	(0.2)	(2.8)	(0.9)	(0.8)	(16.8)
Plan change ⁶	(0.3)	0.2	(2.3)	(0.4)	0.0	(2.8)
Demographic experience ⁷	9.2	(0.8)	(1.6)	0.3	0.7	7.8
2014 Preliminary Costs (February 2, 2014)	\$131.9	\$4.7	\$4.6	\$0.4	\$0.4	\$142.0
WC/LTD data updates	0.0	0.0	0.0	(0.2)	0.1	(0.1)
Final WC/LTD discount rate	0.0	0.0	0.0	(1.1)	(1.4)	(2.5)
Final 2014 (May 7, 2014)	\$131.9	\$4.7	\$4.6	(\$0.9)	(\$0.9)	\$139.4

¹ Qualified Pension Plan results assume all NSP-MN costs determined under the Aggregate Cost Compensation Method. Results do not include any regulatory deferrals, including the deferrals for the 20-Year Aggregate Cost Method.

² As provided on May 7, 2013. Does not reflect adjusted Retiree Medical & Life Insurance Plan results provided on December 5, 2013.

³ Retiree claims increased 2.9% (1.8% pre-65, 4.1% post-65) versus expected increase of 7.50%.

⁴ Qualified pension results reflect decrease in weighted assumption from 6.88% to 7.05%. Retiree medical results reflect change from 6.25% to 6.75% for the nonbargaining VEBA.

⁵ Includes changes to other underlying economic assumptions.

⁶ Qualified and nonqualified pension includes extension of the greater-of to 2016 for bargaining employees and indefinitely for non-bargaining employees. Also includes fully insuring pre-65 disability benefits for bargaining employees (excludes LTD insurance costs). Retiree Medical reflects copay and out of pocket maximum changes to PSCo Bargaining retirees.

⁷ Includes impact of participant status, compensation and benefit changes through November 30, 2013 and known retirements for December 2013. Also includes impact of benefit payments greater/less than expected.



Mr. Richard R. Schrubbe
May 7, 2014

Workers' Compensation and Long-Term Disability Results

The combined 2014 Workers' Compensation (WC) and Long-Term Disability (LTD) cost/(income) is (\$1.8) million, a \$2.6 million decrease from our February cost estimate of \$0.8 million for the plans combined. Updating the BOND:Link model results to use the cash flows from the 2014 valuations increases the discount rate from an estimated rate of 4.45% to 5.08%. The model selects a different portfolio of bonds with the 2014 valuation cash flows, with an increased utilization of higher yielding bonds.

The decrease in LTD cost from \$0.4 million in the February 2nd cost estimates to the final 2014 result of (\$0.9) million is primarily due to an increase in the discount rate. This decreased the LTD cost by approximately \$1.1 million. The LTD cost also decreased by approximately \$0.2 million due to favorable demographic experience during 2013.

The decrease in WC cost from \$0.4 million in the February 2nd cost estimates to the final 2014 result of (\$0.9) million is also primarily due to the increase in the discount rate, which decreased cost by approximately \$1.4 million. The WC cost also decreased by approximately \$0.9 million due to the recognition that no further claims are expected for SPS in Kansas, Oklahoma, New Mexico, and Texas. These decreases were partially offset by unfavorable demographic experience due to higher than expected net paid claims in recent years, which increased cost by approximately \$1.0 million.

PENSION PLANS FUNDING

Summary of Key Results

The key results for each plan are provided in the following table:

(\$ in Millions)	Xcel Energy Pension Plan	NCE Nonbargaining Plan	SPS Bargaining Plan	PSCo Bargaining Plan
Effective Interest Rate	5.64%	5.53%	5.77%	5.74%
Contributions				
Minimum Required Contribution as of January 1, 2014 for the 2014 Plan Year Before Funding Balance	\$ 96.3	\$ 19.7	\$ 4.4	\$ 41.1
Minimum Required Contribution as of January 1, 2014 for the 2014 Plan Year After Funding Balance	\$ 0.0	\$ 0.2	\$ 0.0	\$ 0.0
PBGC Premiums				
PBGC Variable Premiums	\$ 0.5	\$ 0.4	\$ 0.1	\$ 1.1

Mr. Richard R. Schrubbe
May 7, 2014

TOWERS WATSON 

Funded Status

A plan's funded status is measured by comparing the present value of plan benefits to the value of plan assets. The following table summarizes the 2014 plan year funded percentages:

(\$ in Thousands)	Xcel Energy Pension Plan	NCE Nonbargaining Plan ¹	SPS Bargaining Plan	PSCo Bargaining Plan
1. Target Liability as of January 1	\$1,617,709	\$281,265	\$298,940	\$884,035
2. Actuarial Value of Assets as of January 1	\$1,602,497	\$271,180	\$318,174	\$934,564
3. Funding Balance as of January 1	\$132,901	\$19,446	\$16,536	\$70,769
4. Funded Percentage before funding balance reduction from plan assets [(2) / (1)]	99.1%	96.4%	106.4%	105.7%
5. Funded Percentage with funding balance reduction from plan assets (FTAP) [(2) - (3) / (1)]	90.8%	89.5%	100.9%	97.7%

¹ Funded status information for NCE is based on final valuation results provided on March 31, 2014.

Benefit Restrictions

Based on the 2014 funding results, no benefit restrictions will apply for the 2014 plan year since the preliminary AFTAP for each plan exceeds 80.0%. The 2014 AFTAP certification for the NCE Nonbargaining Plan was provided on March 31, 2014. We will provide our certification of the funded status for the remaining plans prior to the September 30, 2014 deadline.

Funding Balances

The following summarizes the credit balance activity for the Xcel Energy pension plans.

(\$ in Millions)	Xcel Energy Pension Plan	NCE Nonbargaining Plan	SPS Bargaining Plan	PSCo Bargaining Plan
Funding Balances at January 1, 2013	\$ 134.0	\$ 22.7	\$ 16.0	\$ 83.5
Credit Balances used during 2013	(59.2)	(11.5)	0.0	(24.8)
Excess contributions elected to be added to funding balance	52.9	7.4	0.0	10.7
Interest adjustments	5.2	0.8	0.5	1.4
Amount of funding balance forfeited for AFTAP purposes	0.0	0.0	0.0	0.0
Funding Balances at January 1, 2014	\$ 132.9	\$ 19.4	\$ 16.5	\$ 70.8

PBGC Premiums

The PBGC variable premium amounts for all four plans are based on the Alternative Premium Funding Target, determined without regard to MAP-21 interest rates. The NCE Nonbargaining and PSCo Bargaining plans can elect to use the Standard Premium Funding Target which would reduce 2014 premiums by approximately \$0.8 million.

The Xcel Energy Pension Plan, NCE Nonbargaining Plan, SPS Bargaining Plan, and PSCo Bargaining Plan can eliminate variable premium with September 15, 2014 contributions of \$34.4 million, \$29.6 million, \$10.8 Million, and \$83.4 million, respectively. We will review alternatives for reducing PBGC variable premium amounts prior to the October 15, 2014 filing deadline.

Results Exhibits

Pension contribution and PBGC Variable Premium forecasts are attached to the end of this letter. Forecasts for all plans except LTD and Workers Compensation have not been updated from the forecasts provided on February 2, 2014. Estimates of 2015-2019 U.S. GAAP costs summarized by legal entity are also presented in the attached exhibits as follows:

- Exhibit I: U.S. GAAP Cost – Qualified Pension Plans
- Exhibit II: U.S. GAAP Cost – Nonqualified Pension Plans
- Exhibit III: U.S. GAAP Cost – Retiree Medical and Life Insurance Plan
- Exhibit IV: U.S. GAAP Liabilities – LTD and Workers Compensation
- Exhibit V: U.S. GAAP Claims and Expenses – LTD and Workers Compensation
- Exhibit VI: U.S. GAAP Cost – LTD and Workers Compensation

Plans Valued

The attached exhibits include estimates for the following employee benefit plans maintained by Xcel Energy Inc. (Xcel Energy):

- Xcel Energy Pension Plan
- Xcel Energy Inc. Nonbargaining Pension Plan (South) [NCE Nonbargaining Plan]
- New Century Energies Inc. Retirement Plan for SPS Bargaining Unit Employees and Former Nonbargaining Unit Employees [SPS Bargaining Plan]
- New Century Energies Inc. Retirement Plan for PSCo Bargaining Unit Employees and Former Nonbargaining Unit Employees [PSCo Bargaining Plan]
- Xcel Energy Nonqualified Defined Benefit Plan
- Xcel Energy SERP
- SPS SERP
- Employment Agreements
- Fort St. Vrain Nuclear Operations Personnel Plan
- NMC SERP Part A
- Xcel Energy Retiree Medical and Life Insurance Plan (including Executive Life Insurance)
- Xcel Energy Workers' Compensation
- Xcel Energy Long-Term Disability (LTD) Income

FORECAST RESULTS

The following provides a reconciliation of actual 2014 costs to 2015 estimated costs:

(\$ in Millions)	Qualified Pension ¹	Nonqualified Pension	Retiree Medical	Long Term Disability	Workers' Compensation	Total
Final 2014	\$131.9	\$4.7	\$4.6	(\$0.9)	(\$0.9)	\$139.4
Historical asset performance	(4.7)	0.0	0.0	0.0	0.0	(4.7)
Expected liability, asset, amortization and demographic changes	(15.6)	0.1	(1.3)	1.7	1.5	(13.6)
Initial 2015 Estimate	\$111.6	\$4.8	\$3.3	\$0.8	\$0.6	\$121.1

¹ Qualified Pension Plan results assume all NSP-MN costs determined under the Aggregate Cost Compensation Method. Results do not include any regulatory deferrals, including the deferrals for the 20-Year Aggregate Cost Method.

DATA, ASSUMPTIONS, METHODS AND PLAN PROVISIONS

The 2014 U.S. GAAP costs, 2014 funding results and estimated 2015-2019 costs reflect the following data, assumptions, methods and plan provisions:

Data

2014 U.S. GAAP results and results for 2015-2019 are based on participant data as of January 1, 2013 projected to the end of the year based on status, compensation and benefit changes through November 30, 2013 and known retirements for December 2013. See our February 2, 2014 letter for more details. 2014 pension funding, Workers' Compensation and Long-Term Disability results are based on data as of January 1, 2014.

Economic Assumptions

The key assumptions used to determine the actual 2014 and estimated 2015 - 2019 U.S. GAAP results are provided below. The assumptions used to calculate the cost under the aggregate funding method are the same as used to prepare the U.S. GAAP results, except as noted. Actual asset returns are assumed to equal the expected return on assets assumptions throughout the forecast period. The following primary economic assumptions were used to prepare the results:

	May 7, 2014 results
U.S. GAAP Cost	
Discount Rate – U.S. GAAP	
– Xcel Energy Pension Plan	4.74%
– NCE Nonbargaining Pension Plan	4.32%
– SPS Bargaining Pension Plan	5.00%
– PSCo Bargaining Pension Plan	4.89%
– Nonqualified Pension Plan	4.56%
– Retiree Medical and Life Insurance Plan	4.82%
– Workers Compensation and LTD	5.08%
Expected Return on Assets Assumption – Pension	
– Xcel Energy Pension Plan	7.25%
– NCE Nonbargaining Pension Plan	7.10%
– SPS Bargaining Pension Plan	6.85%
– PSCo Bargaining Pension Plan	6.75%
– <i>Weighted Average Expected Return</i>	7.05%
Expected Return on Assets Assumption – VEBA (Bargaining/Nonbargaining)	7.25%/6.75%
Discount Rate – Aggregate Cost	7.25%
Salary Scale	3.75%
Initial Medical Trend	7.00%
Ultimate Medical Trend	4.50%
Year Ultimate Trend is Reached	2019

¹ Weighted average of age-graded table (nonbargaining) and service-graded table (bargaining)

We have assumed Xcel Energy continues to use the 24-month average of the three-segment interest rates as of September in the year prior to the valuation date. The underlying three-segment rates for August 2013 were assumed to remain constant throughout the forecast period. This methodology produces the following effective interest rates:

	2014	2015	2016	2017	2018
Xcel Energy Pension Plan	5.64%	5.18%	4.83%	4.81%	4.79%
NCE Nonbargaining Plan	5.53%	5.03%	4.68%	4.65%	4.63%
SPS Bargaining Plan	5.77%	5.26%	4.94%	4.92%	4.91%
PSCo Bargaining Plan	5.74%	5.23%	4.90%	4.88%	4.87%

Pension Contributions

The forecasts reflect actual 2014 contributions made in January and assume \$130 million in contributions per year for 2015-2019. The table below summarizes the amounts assigned to each plan over the forecast period:

	Fiscal Year					
	2014	2015	2016	2017	2018	2019
Xcel Energy Pension Plan	\$ 90.0	\$ 80.0	\$ 80.0	\$ 80.0	\$ 80.0	\$ 80.0
NCE Nonbargaining Plan	15.0	20.0	20.0	10.0	10.0	10.0
SPS Bargaining Plan	0.0	0.0	0.0	15.0	15.0	15.0
PSCo Bargaining Plan	25.0	30.0	30.0	25.0	25.0	25.0
Total Contribution	\$ 130.0	\$ 130.0	\$ 130.0	\$ 130.0	\$ 130.0	\$ 130.0

- Contributions in 2015 and beyond are assumed to be paid on January 15th and assigned to the prior plan year.

Demographic Assumptions

- Participant counts from January 1, 2013 were adjusted for actual new entrant counts through November 30, 2013 and terminations/retirements as described above under Data. No additional changes in headcount levels are assumed.
- The mortality table has been updated to include an additional 7 years of projected mortality improvements for retirees and 15 years for all other participants.

Retiree Medical and Life Insurance Plan – Effects of Health Care Reform

Our estimates continue to assume the same effects as noted in our 2013 ASC 715 cost report dated August 30, 2013.

Plan Changes

All plan provisions remain the same as provided in our 2013 US GAAP cost reports dated August 30, 2013, except for the following changes:

- Qualified and nonqualified pension includes extension of the greater-of to 2016 for bargaining employees and indefinitely for non-bargaining employees.
- Results also reflect fully insuring pre-65 disability benefits for NSP-MN bargaining employees.
- Retiree Medical reflects copay and out of pocket maximum changes to PSCo Bargaining retirees.

TOWERS WATSON

Mr. Richard R. Schrubbe
May 7, 2014

ACTUARIAL CERTIFICATION

As requested by Xcel Energy Inc., this report provides results of the actuarial valuations of the Xcel Energy Inc. employee benefit plans indicated above. This report should not be used for other purposes, distributed to others outside Xcel Energy Inc. or relied upon by any other person without prior written consent from Towers Watson Delaware Inc. Except where we expressly agree in writing, this report should not be disclosed or provided to any third party, other than as provided below. In the absence of such consent and an express assumption of responsibility, no responsibility whatsoever is accepted by us for any consequences arising from any third party relying on this report or any advice relating to its contents.

Xcel Energy Inc. may make a copy of this report available to auditors or appropriate governmental agencies of the plan or the plan sponsor, but we make no representation as to the suitability of this report for any purpose other than that for which it was originally provided and accept no responsibility or liability to the auditors in this regard. Xcel Energy Inc. should draw the provisions of this paragraph to the attention of the auditors or appropriate governmental agencies when providing this report to them.

In preparing this valuation, we have relied upon information and data provided to us by Xcel Energy Inc. and other persons or organizations designated by Xcel Energy Inc. An audit of the financial and participant data provided was not performed, but we have checked the data for reasonableness as appropriate based on the purpose of the valuation. The results presented in this report are directly dependent upon the accuracy and completeness of the underlying data and information. Any material inaccuracy in the data, assets, plan provisions or other information provided to us may have produced results that are not suitable for the purposes of this report and such inaccuracies, as corrected by Xcel Energy Inc., may produce materially different results that could require that a revised report be issued.

This valuation reflects our understanding of the relevant provisions of the Pension Protection Act of 2006. The IRS has yet to issue final guidance with respect to certain aspects of this law. It is possible that such guidance may conflict with our understanding of the law and could therefore affect results shown in this report.

The results summarized in this report involve actuarial calculations that require assumptions about future events. We believe the assumptions and methods used in this report are reasonable and appropriate for the purposes for which they have been used. In our opinion, all methods, assumptions and calculations are in accordance with requirements of the Internal Revenue Code and ERISA, and the applicable financial accounting standards, including ASC 712 and 715 and the procedures followed and presentation of results are in conformity with generally accepted actuarial principles and practices.

Assumptions for determining U.S. GAAP results were selected by Xcel Energy Inc. Xcel Energy Inc. uses the standards set out in ASC 715 to calculate pension cost for each plan in total; pension cost for the subsidiaries is calculated based on plan assets allocated to each subsidiary in proportion to the PBO for each subsidiary. Beginning in fiscal 2010, Discontinued Operations is allocated assets in proportion to its PBO, similar to nondiscontinued operations. The gain/(loss) amortization is allocated to each subsidiary in proportion to the gain/(loss) balance for each subsidiary (excluding deferred asset gains and losses). This methodology is consistent with former NSP's methodology since 1998 and has been applied to the former NCE pension plans since January 1, 2001. A similar methodology is used for the ASC 715 costs for the Retiree Medical and Life Plan, except separate asset accounts are used for each subsidiary.

TOWERS WATSON



Mr. Richard R. Schrubbe
May 7, 2014

The undersigned consultants with actuarial credentials meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinions contained herein. Our objectivity is not impaired by any relationship between the Xcel Energy Inc. and our employer, Towers Watson Delaware Inc.

NEXT STEPS

If you have any questions or would like to discuss, please contact Jim at 952-842-6354 or Mark at 952-842-6445.

Sincerely,

James W. Shaddy, ASA
Consulting Actuary

Mark A. Afdahl, FSA
Consulting Actuary

\\www\minneapolis\Clients\66120\RET\2014\Valuations\L_0507_Schrubbe_2014_Cost_Funding_Final.docx

CC: James Aurand, Xcel Energy Inc.
Todd Degrugillier, Xcel Energy Inc.
Darla Figoli, Xcel Energy Inc.
Courtney Gratton, Xcel Energy Inc.
Kris Lindemann, Xcel Energy Inc.
Ruth Lowenthal, Xcel Energy Inc.
Teresa Madden, Xcel Energy Inc.
Garret Mikrut, Xcel Energy Inc.
Jill Reed, Xcel Energy Inc.

Jeff Savage, Xcel Energy Inc.
Nate Schraan, Xcel Energy Inc.
George Tyson, Xcel Energy Inc.
Greg Zick, Xcel Energy Inc.
Ross Athman, Towers Watson
Beth Fernandez, Towers Watson
Kristoff Hendrickson, Towers Watson
Scott Lund, Towers Watson
Martha Winslow, Towers Watson

Estimated Cash Flow (\$ in Millions) and Estimated Funded Status at January 1 (Level Funding - \$130M)

Calendar Year	2013	2014	2015	2016	2017	2018
Plan Year (Contributions)	2013	2014	2015	2016	2017	2018
Xcel Energy Pension Plan	99%	99%	98%	96%	99%	102%
Contributions	\$90.0	\$0.0	\$80.0	\$0.0	\$80.0	\$0.0
PBGC Variable Premiums	\$0.0	\$0.5	\$0.0	\$0.0	\$0.0	\$0.0
NCE Nonbargaining Plan	96%	96%	98%	100%	103%	
Contributions	\$15.0	\$0.0	\$20.0	\$0.0	\$10.0	\$0.0
PBGC Variable Premiums	\$0.0	\$0.4	\$0.0	\$0.0	\$0.0	\$0.0
SPS Bargaining Plan	106%	102%	96%	98%	101%	
Contributions	\$0.0	\$0.0	\$0.0	\$0.0	\$15.0	\$0.0
PBGC Variable Premiums	\$0.0	\$0.1	\$0.0	\$0.0	\$0.0	\$0.0
PSCo Bargaining Plan	106%	101%	98%	99%	101%	
Contributions	\$25.0	\$0.0	\$30.0	\$0.0	\$25.0	\$0.0
PBGC Variable Premiums	\$0.0	\$1.1	\$0.0	\$0.2	\$0.0	\$0.0
Total	101%	99%	97%	99%	101%	
Contributions	\$130.0	\$130.0	\$130.0	\$130.0	\$130.0	\$130.0
PBGC Variable Premiums	\$2.1	\$1.5	\$0.2	\$0.0	\$0.0	\$0.0

- 2014 is based on actual funding results provided in the May 7, 2014 letter.
- 2015 and beyond are based on asset returns through September 30, 2013 and expected returns for the remainder of the forecast period.
- Assumes Xcel Energy elects to use September three-segment rates
- Target Liability effective rates (2014, 2015, 2016, 2017, 2018):
 - XEPP: 5.64%, 5.18%, 4.83%, 4.81%, 4.79%
 - NCE: 5.53%, 5.03%, 4.68%, 4.65%, 4.63%
 - SPS: 5.77%, 5.26%, 4.94%, 4.92%, 4.91%
 - PSCo: 5.74%, 5.23%, 4.90%, 4.88%, 4.87%

- Funded status equals actuarial value of assets divided by target liability
- Effective rates were calculated by assuming the August 2013 spot segment rates of 1.36%, 4.60% and 5.58% remain unchanged throughout the remainder of the forecast period. The actual segment rates used are a 24-month average of the spot rates through August of the year prior to the valuation year, subject to the corridors of MAP-21.
- Credit balance used to satisfy minimum required contributions and forfeited to avoid benefit restrictions and at-risk status
- PBGC Alternative Method is used for all years

XCEL ENERGY INC. - Qualified Pension Plans
Cost Estimates by Legal Entity
(\$ in Thousands)

EXHIBIT I
Page 1 of 6

2014

Xcel Energy Pension Plan (XEPP)

	Amortizations				Aggregate Cost Compensation Method	Aggregate Cost 20-year Amortization Method	January 1 Prepaid (Accrued)	Contribution
	Service Cost	Interest Cost	Expected Return on Assets	Prior Service Cost	Net (Gain)/Loss			
Discontinued Operations ¹	-	3,485	(4,660)	-	3,668	N/A	34,644	3,689
Xcel Energy Nuclear	6,876	4,227	(5,633)	44	1,078	N/A	(1,632)	4,575
NSP - MN	22,823	43,082	(57,287)	892	43,707	2,428	407,285	47,523
NSP - WI	4,527	7,257	(9,642)	111	6,617	35,485	58,556	8,030
Xcel Services ²	20,993	24,087	(32,085)	245	13,749	N/A	88,822	26,161
XEPC (former EMI)	-	21	(28)	-	(14)	N/A	(263)	22
Total XEPP	55,219	82,159	(109,335)	1,292	68,805	27,575	587,412	90,000

NCE Non-Bargaining Pension Plan

Discontinued Operations - Cheyenne	-	159	(222)	-	190	N/A	1,447	179
PSCo	6,264	9,110	(12,726)	136	5,079	N/A	16,520	10,390
SPS	3,122	3,905	(5,460)	54	5,351	N/A	43,365	4,431
Total NCE	9,386	13,174	(18,408)	190	10,620	N/A	61,332	15,000

SPS Bargaining Plan

SPS	6,062	16,539	(20,719)	-	7,975	N/A	124,408	-
Total SPS	6,062	16,539	(20,719)	-	7,975	N/A	124,408	-

PSCo Bargaining Plan

Discontinued Operations - Cheyenne	-	580	(760)	-	549	N/A	7,031	328
PSCo	17,675	44,167	(57,983)	(3,228)	28,813	N/A	326,103	24,672
Total PSCo	17,675	44,747	(58,743)	(3,228)	29,362	N/A	333,134	25,000

Total Xcel Energy

	88,342	156,619	(207,205)	(1,746)	116,762	27,575	1,106,286	130,000
--	--------	---------	-----------	---------	---------	--------	-----------	---------

¹ Includes NRG, BMG, Viking, Natro Gas, Utility Engineering, Seren, Quixx, Crockett and QPS

² Includes Eloigne

Assumptions

Discount Rate - U.S. GAAP	4.74%
XEPP	4.32%
NCE	5.00%
SPS	4.89%
PSCo	7.25%
Discount Rate - Aggregate Normal Cos	3.75%
Salary Scale	
Expected Return on Assets	
XEPP	7.25%
NCE	7.10%
SPS	6.85%
PSCo	6.75%

Assumed Mortality Table

Bargaining Participants	RP-2000 Blue Collar projected with scale AA to 2021 for retirees and 2029 for other participants
Non-bargaining Participants	RP-2000 White Collar projected with scale AA to 2021 for retirees and 2029 for other participants

See May 7, 2014 letter for additional information on data, assumptions, methods and plan provisions.
Contributions already made are allocated in accordance with the January 14, 2014 contribution directives provided by Xcel Energy.

5/7/2014

J:\Clients\66120\RET\2014\Projections\01 February Forecasts\03b Analysis\Pension - Qualified\Qualified Plans 2014 - February Projections.xls: 2014

TOWERS WATSON



XCEL ENERGY INC. - Qualified Pension Plans
Cost Estimates by Legal Entity
(\$ in Thousands)

EXHIBIT I
Page 2 of 6

2015

Xcel Energy Pension Plan (XEPP)

	Amortizations				Aggregate Cost			January 1 Prepaid (Accrued)	Contribution
	Service Cost	Interest Cost	Expected Return on Assets	Prior Service Cost	Net (Gain)/Loss	Net Cost	Compensation Method	20-year Amortization Method	
Discontinued Operations ¹	-	3,449	(4,745)	-	3,526	2,230	N/A	N/A	3,413
Xcel Energy Nuclear	6,586	4,397	(6,047)	44	733	5,713	3,216	2,403	4,370
NSP - MN	21,819	41,196	(56,592)	892	39,803	47,118	30,372	22,691	41,272
NSP - WI	4,274	6,947	(9,545)	111	5,970	7,757	N/A	N/A	6,953
Xcel Services ²	20,285	24,016	(33,005)	245	12,220	23,761	N/A	N/A	23,972
XEPC (former EMI)	-	20	(28)	-	(12)	(20)	N/A	N/A	20
Total XEPP	52,964	80,025	(109,962)	1,292	62,240	86,559	33,588	25,094	80,000
NCE Non-Bargaining Pension Plan									
Discontinued Operations - Cheyenne	-	146	(215)	-	174	105	N/A	N/A	235
PSCo	5,951	8,971	(13,276)	93	4,428	6,167	N/A	N/A	13,792
SPS	2,998	3,892	(5,760)	39	4,649	5,818	N/A	N/A	5,973
Total NCE	8,949	13,009	(19,251)	132	9,251	12,090	N/A	N/A	20,000
SPS Bargaining Plan									
SPS	6,081	16,763	(21,052)	-	7,277	9,069	N/A	N/A	-
Total SPS	6,081	16,763	(21,052)	-	7,277	9,069	N/A	N/A	-
PSCo Bargaining Plan									
Discontinued Operations - Cheyenne	-	556	(760)	-	487	283	N/A	N/A	374
PSCo	17,859	44,564	(60,994)	(3,228)	24,637	22,838	N/A	N/A	29,626
Total PSCo	17,859	45,120	(61,754)	(3,228)	25,124	23,121	N/A	N/A	30,000
Total Xcel Energy	85,853	154,917	(212,019)	(1,804)	103,892	130,839	33,588	25,094	130,000

¹ Includes NRG, BMG, Viking, Natro Gas, Utility Engineering, Seren, Quixx, Crockett and QPS

² Includes Elbigne

Assumptions

Discount Rate - U.S. GAAP	4.74%
XEPP	4.32%
NCE	5.00%
SPS	4.89%
PSCo	3.75%
Discount Rate - Aggregate Normal Cos	7.25%
Salary Scale	7.25%
Expected Return on Assets	7.25%
XEPP	7.10%
NCE	6.85%
SPS	6.75%
PSCo	

Assumed Mortality Table

Bargaining Participants	RP-2000 Blue Collar projected with scale AA to 2022 for retirees and 2030 for other participants
Non-bargaining Participants	RP-2000 White Collar projected with scale AA to 2022 for retirees and 2030 for other participants

See May 7, 2014 letter for additional information on data, assumptions, methods and plan provisions.

Contributions are allocated based on PBO for each legal entity.

5/7/2014

J:\Clients\66120\RET\2014\Projections\01 February Forecasts\03b Analysis\Pension - Qualified\Qualified Plans 2014 - February Projections.xls: 2015

TOWERS WATSON



XCEL ENERGY INC. - Qualified Pension Plans
Cost Estimates by Legal Entity
(\$ in Thousands)

EXHIBIT I
Page 3 of 6

2016

Xcel Energy Pension Plan (XEPP)

Discontinued Operations¹

Xcel Energy Nuclear

NSP - MN

NSP - WI

Xcel Services²

XEPC (former EMI)

Total XEPP

NCE Non-Bargaining Pension Plan

Discontinued Operations - Cheyenne

PSCo

SPS

Total NCE

SPS Bargaining Plan

SPS

Total SPS

PSCo Bargaining Plan

Discontinued Operations - Cheyenne

PSCo

Total PSCo

Total Xcel Energy

¹ Includes NRG, BMG, Viking, Natro Gas, Utility Engineering, Seren, Quixx, Crockett and QPS

² Includes Eloigne

Assumptions

Discount Rate - U.S. GAAP

XEPP

NCE

SPS

PSCo

Discount Rate - Aggregate Normal Cos

Salary Scale

Expected Return on Assets

XEPP

NCE

SPS

PSCo

Assumed Mortality Table

Bargaining Participants

Non-bargaining Participants

See May 7, 2014 letter for additional information on data, assumptions, methods and plan provisions.

Contributions are allocated based on PBO for each legal entity.

5/7/2014

J:\Clients\66120\RET\2014\Projections\01 February Forecasts\03b Analysis\Pension - Qualified\Qualified Plans 2014 - February Projections.xls: 2016

Amortizations									
Service Cost	Interest Cost	Expected Return on Assets	Prior Service Cost	Net (Gain)/Loss	Net Cost	Aggregate Cost Compensation Method	Aggregate Cost 20-year Amortization Method	January 1 Prepaid (Accrued)	Contribution
-	3,380	(4,805)	-	3,367	1,942	N/A	N/A	37,023	3,373
6,366	4,562	(6,482)	44	448	4,938	3,039	2,377	(4,992)	4,592
21,035	40,153	(57,007)	892	36,518	41,591	27,036	21,145	395,745	40,849
4,204	6,842	(9,717)	111	5,450	6,890	N/A	N/A	56,912	6,925
19,759	24,019	(34,123)	245	10,879	20,779	N/A	N/A	88,205	24,241
-	20	(29)	-	(10)	(19)	N/A	N/A	(180)	20
51,364	78,976	(112,163)	1,292	56,652	76,121	30,075	23,522	572,713	80,000
-	127	(199)	-	158	86	N/A	N/A	1,629	206
5,636	8,798	(13,810)	1	3,936	4,561	N/A	N/A	26,672	13,778
2,904	3,866	(6,071)	-	4,074	4,773	N/A	N/A	40,979	6,016
8,540	12,791	(20,080)	1	8,168	9,420	N/A	N/A	69,280	20,000
6,141	16,976	(21,285)	-	6,679	8,511	N/A	N/A	105,482	-
6,141	16,976	(21,285)	-	6,679	8,511	N/A	N/A	105,482	-
-	536	(762)	-	436	210	N/A	N/A	7,081	358
18,035	44,928	(63,885)	(3,228)	21,201	17,051	N/A	N/A	328,119	29,642
18,035	45,464	(64,647)	(3,228)	21,637	17,261	N/A	N/A	335,200	30,000
84,080	154,207	(218,175)	(1,935)	93,136	111,313	30,075	23,522	1,082,675	130,000

TOWERS WATSON

XCEL ENERGY INC. - Qualified Pension Plans
Cost Estimates by Legal Entity
(\$ in Thousands)

EXHIBIT I
Page 4 of 6

TOWERS WATSON

2017

Xcel Energy Pension Plan (XEPP)

	Amortizations				Aggregate Cost Compensation Method	Aggregate Cost 20-year Amortization Method	January 1 Prepaid (Accrued)	Contribution
	Service Cost	Interest Cost	Expected Return on Assets	Prior Service Cost	Net (Gain)/Loss			
Discontinued Operations ¹	-	3,324	(4,924)	-	3,181	N/A	38,454	3,368
Xcel Energy Nuclear	6,114	4,705	(6,968)	44	164	N/A	(5,338)	4,810
NSP - MN	18,648	38,967	(57,682)	892	33,073	2,815	395,003	40,264
NSP - WI	3,841	6,738	(9,975)	111	4,906	23,563	56,947	6,929
Xcel Services ²	19,323	24,064	(35,633)	245	9,455	N/A	91,667	24,609
XEPC (former EMI)	-	20	(30)	-	(8)	N/A	(141)	20
Total XEPP	47,926	77,818	(115,212)	1,292	50,771	21,647	576,592	80,000
NCE Non-Bargaining Pension Plan								
Discontinued Operations - Cheyenne	-	115	(187)	-	142	N/A	1,749	93
PSCo	5,392	8,611	(13,993)	1	3,407	N/A	35,889	6,858
SPS	2,785	3,826	(6,216)	-	3,517	N/A	42,222	3,049
Total NCE	8,177	12,552	(20,396)	1	7,066	N/A	79,860	10,000
SPS Bargaining Plan								
SPS	6,179	17,175	(22,384)	-	6,221	N/A	96,971	15,000
Total SPS	6,179	17,175	(22,384)	-	6,221	N/A	96,971	15,000
PSCo Bargaining Plan								
Discontinued Operations - Cheyenne	-	517	(752)	-	401	N/A	7,229	286
PSCo	18,243	45,243	(65,791)	(3,228)	18,943	N/A	340,710	24,714
Total PSCo	18,243	45,760	(66,543)	(3,228)	19,344	N/A	347,939	25,000
Total Xcel Energy	80,525	153,305	(224,535)	(1,935)	83,402	21,647	1,101,362	130,000

¹ Includes NRG, BMG, Viking, Natro Gas, Utility Engineering, Seren, Quixx, Crockett and QPS

² Includes Eloigne

Assumptions

Discount Rate - U.S. GAAP	4.74%
XEPP	4.32%
NCE	5.00%
SPS	4.89%
PSCo	7.25%
Discount Rate - Aggregate Normal Cos	3.75%
Salary Scale	
Expected Return on Assets	
XEPP	7.25%
NCE	7.10%
SPS	6.85%
PSCo	6.75%

Assumed Mortality Table

Bargaining Participants RP-2000 Blue Collar projected with scale AA to 2024 for retirees and 2032 for other participants
Non-bargaining Participants RP-2000 White Collar projected with scale AA to 2024 for retirees and 2032 for other participants
See May 7, 2014 letter for additional information on data, assumptions, methods and plan provisions.
Contributions are allocated based on PBO for each legal entity.

5/7/2014

J:\Clients\66120\RET\14\Projections\01 February Forecasts\03b Analysis\Pension - Qualified\Qualified Plans 2014 - February Projections.xls: 2017

XCEL ENERGY INC. - Qualified Pension Plans
Cost Estimates by Legal Entity
(\$ in Thousands)

EXHIBIT I
Page 5 of 6

Exhibit No. SPS-14
Page 15 of 31

2018

Xcel Energy Pension Plan (XEPP)

Discontinued Operations¹

Xcel Energy Nuclear

NSP - MN

NSP - WI

Xcel Services²

XEPC (former EMI)

Total XEPP

NCE Non-Bargaining Pension Plan

Discontinued Operations - Cheyenne

PSCo

SPS

Total NCE

SPS Bargaining Plan

SPS

Total SPS

PSCo Bargaining Plan

Discontinued Operations - Cheyenne

PSCo

Total PSCo

Total Xcel Energy

¹ Includes NRG, BMG, Viking, Natro Gas, Utility Engineering, Seren, Quixx, Crockett and QPS

² Includes Eloigne

Assumptions

Discount Rate - U.S. GAAP

XEPP

NCE

SPS

PSCo

Discount Rate - Aggregate Normal Cos

Salary Scale

Expected Return on Assets

XEPP

NCE

SPS

PSCo

Assumed Mortality Table

Bargaining Participants

Non-Bargaining Participants

See May 7, 2014 letter for additional information on data, assumptions, methods and plan provisions.

Contributions are allocated based on PBO for each legal entity.

5/7/2014

J:\Clients\66120\RET\2014\Projections\01 February Forecasts\03b Analysis\Pension - Qualified\Qualified Plans 2014 - February Projections.xls: 2018

	Amortizations				Aggregate Cost		Aggregate Cost 20-year Amortization Method	January 1 Prepaid (Accrued)	Contribution
	Service Cost	Interest Cost	Expected Return on Assets	Prior Service Cost	Net (Gain)/Loss	Net Cost			
	-	3,227	(4,976)	-	3,036	1,287	N/A	40,241	3,368
	5,905	4,831	(7,450)	44	(51)	3,279	2,669	(4,587)	5,023
	19,531	37,629	(58,027)	892	30,420	30,445	21,038	401,369	39,588
	4,074	6,612	(10,195)	111	4,485	5,087	N/A	58,255	6,909
	18,806	24,042	(37,072)	245	8,350	14,371	N/A	98,822	25,091
	-	20	(31)	-	(6)	(17)	N/A	(103)	21
	48,316	76,361	(117,751)	1,292	46,234	54,452	23,707	593,997	80,000
	-	108	(181)	-	131	58	N/A	1,772	88
	5,114	8,417	(14,115)	1	3,043	2,460	N/A	39,329	6,855
	2,677	3,751	(6,291)	-	3,086	3,223	N/A	41,359	3,057
	7,791	12,276	(20,587)	1	6,260	5,741	N/A	82,460	10,000
	6,192	17,359	(23,385)	-	5,949	6,115	N/A	104,780	15,000
	6,192	17,359	(23,385)	-	5,949	6,115	N/A	104,780	15,000
	-	499	(736)	-	381	144	N/A	7,349	274
	18,430	45,493	(67,143)	(3,228)	17,695	11,247	N/A	352,014	24,726
	18,430	45,992	(67,879)	(3,228)	18,076	11,391	N/A	359,363	25,000
	80,729	151,988	(229,602)	(1,935)	76,519	77,699	23,707	1,140,600	130,000

TOWERS WATSON

XCEL ENERGY INC. - Qualified Pension Plans
Cost Estimates by Legal Entity
(\$ in Thousands)

EXHIBIT 1
Page 6 of 6

Exhibit No. SPS-14
Page 16 of 31

2019

Xcel Energy Pension Plan (XEPP)

	Amortizations				January 1 Prepaid (Accrued)	Contribution
	Service Cost	Interest Cost	Expected Return on Assets	Prior Service Cost	Net (Gain)/Loss	
Discontinued Operations ¹	-	3,112	(5,009)	-	2,898	3,291
Xcel Energy Nuclear	5,678	4,946	(7,962)	44	(232)	5,243
NSP - MN	19,426	36,366	(58,575)	892	27,931	39,039
NSP - WI	4,096	6,497	(10,462)	111	4,084	6,939
Xcel Services ²	18,303	23,949	(38,556)	245	7,368	25,467
XEPC (former EMI)	-	20	(33)	-	(5)	21
Total XEPP	47,503	74,890	(120,597)	1,292	42,044	80,000

NCE Non-Bargaining Pension Plan

Discontinued Operations - Cheyenne	-	102	(177)	-	119	85
PSCo	4,904	8,186	(14,220)	1	2,697	6,850
SPS	2,592	3,669	(6,372)	-	2,684	3,065
Total NCE	7,496	11,957	(20,769)	1	5,500	10,000

SPS Bargaining Plan

SPS	6,199	17,524	(24,533)	-	5,589	15,000
Total SPS	6,199	17,524	(24,533)	-	5,589	15,000

PSCo Bargaining Plan

Discontinued Operations - Cheyenne	-	481	(725)	-	354	263
PSCo	18,765	45,671	(68,873)	(3,228)	16,058	24,737
Total PSCo	18,765	46,152	(69,598)	(3,228)	16,412	25,000

Total Xcel Energy

	79,963	150,523	(235,497)	(1,935)	69,545	130,000
--	--------	---------	-----------	---------	--------	---------

¹ Includes NRG, BMG, Viking, Natro Gas, Utility Engineering, Seren, Quixx, Crockett and QPS

² Includes Eloigne

Assumptions

Discount Rate - U.S. GAAP

XEPP 4.74%

NCE 4.32%

SPS 5.00%

PSCo 4.89%

Discount Rate - Aggregate Normal Cos 7.25%

Salary Scale 3.75%

Expected Return on Assets

XEPP 7.25%

NCE 7.10%

SPS 6.85%

PSCo 6.75%

Assumed Mortality Table

Bargaining Participants

Non-bargaining Participants

RP-2000 Blue Collar projected with scale AA to 2026 for retirees and 2034 for other participants

RP-2000 White Collar projected with scale AA to 2026 for retirees and 2034 for other participants

See May 7, 2014 letter for additional information on data, assumptions, methods and plan provisions.

Contributions are allocated based on PBO for each legal entity.

5/7/2014

J:\Clients\66120\RET\2014\Projections\01 February Forecasts\03b Analysis\Pension - Qualified\Qualified Plans 2014 - February Projections.xls: 2019

TOWERS WATSON



XCEL ENERGY INC. - Nonqualified Pension Plans
U.S. GAAP Cost Estimates by Legal Entity
(\$ in Thousands)

EXHIBIT II
Page 1 of 6

2014	Amortizations						January 1 Prepaid (Accrued)	Expected Benefit Payments
	Service Cost	Interest Cost	Expected Return on Assets	Prior Service Cost	Net (Gain)/Loss	FAS 88 Settlement		
Discontinued Operations ¹	-	59	-	-	12	-	(1,233)	134
Xcel Energy Nuclear	62	46	-	-	(44)	-	(1,557)	203
NSP - MN	29	176	-	-	278	-	(1,417)	762
NSP - WI	12	28	-	-	(4)	-	(674)	57
PSCo ²	37	147	-	-	401	-	548	555
SPS	19	118	-	-	97	-	(1,783)	351
Xcel Services ³	1,033	991	-	240	974	-	(11,447)	2,331
XEPC (former EMI)	-	-	-	-	(5)	-	(46)	-
Total Xcel Energy	1,192	1,565	-	240	1,709	-	(17,609)	4,393

¹ Includes NRG, BMG, Viking, Natrogas, Quixx, Seren and UE

² Includes Fort St. Vrain

³ Includes Eloigne

Assumptions

Discount Rate	4.56%
Salary Scale	3.75%

See May 7, 2014 letter for additional information on data, assumptions, methods and plan provisions.

5/7/2014

J:\Clients\66120\RET\2014\Projections\01 February Forecasts\03b Analysis\Pension - NQ\Nonqualified Plans - 2014-2019 Cost.xlsx: Summary

TOWERS WATSON



XCEL ENERGY INC. - Nonqualified Pension Plans
U.S. GAAP Cost Estimates by Legal Entity
(\$ in Thousands)

2015		Amortizations					FAS 88 Settlement	Net Cost	January 1 Prepaid (Accrued)	Expected Benefit Payments
		Service Cost	Interest Cost	Expected Return on Assets	Prior Service Cost	Net (Gain)/Loss				
	Discontinued Operations ¹	-	58	-	-	18	-	76	(1,170)	133
	Xcel Energy Nuclear	67	44	-	-	(34)	-	77	(1,418)	201
	NSP - MN	32	164	-	-	269	-	465	(1,138)	529
	NSP - WI	13	28	-	-	(1)	-	40	(653)	55
	PSCo ²	40	138	-	-	377	-	555	518	525
	SPS	21	115	-	-	100	-	236	(1,666)	325
	Xcel Services ³	1,126	1,045	-	240	990	-	3,401	(12,354)	1,607
	XEPC (former EMI)	-	-	-	-	(4)	-	(4)	(41)	-
	Total Xcel Energy	1,299	1,592	-	240	1,715	-	4,846	(17,922)	3,375

¹ Includes NRG, BMG, Viking, Natrogas, Quixx, Seren and UE

² Includes Fort St. Vrain

³ Includes Eloigne

Assumptions

Discount Rate 4.56%

Salary Scale 3.75%

Estimates reflect a 5% load on the projected liabilities to reflect the potential for demographic experience that is less favorable than expected.
See May 7, 2014 letter for additional information on data, assumptions, methods and plan provisions.

5/7/2014

J:\Clients\66120\RET\2014\Projections\01 February Forecasts\03b Analysis\Pension - NQ\Nonqualified Plans - 2014-2019 Cost.xlsx: Summary

TOWERS WATSON



XCEL ENERGY INC. - Nonqualified Pension Plans
U.S. GAAP Cost Estimates by Legal Entity
(\$ in Thousands)

EXHIBIT II
Page 3 of 6

2016	Amortizations						January 1 Prepaid (Accrued)	Expected Benefit Payments
	Service Cost	Interest Cost	Expected Return on Assets	Prior Service Cost	Net (Gain)/Loss	FAS 88 Settlement		
Discontinued Operations ¹	-	55	-	-	15	-	(1,113)	131
Xcel Energy Nuclear	70	41	-	-	(31)	-	(1,294)	146
NSP - MN	33	149	-	-	233	-	(1,074)	484
NSP - WI	13	28	-	-	(1)	-	(638)	54
PSCo ²	42	122	-	-	328	-	488	502
SPS	22	106	-	-	86	-	(1,577)	301
Xcel Services ³	1,168	997	-	240	865	1,500	(14,148)	4,761
XEPC (former EMI)	-	-	-	-	(4)	-	(37)	-
Total Xcel Energy	1,348	1,498	-	240	1,491	1,500	(19,393)	6,379

¹ Includes NRG, BMG, Viking, Natrogas, Quixx, Seren and UE

² Includes Fort St. Vrain

³ Includes Eloigne

Assumptions

Discount Rate 4.56%

Salary Scale 3.75%

Estimates reflect a 5% load on the projected liabilities to reflect the potential for demographic experience that is less favorable than expected.

See May 7, 2014 letter for additional information on data, assumptions, methods and plan provisions.

5/7/2014

J:\Clients\66120\RET\2014\Projections\01 February Forecasts\03b Analysis\Pension - NQ\Nonqualified Plans - 2014-2019 Cost.xlsx: Summary

TOWERS WATSON



XCEL ENERGY INC. - Nonqualified Pension Plans
U.S. GAAP Cost Estimates by Legal Entity
(\$ in Thousands)

EXHIBIT II
Page 4 of 6

2017	Amortizations							January 1 Prepaid (Accrued)	Expected Benefit Payments
	Service Cost	Interest Cost	Expected Return on Assets	Prior Service Cost	Net (Gain)/Loss	FAS 88 Settlement	Net Cost		
Discontinued Operations ¹	-	51	-	-	12	-	63	(1,052)	129
Xcel Energy Nuclear	73	41	-	-	(27)	-	87	(1,228)	73
NSP - MN	34	135	-	-	200	-	369	(1,005)	436
NSP - WI	13	27	-	-	(1)	-	39	(624)	53
PSCo ²	44	110	-	-	283	-	437	498	306
SPS	23	98	-	-	74	-	195	(1,490)	279
Xcel Services ³	1,212	952	-	240	595	-	2,999	(14,157)	1,186
XEPC (former EMI)	-	-	-	-	(3)	-	(3)	(33)	-
Total Xcel Energy	1,399	1,414	-	240	1,133	-	4,186	(19,091)	2,462

¹ Includes NRG, BMG, Viking, Natrogas, Quixx, Seren and UE

² Includes Fort St. Vrain

³ Includes Eloigne

Assumptions

Discount Rate 4.56%

Salary Scale 3.75%

Estimates reflect a 5% load on the projected liabilities to reflect the potential for demographic experience that is less favorable than expected.
See May 7, 2014 letter for additional information on data, assumptions, methods and plan provisions.

5/7/2014

J:\Clients\66120\RET\2014\Projections\01 February Forecasts\03b Analysis\Pension - NQ\Nonqualified Plans - 2014-2019 Cost.xlsx: Summary

TOWERS WATSON



XCEL ENERGY INC. - Nonqualified Pension Plans
U.S. GAAP Cost Estimates by Legal Entity
(\$ in Thousands)

EXHIBIT II
Page 5 of 6

	Service Cost	Interest Cost	Expected Return on Assets	Amortizations			FAS 88 Settlement	Net Cost	January 1 Prepaid (Accrued)	Expected Benefit Payments
				Prior Service Cost	Net (Gain)/Loss					
2018										
Discontinued Operations ¹	-	47	-	-	10	-	-	57	(986)	127
Xcel Energy Nuclear	76	43	-	-	(23)	-	-	96	(1,242)	56
NSP - MN	35	123	-	-	172	-	-	330	(938)	399
NSP - WI	13	26	-	-	(1)	-	-	38	(610)	49
PSCo ²	46	103	-	-	244	-	-	393	367	287
SPS	24	91	-	-	63	-	-	178	(1,406)	259
Xcel Services ³	1,257	952	-	227	517	-	-	2,953	(15,970)	3,106
XEPC (former EMI)	-	-	-	-	(3)	-	-	(3)	(30)	-
Total Xcel Energy	1,451	1,385	-	227	979	-	-	4,042	(20,815)	4,283

¹ Includes NRG, BMG, Viking, Natrogas, Quixx, Seren and UE

² Includes Fort St. Vrain

³ Includes Eloigne

Assumptions

Discount Rate 4.56%

Salary Scale 3.75%

Estimates reflect a 5% load on the projected liabilities to reflect the potential for demographic experience that is less favorable than expected.

See May 7, 2014 letter for additional information on data, assumptions, methods and plan provisions.

5/7/2014

J:\Clients\66120\RET\2014\Projections\01 February Forecasts\03b Analysis\Pension - NQ\Nonqualified Plans - 2014-2019 Cost.xlsx: Summary

TOWERS WATSON



XCEL ENERGY INC. - Nonqualified Pension Plans
U.S. GAAP Cost Estimates by Legal Entity
(\$ in Thousands)

EXHIBIT II
Page 6 of 6

2019	Amortizations						January 1 Prepaid (Accrued)	Expected Benefit Payments
	Service Cost	Interest Cost	Expected Return on Assets	Prior Service Cost	Net (Gain)/Loss	FAS 88 Settlement		
Discontinued Operations ¹	-	43	-	-	8	-	(916)	124
Xcel Energy Nuclear	79	47	-	-	(21)	-	(1,282)	19
NSP - MN	36	111	-	-	152	-	(869)	372
NSP - WI	13	26	-	-	(1)	-	(599)	49
PSCo ²	48	96	-	-	216	-	261	276
SPS	25	84	-	-	55	-	(1,325)	242
Xcel Services ³	1,304	932	-	133	451	-	(15,817)	1,983
XEPC (former EMI)	-	-	-	-	(2)	-	(27)	-
Total Xcel Energy	1,505	1,339	-	133	858	-	(20,574)	3,065

¹ Includes NRG, BMG, Viking, Natrogas, Quixx, Seren and UE

² Includes Fort St. Vrain

³ Includes Eloigne

Assumptions

Discount Rate 4.56%

Salary Scale 3.75%

Estimates reflect a 5% load on the projected liabilities to reflect the potential for demographic experience that is less favorable than expected.
See May 7, 2014 letter for additional information on data, assumptions, methods and plan provisions.

5/7/2014

J:\Clients\66120\RET\2014\Projections\01 February Forecasts\03b Analysis\Pension - NQ\Nonqualified Plans - 2014-2019 Cost.xlsx: Summary

TOWERS WATSON



XCEL ENERGY INC. - Postretirement Benefits
U.S. GAAP Budget Estimates by Legal Entity
(\$ in Thousands)

2014		Amortizations					January 1 Prepaid (Accrued)	Contribution
		Service Cost	Interest Cost	Expected Return on Assets	Transition (Asset)/Obligation	Prior Service Cost	Net (Gain)/Loss	
	Discontinued Operations ¹	-	487	(96)	-	(105)	232	759
	Xcel Energy Nuclear	29	44	-	-	49	(3)	9
	NSP - MN ²	158	4,949	(301)	-	(3,085)	3,417	9,280
	NSP - WI	35	791	(52)	-	(351)	666	1,464
	PSCo	1,915	23,704	(30,214)	-	(6,247)	6,434	-
	SPS ³	1,246	2,572	(3,247)	-	(401)	(321)	-
	Xcel Services ³	74	1,479	(44)	-	(549)	1,319	1,738
	XEPC (former EMI)	-	2	-	-	1	(6)	5
	Total Xcel Energy	3,457	34,028	(33,954)	2	(10,588)	11,738	13,255

¹Includes NRG, BMG, Viking, Natrogas, Cheyenne, Quixx and UE.

²Includes Eloigne and Seren.

³Includes Executive Life Insurance benefits

Assumptions

Discount Rate	4.82%
Expected Return on Assets	
Bargaining	7.25%
Nonbargaining	6.75%
Medical Trend	
Initial (2014)	7.00%
Ultimate	4.50%
Year Ultimate Reached	2019
Assumed Mortality Table	
Bargaining	RP-2000 Blue Collar projected with scale AA to 2021 for retirees and 2029 for other participants
Non-bargaining	RP-2000 White Collar projected with scale AA to 2021 for retirees and 2029 for other participants

Contributions for PSCo and SPS are assumed equal to the net cost, but not less than zero. Contributions for other legal entities are assumed equal to the expected benefit pay.

See May 7, 2014 letter for additional information on data, assumptions, methods and plan provisions.

XCEL ENERGY INC. - Postretirement Benefits
U.S. GAAP Budget Estimates by Legal Entity
(\$ in Thousands)

2015	Amortizations						
	Service Cost	Interest Cost	Expected Return on Assets	Transition (Asset)/Obligation	Prior Service Cost	Net (Gain)/Loss	Net Cost
Discontinued Operations ¹	-	473	(109)	-	(103)	219	480
Xcel Energy Nuclear	28	47	-	-	49	(2)	122
NSP - MN ²	148	4,720	(330)	-	(3,085)	3,220	4,673
NSP - WI	32	755	(57)	-	(351)	628	1,007
PSCo	1,625	23,248	(29,844)	-	(6,247)	6,136	(5,082)
SPS ³	1,249	2,597	(3,228)	-	(401)	(303)	(86)
Xcel Services ³	69	1,466	(46)	-	(549)	1,254	2,194
XEPC (former EMI)	-	2	-	-	1	(5)	(2)
Total Xcel Energy	3,151	33,308	(33,614)	-	(10,686)	11,147	3,306
							(121,386)
							12,962

¹Includes NRG, BMG, Viking, Natrogas, Cheyenne, Quixx and UE.

²Includes Elbigne and Seren.

³Includes Executive Life Insurance benefits

Assumptions

Discount Rate	4.82%
Expected Return on Assets	
Bargaining	7.25%
Nonbargaining	6.75%
Medical Trend	
Initial (2014)	7.00%
Ultimate	4.50%
Year Ultimate Reached	2019
Assumed Mortality Table	

RP-2000 Blue Collar projected with scale AA to 2022 for retirees and 2030 for other participants

RP-2000 White Collar projected with scale AA to 2022 for retirees and 2030 for other participants

Contributions for PSCo and SPS are assumed equal to the net cost, but not less than zero. Contributions for other legal entities are assumed equal to the expected benefit pay.
See May 7, 2014 letter for additional information on data, assumptions, methods and plan provisions.

5/7/2014

J:\Clients\66120\RET\2014\Projections\01 February Forecasts\03b Analysis\PRWPPostretirement Benefit Plans - 2014-2019 February Forecasts_Final.xlsx Summary

TOWERS WATSON



XCEL ENERGY INC. - Postretirement Benefits
U.S. GAAP Budget Estimates by Legal Entity
(\$ in Thousands)

2016		Amortizations					January 1 Prepaid (Accrued)	Contribution
		Service Cost	Interest Cost	Expected Return on Assets	Transition (Asset)/Obligation	Prior Service Cost	Net (Gain)/Loss	
	Discontinued Operations ¹	-	458	(117)	-	(103)	207	792
	Xcel Energy Nuclear	25	50	-	-	49	(2)	14
	NSP - MN ²	138	4,526	(354)	-	(3,085)	3,040	8,988
	NSP - WI	31	725	(61)	-	(351)	592	1,429
	PSCo	1,364	22,741	(29,395)	-	(6,247)	5,821	-
	SPS ³	1,246	2,622	(3,211)	-	(401)	(278)	-
	Xcel Services ³	67	1,461	(50)	-	(549)	1,181	1,673
	XEPC (former EMI)	-	1	-	-	1	(5)	5
	Total Xcel Energy	2,871	32,584	(33,188)	-	(10,686)	10,556	12,881

¹Includes NRG, BMG, Viking, Natrogas, Cheyenne, Quixx and UE.

²Includes Eloigne and Seren.

³Includes Executive Life Insurance benefits

Assumptions

Discount Rate	4.82%
Expected Return on Assets	
Bargaining	7.25%
Nonbargaining	6.75%
Medical Trend	
Initial (2014)	7.00%
Ultimate	4.50%
Year Ultimate Reached	2019
Assumed Mortality Table	
Bargaining	RP-2000 Blue Collar projected with scale AA to 2023 for retirees and 2031 for other participants
Non-bargaining	RP-2000 White Collar projected with scale AA to 2023 for retirees and 2031 for other participants

Contributions for PSCo and SPS are assumed equal to the net cost, but not less than zero. Contributions for other legal entities are assumed equal to the expected benefit pay.
See May 7, 2014 letter for additional information on data, assumptions, methods and plan provisions.

5/7/2014

J:\Clients\66120\RET\2014\Projections\01 February Forecasts\03b Analysis\PRWPPostretirement Benefit Plans - 2014-2019 February Forecasts_Final.xlsx Summary

TOWERS WATSON



XCEL ENERGY INC. - Postretirement Benefits
U.S. GAAP Budget Estimates by Legal Entity
(\$ in Thousands)

2017		Amortizations					January 1 Prepaid (Accrued)	Contribution
		Service Cost	Interest Cost	Expected Return on Assets	Transition (Asset)/Obligation	Prior Service Cost	Net (Gain)/Loss	
	Discontinued Operations ¹	-	442	(125)	-	(103)	195	790
	Xcel Energy Nuclear	22	53	-	-	49	(2)	19
	NSP - MN ²	132	4,331	(379)	-	(3,085)	2,866	8,664
	NSP - WI	30	694	(66)	-	(351)	558	1,372
	PSCo	1,176	22,155	(28,854)	-	(6,247)	5,519	-
	SPS ³	1,245	2,641	(3,186)	-	(401)	(254)	45
	Xcel Services ³	65	1,454	(53)	-	(549)	1,113	1,707
	XEPC (former EMI)	-	1	-	-	1	(5)	5
	Total Xcel Energy	2,670	31,771	(32,663)	-	(10,686)	9,990	12,602

¹Includes NRG, BMG, Viking, Natrogas, Cheyenne, Quixx and UE.

²Includes Eloigne and Seren.

³Includes Executive Life Insurance benefits

Assumptions

Discount Rate	4.82%
Expected Return on Assets	
Bargaining	7.25%
Nonbargaining	6.75%
Medical Trend	
Initial (2014)	7.00%
Ultimate	4.50%
Year Ultimate Reached	2019
Assumed Mortality Table	
Bargaining	RP-2000 Blue Collar projected with scale AA to 2024 for retirees and 2032 for other participants
Non-bargaining	RP-2000 White Collar projected with scale AA to 2024 for retirees and 2032 for other participants

Contributions for PSCo and SPS are assumed equal to the net cost, but not less than zero. Contributions for other legal entities are assumed equal to the expected benefit pay.
See May 7, 2014 letter for additional information on data, assumptions, methods and plan provisions.

XCEL ENERGY INC. - Postretirement Benefits
U.S. GAAP Budget Estimates by Legal Entity
(\$ in Thousands)

2018		Amortizations					January 1 Prepaid (Accrued)	Contribution
		Service Cost	Interest Cost	Expected Return on Assets	Transition (Asset)/Obligation	Prior Service Cost	Net (Gain)/Loss	
	Discontinued Operations ¹	-	425	(134)	-	(104)	183	821
	Xcel Energy Nuclear	22	56	-	-	49	(2)	21
	NSP - MN ²	124	4,136	(407)	-	(3,085)	2,688	8,525
	NSP - WI	30	664	(70)	-	(351)	523	1,346
	PSCo	1,045	21,476	(28,194)	-	(6,178)	5,205	-
	SPS ³	1,242	2,661	(3,163)	-	(404)	(231)	105
	Xcel Services ³	62	1,445	(57)	-	(557)	1,042	1,727
	XEPC (former EMI)	-	1	-	-	1	(4)	5
	Total Xcel Energy	2,525	30,864	(32,025)	-	(10,629)	9,404	12,550

¹Includes NRG, BMG, Viking, Natrogas, Cheyenne, Quixx and UE.

²Includes Eloigne and Seren.

³Includes Executive Life Insurance benefits

Assumptions

Discount Rate	4.82%
Expected Return on Assets	
Bargaining	7.25%
Nonbargaining	6.75%
Medical Trend	
Initial (2014)	7.00%
Ultimate	4.50%
Year Ultimate Reached	2019
Assumed Mortality Table	
Bargaining	RP-2000 Blue Collar projected with scale AA to 2025 for retirees and 2033 for other participants
Non-bargaining	RP-2000 White Collar projected with scale AA to 2025 for retirees and 2033 for other participants

Contributions for PSCo and SPS are assumed equal to the net cost, but not less than zero. Contributions for other legal entities are assumed equal to the expected benefit pay.
See May 7, 2014 letter for additional information on data, assumptions, methods and plan provisions.

XCEL ENERGY INC. - Postretirement Benefits
U.S. GAAP Budget Estimates by Legal Entity
(\$ in Thousands)

2019		Amortizations					January 1 Prepaid (Accrued)	Contribution
		Service Cost	Interest Cost	Expected Return on Assets	Transition (Asset)/Obligation	Prior Service Cost	Net (Gain)/Loss	
	Discontinued Operations ¹	-	406	(144)	-	(110)	171	810
	Xcel Energy Nuclear	20	59	-	-	57	(2)	26
	NSP - MN ²	115	3,939	(436)	-	(3,075)	2,521	8,329
	NSP - WI	28	634	(76)	-	(351)	490	1,321
	PSCo	930	20,719	(27,431)	-	(5,399)	4,907	-
	SPS ³	1,232	2,684	(3,143)	-	(466)	(208)	99
	Xcel Services ³	57	1,436	(61)	-	(565)	976	1,710
	XEPC (former EMI)	-	1	-	-	-	(4)	5
	Total Xcel Energy	2,382	29,878	(31,291)	-	(9,909)	8,851	12,300

¹Includes NRG, BMG, Viking, Natrogas, Cheyenne, Quixx and UE.

²Includes Eloigne and Seren.

³Includes Executive Life Insurance benefits

Assumptions

Discount Rate	4.82%
Expected Return on Assets	
Bargaining	7.25%
Nonbargaining	6.75%
Medical Trend	
Initial (2014)	7.00%
Ultimate	4.50%
Year Ultimate Reached	2019
Assumed Mortality Table	
Bargaining	RP-2000 Blue Collar projected with scale AA to 2026 for retirees and 2034 for other participants
Non-bargaining	RP-2000 White Collar projected with scale AA to 2026 for retirees and 2034 for other participants

Contributions for PSCo and SPS are assumed equal to the net cost, but not less than zero. Contributions for other legal entities are assumed equal to the expected benefit pay.
See May 7, 2014 letter for additional information on data, assumptions, methods and plan provisions.

**Xcel Energy Inc.
U.S. GAAP Liabilities
(\$ in Thousands)**

Exhibit IV

<i>Fiscal Year Ending</i>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
U.S. GAAP	Actual	Actual	Budget	Budget	Budget	Budget	Budget	Budget
<i>Discount Rate- Workers' Compensation</i>	3.74%	5.08%		5.08%	5.08%	5.08%	5.08%	5.08%
<i>Former NSP - Workers' Compensation¹</i>								
<i>MN/SD</i>	10,830	9,881	9,314	8,806	8,339	7,874	7,415	6,983
<i>MI/WI</i>	362	352	344	337	331	326	322	318
<i>Subtotal</i>	11,192	10,233	9,658	9,143	8,670	8,200	7,737	7,301
<i>Former NCE - Workers' Compensation¹</i>								
<i>Colorado - PSCo</i>	2,481	2,054	1,936	1,837	1,751	1,675	1,610	1,548
<i>Deductible States - Workers' Compensation</i>								
<i>Deductible States - SPS (KS, OK, NM, and TX)</i>	903	-	-	-	-	-	-	-
Total Xcel Energy Workers' Compensation	14,576	12,287	11,594	10,980	10,421	9,875	9,347	8,849
<i>Discount Rate - LTD Income</i>	3.74%	5.08%	5.08%	5.08%	5.08%	5.08%	5.08%	5.08%
LTD Income								
<i>Discontinued Operations - Cheyenne</i>	-	89	75	61	47	33	19	16
<i>Discontinued Operations²</i>	1,107	578	552	526	501	477	453	429
<i>NSP-MN</i>	10,532	9,219	8,741	8,277	7,822	7,375	6,937	6,505
<i>NSP-WI</i>	1,612	1,542	1,469	1,399	1,332	1,264	1,200	1,136
<i>PSCo</i>	4,343	3,194	2,601	2,086	1,623	1,268	952	683
<i>SPS</i>	1,531	1,205	999	826	670	567	463	358
<i>Utility Engineering</i>	-	52	48	45	41	37	34	30
<i>Xcel Services</i>	590	497	428	359	304	249	193	162
<i>XEPC</i>	109	92	74	56	37	19	-	-
Total Xcel Energy LTD Income	19,824	16,468	14,987	13,635	12,377	11,289	10,251	9,319
Total Xcel Energy U.S. GAAP	34,400	28,755	26,581	24,615	22,798	21,164	19,598	18,168

¹ Results for former NSP states include income replacement and medical benefits as well as reserve for bankrupt insurers.

Colorado results include reserve for bankrupt insurers.

² Includes NRG, BMG, Viking and Natrogas

See May 7, 2014 letter for additional information on data, assumptions, methods and plan provisions.

5/7/2014

X:\65120\RET\2014\Projections02 May Forecasts\03b Analysis\LTD&WC\Workers Comp and LTD_5.08 - 2014 Cost and Projections-Final.xlsx\112 liability

TOWERS WATSON

Exhibit V

Xcel Energy Inc.
U.S. GAAP Claims and Expenses
(\$ in Thousands)

Fiscal Year Ending	2013	2014	2015	2016	2017	2018	2019	2020
U.S. GAAP	Actual	Actual	Budget	Budget	Budget	Budget	Budget	Budget
Discount Rate - Workers' Compensation	3.74%	5.08%	5.08%	5.08%	5.08%	5.08%	5.08%	5.08%
Former NSP - Workers' Compensation ¹								
MN/SD	1,756	1,163	1,043	957	892	866	838	811
MI/WI	89	26	25	24	23	22	21	20
Subtotal	1,845	1,189	1,068	981	915	888	859	831
Former NCE - Workers' Compensation ¹								
Colorado - PSCo	288	231	217	192	175	161	147	134
Deductible States - Workers' Compensation								
Deductible States - SPS (KS, OK, NM, and TX)	50	-	-	-	-	-	-	-
Total Xcel Energy Workers' Compensation	2,183	1,420	1,285	1,173	1,090	1,049	1,006	965
Discount Rate - LTD Income	3.74%	5.08%	5.08%	5.08%	5.08%	5.08%	5.08%	5.08%
LTD Income²								
Discontinued Operations - Cheyenne	-	31	18	17	17	16	16	4
Discontinued Operations ³	118	59	55	52	50	49	47	45
NSP-MN	1,172	974	921	884	852	821	792	762
NSP-WI	165	163	148	141	135	130	126	122
PSCo	906	809	735	631	553	426	370	308
SPS	365	302	260	218	192	134	129	125
Utility Engineering	-	6	6	6	6	6	5	5
Xcel Services	128	94	91	89	71	69	67	41
XEPC	23	23	22	21	21	20	19	-
Total Xcel Energy LTD Income	2,877	2,461	2,256	2,059	1,897	1,671	1,571	1,412
Total Xcel Energy U.S. GAAP	5,060	3,881	3,541	3,232	2,987	2,720	2,577	2,377

¹ Results for former NSP states include income replacement and medical benefits as well as reserve for bankrupt insurers.
Colorado results include reserve for bankrupt insurers.

² Does not include administrative expenses

³ Includes NRG, BMG, Viking and Natrogas

See May 7, 2014 letter for additional information on data, assumptions, methods and plan provisions.

5/7/2014

X:\66120\RET\2014\Projections\02 May Forecasts\03b Analysis\LTD&WC\Workers Comp and LTD_5.08 - 2014 Cost and Projections-Final.xlsx\112 est claims&expenses

TOWERS WATSON

**Xcel Energy Inc.
U.S. GAAP Cost
(\$ in Thousands)**

Exhibit VI

<i>Fiscal Year Ending</i>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
U.S. GAAP	Actual	Actual	Budget	Budget	Budget	Budget	Budget	Budget
<i>Discount Rate- Workers' Compensation</i>	3.74%	5.08%	5.08%	5.08%	5.08%	5.08%	5.08%	5.08%
<i>Former NSP - Workers' Compensation¹</i>								
<i>MN/SD</i>	2,395	214	476	449	425	401	379	379
<i>MI/WI</i>	236	16	17	17	17	17	17	16
<i>Subtotal</i>	2,631	230	493	466	442	418	396	395
<i>Former NCE - Workers' Compensation¹</i>								
<i>Colorado - PSCo</i>	383	(196)	99	93	89	85	82	72
<i>Deductible States - Workers' Compensation</i>								
<i>Deductible States - SPS (KS, OK, NM, and TX)</i>	70	(903)	-	-	-	-	-	-
Total Xcel Energy Workers' Compensation	3,084	(869)	592	559	531	503	478	467
<i>Discount Rate - LTD Income</i>	3.74%	5.08%	5.08%	5.08%	5.08%	5.08%	5.08%	5.08%
LTD Income								
<i>Discontinued Operations - Cheyenne</i>	-	120	4	3	3	2	2	1
<i>Discontinued Operations²</i>	677	(470)	29	26	25	25	23	21
<i>NSP-MN</i>	2,292	(339)	443	420	397	374	354	330
<i>NSP-WI</i>	785	93	75	71	68	62	62	58
<i>PSCo</i>	114	(340)	142	116	90	71	54	39
<i>SPS</i>	141	(24)	54	45	36	31	25	20
<i>Utility Engineering</i>	-	58	2	3	2	2	2	1
<i>Xcel Services</i>	(12)	1	22	20	16	14	11	10
<i>XEPC</i>	12	6	4	3	2	2	-	-
Total Xcel Energy LTD Income	4,009	(895)	775	707	639	583	533	480
Total Xcel Energy U.S. GAAP	7,093	(1,764)	1,367	1,266	1,170	1,086	1,011	947

¹ Results for former NSP states include income replacement and medical benefits as well as reserve for bankrupt insurers.
Colorado results include reserve for bankrupt insurers.

² Includes NRG, BMG, Viking and Natrogas

See May 7, 2014 letter for additional information on data, assumptions, methods and plan provisions.

5/7/2014

X:\66120\RET\2014\Projections\02 May Forecasts\03b Analysis\LTD&WC\Workers Comp and LTD_5.08 - 2014 Cost and Projections-Final.xlsx\112 expense

TOWERS WATSON

