



**NEWS
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Xcel Energy cancels Texas fuel cost surcharge

AMARILLO, Texas – Falling prices for natural gas used to generate electricity have led Xcel Energy to cancel a surcharge on Texas customer bills to recover under-collected fuel costs.

The company announced on Sept. 2 it planned to surcharge Texas customer bills starting Nov. 1 for under collections prior to May of this year. The charge would have added \$2.70 more per month on a typical 1,000 kilowatt-hour residential bill.

Xcel Energy normally recovers fuel charges through a monthly fuel cost factor, and now anticipates the current factor will be sufficient to balance the fuel account without adding a surcharge, said David Hudson, president and CEO of Southwestern Public Service Company, an Xcel Energy company.

“Low fuel prices are always good news for our customers, and though we have no control over the cost of natural gas, we will continue to make improvements to use gas more efficiently and will pass those savings along to customers,” said David Hudson, president and CEO of Southwestern Public Service Company, an Xcel Energy company.

Fuel costs are pass-through charges that rise and fall based on the cost of coal and natural gas used to generate power at area generating stations. Almost 40 percent of the energy used by customers across the area is generated at natural gas-fueled power plants. Xcel Energy does not earn a profit on fuel charges.

A base rate increase also announced on Sept. 2 went into effect on Oct. 1, and is not affected by changes in fuel prices.

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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