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Xcel Energy plans \$65 million South Plains grid upgrade

New lines, substation work in Bailey and Lamb counties to boost grid reliability, capacity

AMARILLO, Texas (April 30, 2018) – Xcel Energy has filed a plan with the Public Utility Commission of Texas for \$65 million in power grid upgrades in Bailey and Lamb counties to relieve overloaded lines and accommodate future economic expansion in the region.

The Bailey-New Amherst-Lamb 115-kilovolt Transmission Line Project calls for 40 to 50 miles of new 115-kilovolt transmission line between the existing Bailey County Substation, located near Muleshoe, Texas, and the existing Lamb County Substation located near Littlefield, Texas. The project also includes expanding the Lamb County Substation, adding a new substation called New Amherst, and expanding Sudan Rural Substation and the Bailey County Pump Station. The new line and associated substation upgrades are planned to be in service in March 2022. Total cost, including lower-voltage distribution line upgrades, is expected to be approximately \$65 million.

"We continue to see strong growth in these counties, and this investment in the electrical facilities that serve the area is indicative of this growth and our faith in the future of South Plains communities," said Steve Deaton, Xcel Energy regional manager for Community and Economic Development in Lubbock.

Transmission lines transport electricity from power sources into towns, cities and industrial areas. Substations transform electricity to lower voltages and send them along distribution lines that are located up and down city streets and alleys. A kilovolt is equal to 1,000 volts.

The Bailey-New Amherst-Lamb project is part of a larger effort known as "Power for the Plains" that is enhancing the power grid across all of Xcel Energy's Texas and New Mexico service area. Xcel Energy has invested in more than 800 miles of new transmission lines and more than 30 new substations across its Texas-New Mexico service area since 2011, along with upgrades to another 40 existing substations. More than 700 miles of additional line is expected to be completed by 2021, and an additional 27 substations will be built or upgraded. This transmission expansion represents more than \$3 billion in investment. Learn more about current and upcoming projects at www.powerfortheplains.com.

About Xcel Energy

Xcel Energy (NASDAQ: XEL) provides the energy that powers millions of homes and businesses across eight Western and Midwestern states. Headquartered in Minneapolis, the company is an industry leader in responsibly reducing carbon emissions and producing and delivering clean energy solutions from a variety of renewable sources at competitive prices. For more information, visit xcelenergy.com or follow us on <a href="xwellow-twello