

NEWS RELEASE

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Xcel Energy gains approval for \$53 million project

New transmission line and substation to support growth in industrial demand

ROSWELL, N.M. – The New Mexico Public Regulation Commission has given Xcel Energy the green light to build a \$53 million transmission line project in Eddy and Lea counties, New Mexico – a major Power for the Plains component designed to meet demand growth in the energy and mining sectors of southeastern New Mexico.

The Potash Junction-to-Roadrunner 230-kilovolt transmission line project will involve 40 miles of new line between the new Roadrunner Substation and the existing Potash Junction Substation. Roadrunner is under construction about 45 miles southeast of Carlsbad. Potash Junction is located approximately 15 miles northeast of Carlsbad. This project will be a key link in the company's expanding transmission network in the far southeastern corner of the state.

"We have experienced high load growth in an area where Xcel Energy has limited power delivery infrastructure," said David Hudson, president of Southwestern Public Service Company, an Xcel Energy company. "We are investing hundreds of millions of dollars in southeastern New Mexico to upgrade infrastructure and to serve the growth in electricity demand."

The new line will be constructed to a 345-kilovolt capacity, but initially operated at 230 kilovolts. Structures will be two-pole steel H-frames ranging from 80 to 140 feet tall. The projected in-service date is in December 2015.

The Potash Junction-Roadrunner project is one of several key capital investments Xcel Energy is making in its New Mexico-Texas service area. In addition to new transmission lines, which act as the "highways" of the power grid, the company is building more than 200 miles of distribution feeder lines in Eddy and Lea counties that will take power directly to new customers.

More information on this and other transmission projects can be found at www.powerfortheplains.com, where Xcel Energy provides details on its major New Mexico and Texas capital investment projects.

Xcel Energy's Southwestern Public Service Company subsidiary serves 14 communities in eastern and southeastern New Mexico and 80 communities in the Panhandle and South Plains of Texas. The company's transmission system reaches even farther, taking in the Oklahoma Panhandle and portions of southwestern Kansas.

Xcel Energy (NYSE: XEL) is a major U.S. electricity and natural gas company with regulated operations in eight Western and Midwestern states. Xcel Energy provides a comprehensive portfolio of energy-related products and services to 3.5 million electricity customers and 1.9 million natural gas customers through its regulated operating companies. Company headquarters are located in Minneapolis. More information is available at www.xcelenergy.com.

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