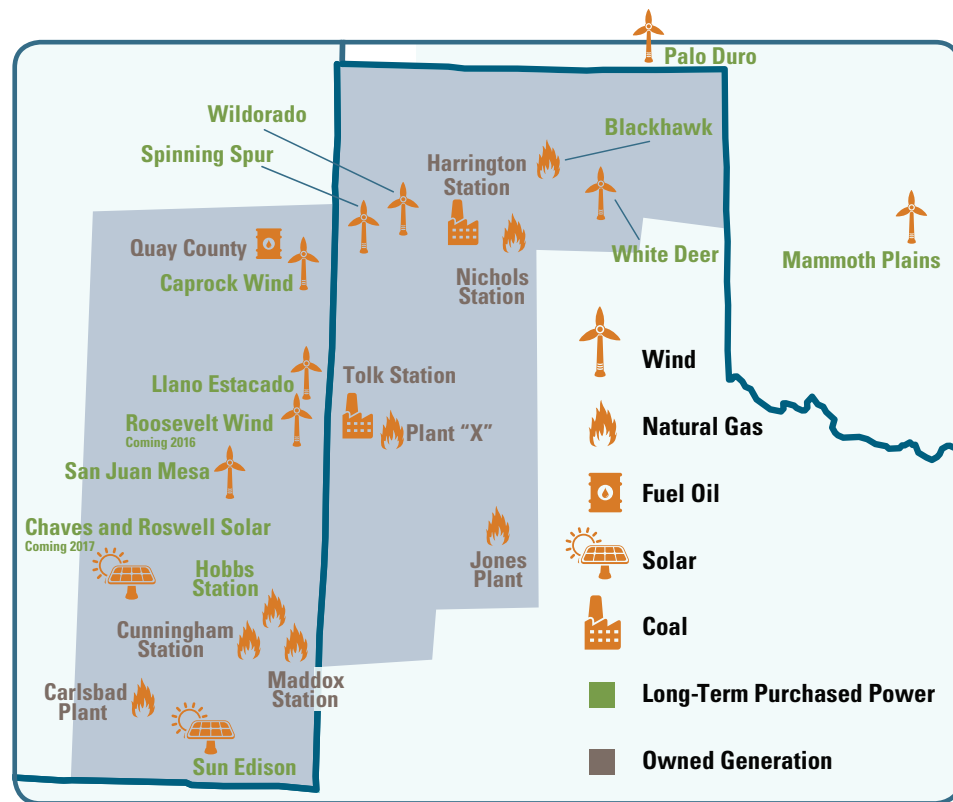


Power for the Plains

New interconnections are bringing in the best priced electricity available, expanding the market for renewable energy located right out our back doors, and allowing long-term power purchase agreements with wind farms and other sources that weren't possible before.

The value of investment in broader connections, while costing more upfront, has actually helped keep our rates lower than the national average: 6.24 cents a kilowatt-hour in Texas and New Mexico versus 10.08 cents nationally (average for all customers).



Power where we need it

While the region's economy continues to expand, Xcel Energy is in the middle of a multi-year comprehensive transmission expansion plan – a plan to meet our current needs and those of future generations.

The effort upgrades the grid and provides more capacity for the unprecedented flow of electricity, accessing a marketplace that assures customers are getting the best-priced electricity available at any given moment.

Xcel Energy's Southwestern Public Service Co. stretches over most of the Texas Panhandle, the Texas South Plains

In light of evolving federal environmental rules, which will likely bring more challenges and costs down the road, we are proud of our skilled employees who keep our plants reliable while lowering emissions.

Across our company, employees have earned high merits for safety and performance. Our Harrington Generation Station won Powder

region, and eastern and southeastern New Mexico – a 52,000 square mile area.

SPS's operations include a transmission control center in Amarillo, a distribution control center in Lubbock and, currently, 7,247 miles of transmission lines, 15,796 miles of distribution, 433 substations and nine generating facilities.

SPS's transmission network extends beyond SPS's retail service, located in four states: Texas, New Mexico, Oklahoma and Kansas.

River Basin Coal Users' Group 2015 Plant of the Year, an honor our other coal plant, Tolk, received in 2010 for innovation and environmental performance.

From building a talented workforce to taking advantage of the latest technology, we look at resources at least 20 years down the road so we can remain the best choice for your power.

Rural electrical cooperatives and municipal-owned utilities receive service over SPS's transmission lines. And our network is open to other power companies and to renewable energy generators to use, as well.



Continued from cover

megawatts a few years back to 1,700 megawatts today.

The increased interconnection is allowing diversity, as well as cost savings, in the supply of electricity as never before. Long-term wind energy purchases,

which lock in savings for customers, are now made from wind farms outside Xcel Energy's service area.

Overall, wind energy throughout the Texas Panhandle and parts of New Mexico has seen tremendous growth. Texas and New Mexico customers

currently enjoy cost-effective wind purchases totaling more than 1,525 megawatts, enough to power more than 1.1 million homes. In fact, Xcel Energy has led the nation for eleven years now in procuring wind-produced electricity for the benefit of our customers.



The long-term value of our investment is apparent. Greater efficiencies, lower commodity prices and access to reliable and well-priced electricity have essentially offset rate increases. And, accounting for inflation, today's rates are less than half what they were in 1960.

But we're not finished yet. Over the next five years, we will support our region's vibrant economy with \$3 billion in new capital. We'll meet the growing demand for electricity, improve reliability and leverage the energy grid to help keep rates affordable. At the same time, this investment



will infuse local household earnings with an additional \$1.3 billion.¹

Ongoing operations alone in 2014 supported 8,160 jobs and resulted in \$2.7 billion in local economic activity in Texas and New Mexico.²

¹ Benchmarks used in the analysis are from the U.S. Bureau of Economic Analysis
² Not including ongoing operations.