



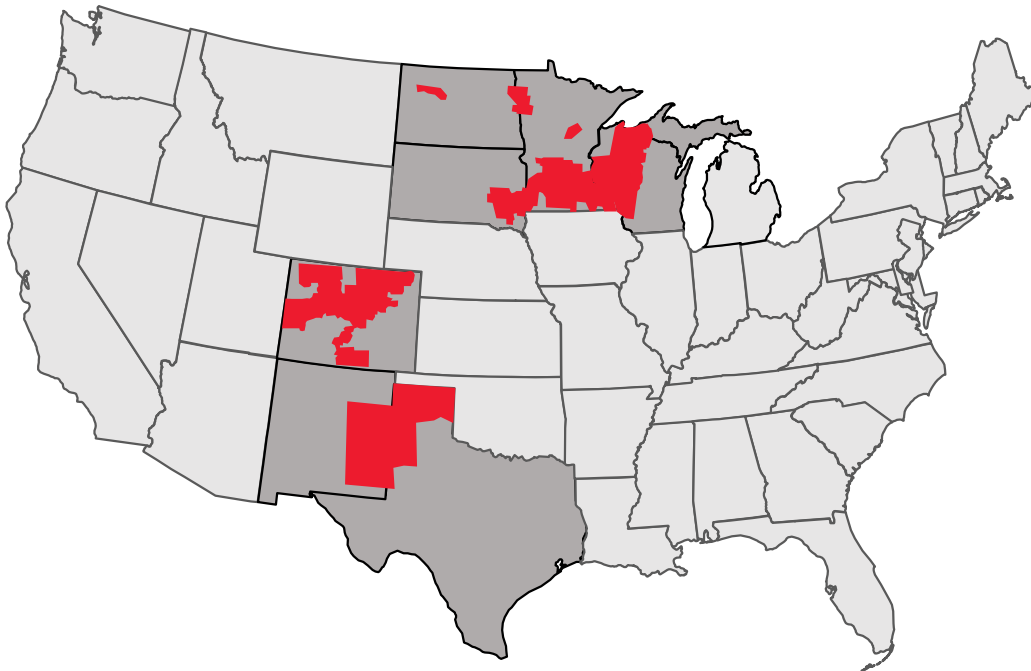
SOUTH DAKOTA ELECTRIC RATE PROPOSAL PUBLIC INPUT SESSIONS

Steve Kolbeck | Principal Manager, Xcel Energy – South Dakota
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November 28, 2022



Xcel Energy



Serving eight states

3.7 million electricity customers

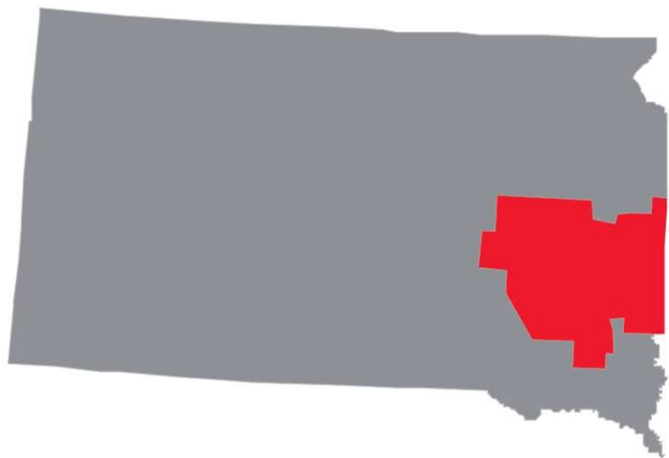
2.1 million natural gas customers

Nationally recognized leader:

- Wind energy
- Energy efficiency
- Carbon emissions reductions
- Innovative technology
- Storm restoration

Data based on 2021 Sustainability Report. To view full report: [xcelenergy.com/sustainability](https://www.xcelenergy.com/sustainability).

Powering South Dakota



**99,000
Electric
Customers**



**99.9%
Electric
Reliability**

Data based on 2021 Sustainability Report. To view full report: xcelenergy.com/sustainability.

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Powering South Dakota's Economy



**\$3.5 million
spent with local
suppliers**



**100
Xcel Energy
jobs in 2021**



**\$4.5 million in
property taxes**

Data based on 2021 Sustainability Report. To view full report: xcelenergy.com/sustainability.

Supporting our Military Veterans

- 10 percent of employees are veterans
- Best for Vets employer by *Military Times*
- Beyond the Yellow Ribbon Employer
- Employer Support of the Guard and Reserve recognition: Seven Seals Award, Pro Patria Award, Above and Beyond Award, Patriot Award
- Dept. of Labor HIRE Vets Medallion Program Award
- Military Friendly Employer
- U.S. Army's Partnership for Youth Success Employer Partner
- Vets Ready Employer



Xcel Energy Priorities



**Lead the Clean
Energy Transition**



**Enhance the
Customer Experience**



Keep Bills Low

The Changing Landscape



**Distributed
energy
resources**



**Renewable
energy**



**Changing
policy**



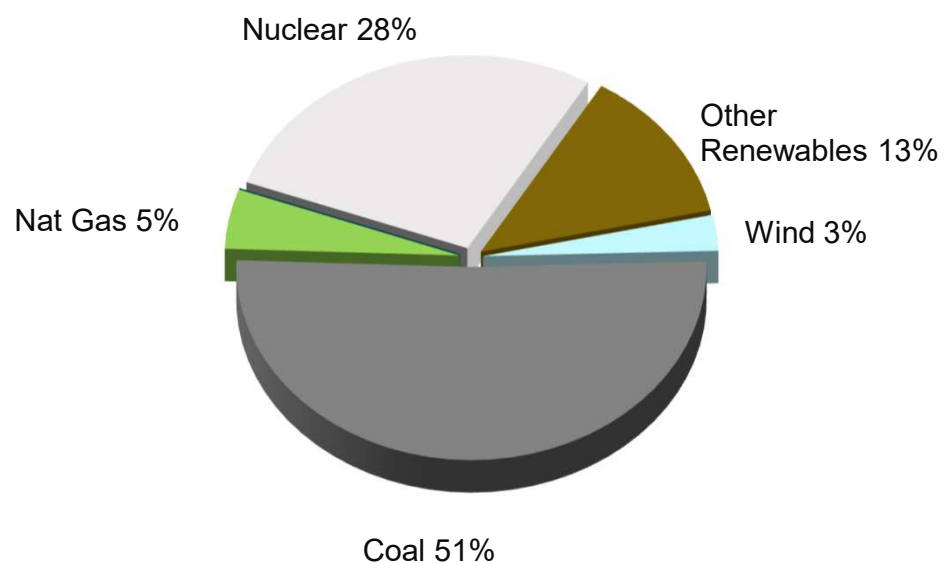
Electrification



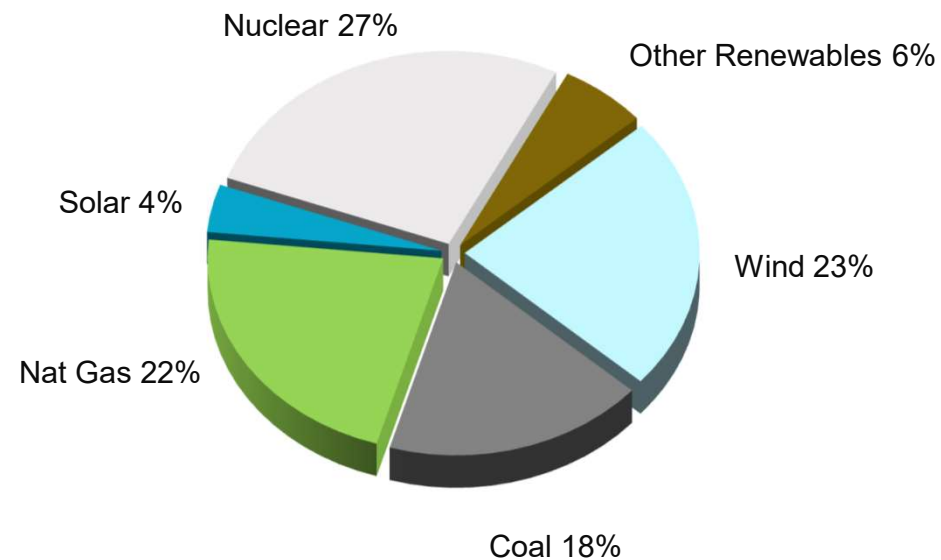
**Technology
innovation**

Evolving Resource Portfolio

2005



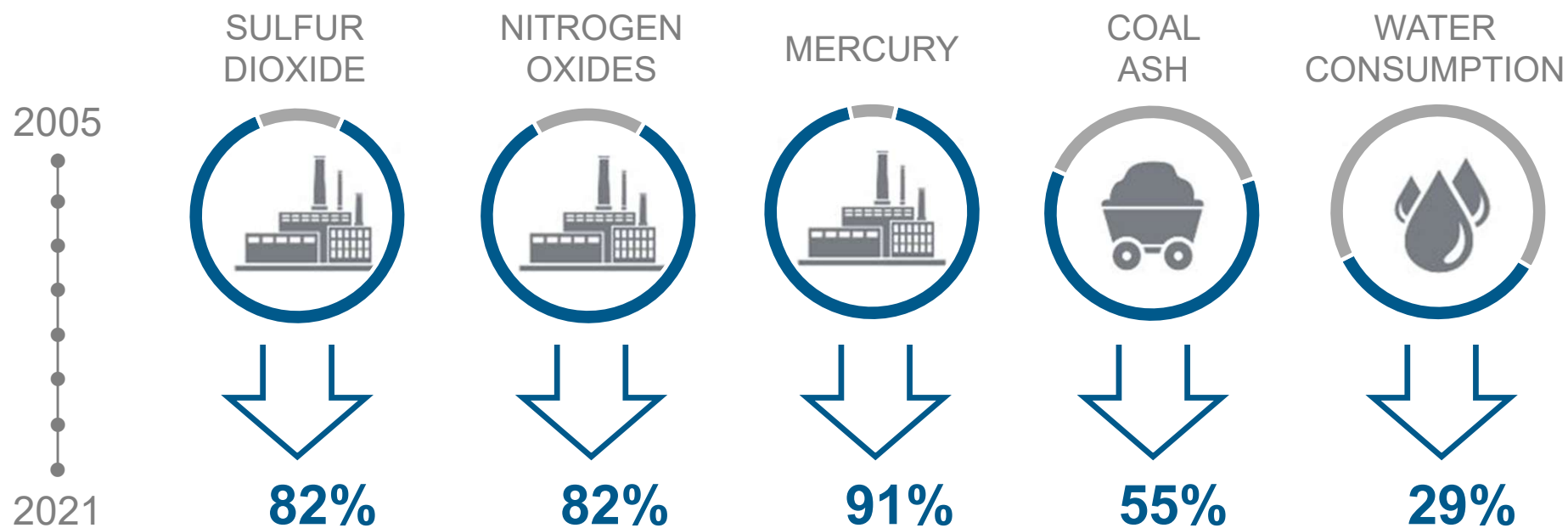
2021



Note: Mix is based on energy (MWh) production

Reductions Beyond Carbon

Environmental Improvement Since 2005



Upper Midwest Energy Plan



Close coal plants

Retire the last of our coal plants in the Upper Midwest by 2030

Add renewables

Build 2,500 megawatts of solar energy and 2,150 megawatts of wind energy by 2032

Continue carbon-free nuclear

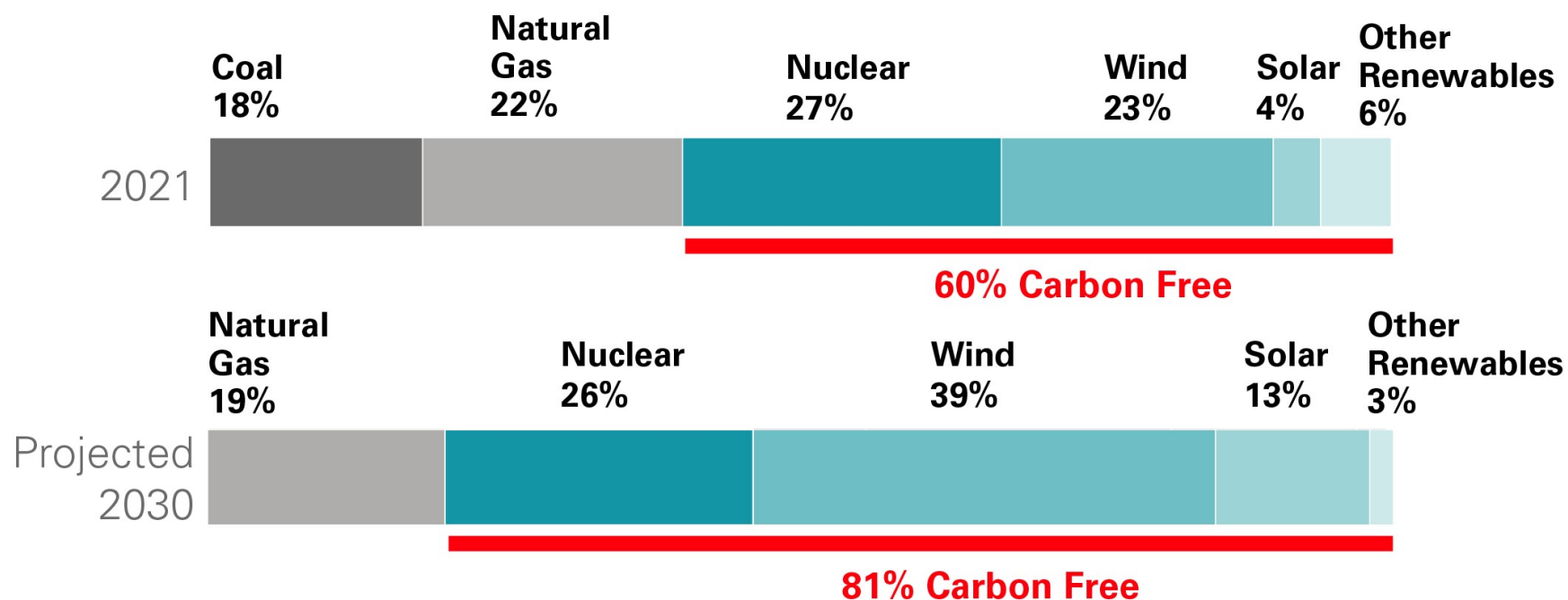
Continue the process to gain approval to run our carbon-free Monticello nuclear plant until 2040

Enable a carbon-free future

Continue to use natural gas facilities to ensure the reliability and stability of the electric system while exploring new “always available” energy sources to advance the clean energy transition

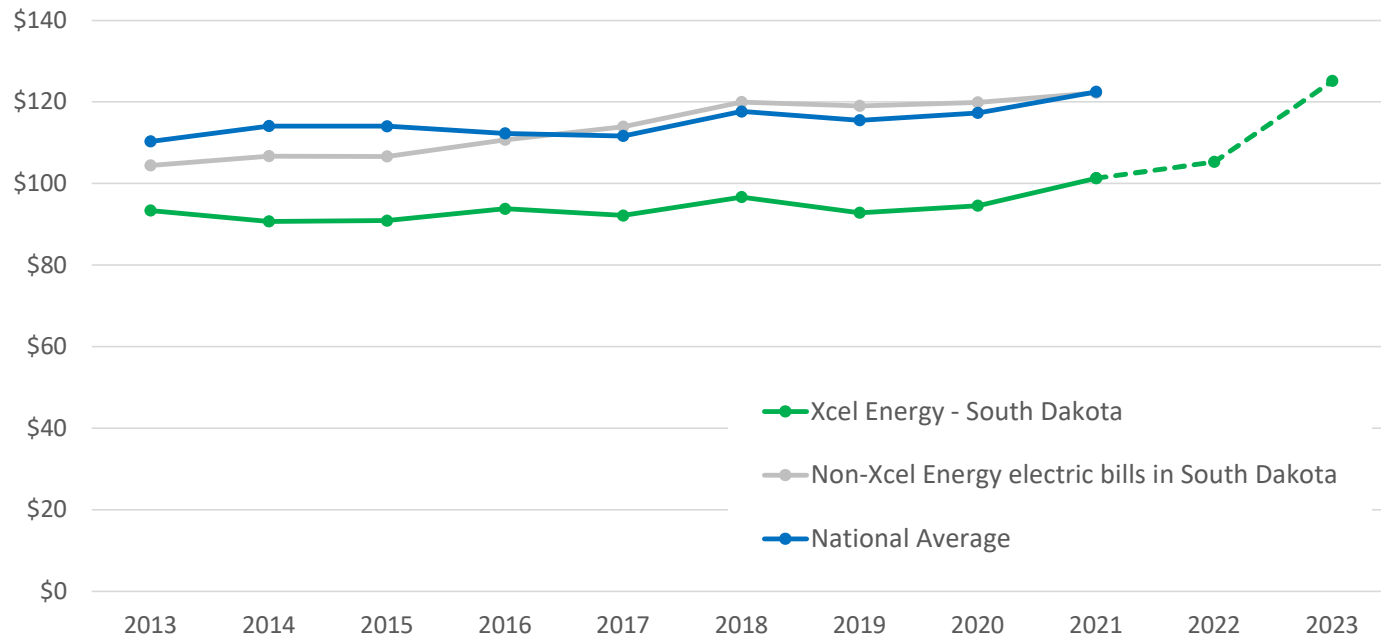
Cleaner Energy Mix

Upper Midwest electricity sources

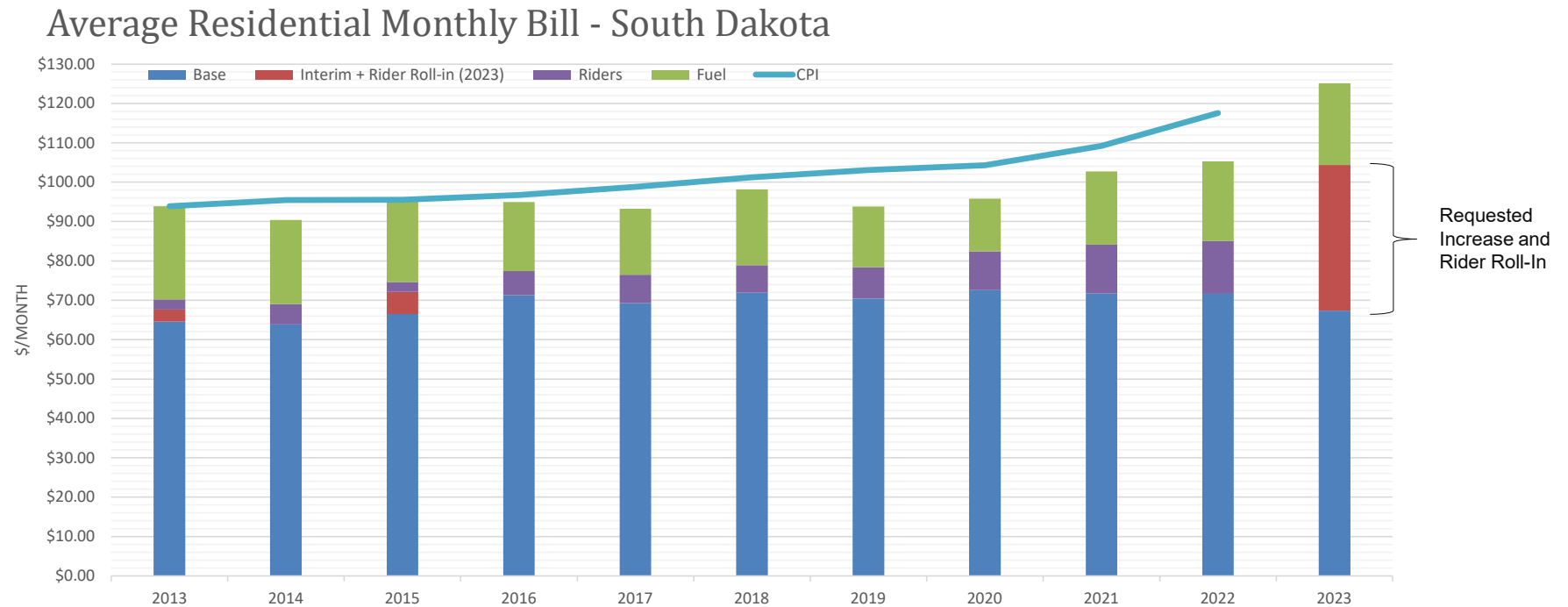


Keeping Customer Bills Low

Average South Dakota residential monthly electric bill 2010-2021



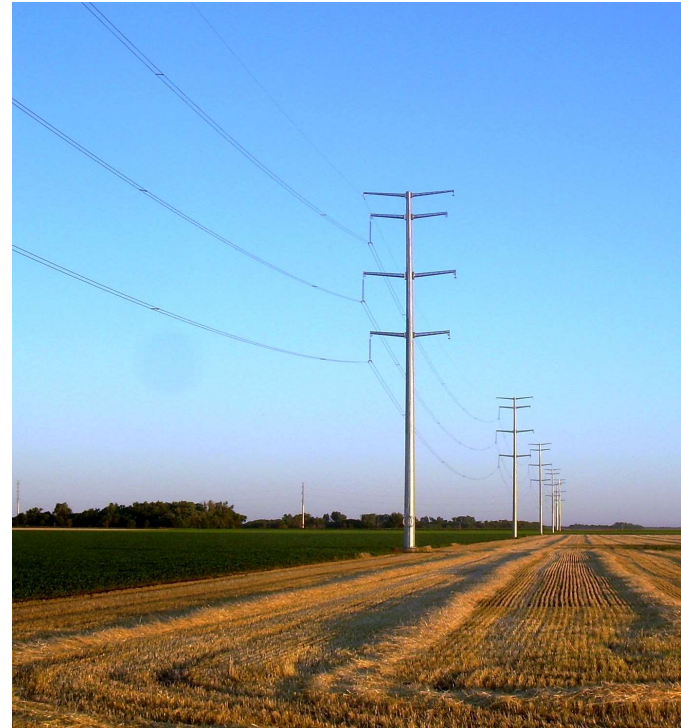
South Dakota Bills vs. Inflation



Average CPI Growth Rate (2013-2022): 2.53%
Average Electric Bill Growth Rate (2013-2023): 2.65%

Our Electric Rate Proposal

- Submitted to South Dakota Public Utilities Commission on June 30, 2022
- Net Request:
 - \$44.1 million
 - 17.9%
- Average bill increase of \$19.60 for residential customers, keeping bills below the national average
- First application to increase base rates in SD in eight years.
- Interim Rates will begin in January and are subject to refund if the Commission approves a lower rate increase.



Primary Case Drivers

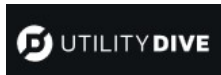
- Investments in the distribution system
- Upgrades to Technology
- Ensuring safe and reliable Nuclear Generation
- Nuclear plant decommissioning funding
- Wind generation investments
- Keeping up with cost pressures





Q & A

Recognized for Excellence



2018 Utility of the Year



Exemplary EE Programs



Outstanding Customer Service
for National Accounts

