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XCEL ENERGY INC
Form 8-K
March 31, 2014

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM 8-K
CURRENT REPORT
Pursuant to Section 13 or 15(d) of
the Securities Exchange Act of 1934
Date of Report (Date of earliest event reported) March 27, 2014

Commission File Number	Exact Name of Registrant as Specified in its Charter; State of Incorporation; Address of Principal Executive Offices; and Telephone Number	IRS Employer Identification Number
001-3034	XCEL ENERGY (a Minnesota corporation) 414 Nicollet Mall Minneapolis, Minnesota 55401 (612) 330-5500	41-0448030
001-03789	SOUTHWESTERN PUBLIC SERVICE COMPANY (a New Mexico corporation) Tyler at Sixth Amarillo, Texas 79101 (303) 571-7511	75-0575400

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 8.01. Other Events

In December 2012, Southwestern Public Service Company (SPS), a New Mexico corporation, and a wholly owned subsidiary of Xcel Energy Inc., filed an electric rate case in New Mexico with the New Mexico Public Regulatory Commission (NMPRC) for an increase in annual revenue of approximately \$45.9 million effective in 2014. The rate filing is based on a 2014 forecast test year (FTY), a requested return on equity (ROE) of 10.65 percent, an electric rate base of \$479.8 million and an equity ratio of 53.89 percent. In June 2013, SPS revised its requested rate increase to \$43.3 million.

In August 2013, the NMPRC Staff, the New Mexico Attorney General, the Federal Executive Agencies, the Coalition of Clean Affordable Energy, Occidental Permian, Ltd. and New Mexico Gas Company filed testimony.

In September 2013, SPS filed rebuttal testimony, revising the total requested increase to \$32.5 million, based on updated information and an ROE of 10.25 percent. This reflects a base and fuel increase of \$20.9 million, an increase of rider revenue of \$12.1 million, a decrease to other of \$0.5 million and excludes a fuel clause adjustment credit for non-renewable energy costs of \$2.3 million.

In January 2014, the hearing examiner released her recommended decision. The recommendation proposed an ROE of 9.73 percent, an equity ratio of 53.89 percent, a FTY with certain adjustments and excludes certain employee benefits and other costs. In February 2014, the hearing examiner released a supplemental recommended decision proposing the approval of the requested \$12.1 million renewable energy rider revenue recovery.

In March 2014, the NMPRC issued a final order and approved an overall increase of approximately \$33.1 million. The increase includes: an ROE of 9.96 percent, allowance of the prepaid pension asset in rate base of approximately \$2.4 million, allowance of certain non-labor operating and maintenance escalations and recovery of approximately \$18.1 million of renewable energy costs through rider revenue instead of base revenue. As a result of a change in the amount of fuel costs recovered through base rates, SPS will no longer be required to credit customers for \$2.3 million through the fuel clause adjustment. Parties have until April 25, 2014 to request rehearing or to file an appeal.

The following table summarizes the NMPRC's approval from SPS' revised request:

(Millions of Dollars)	NMPRC Approval
SPS revised request, September 2013	\$32.5
Fuel clause adjustment credit - non-renewable energy costs	2.3
SPS revised request, fuel adjusted	34.8
ROE (9.96 percent)	(1.2)
Rate rider adjustment - renewable energy costs	6.0
Base rate reduction for rate rider - renewable energy costs	(6.0)
Other, net	(0.5)
Approved increase, March 2014	\$33.1
Means of recovery:	
Base revenue	\$12.7
Rider revenue	18.1
Fuel clause	2.3
	\$33.1

Except for the historical statements contained in this 8-K, the matters discussed herein, including the expected impact of rate cases, are forward-looking statements that are subject to certain risks, uncertainties and assumptions. Such forward-looking statements are intended to be identified in this document by the words “anticipate,” “believe,” “estimate,” “expect,” “intend,” “may,” “objective,” “outlook,” “plan,” “project,” “possible,” “potential,” “should” and similar expressions. Results may vary materially. Forward-looking statements speak only as of the date they are made, and we do not undertake any obligation to update them to reflect changes that occur after that date. Factors that could cause actual results to differ materially include, but are not limited to: general economic conditions, including inflation rates, monetary fluctuations and their impact on capital expenditures and the ability of Xcel Energy Inc. and its subsidiaries (collectively, Xcel Energy) to obtain financing on favorable terms; business conditions in the energy industry; including the risk of a slow down in the U.S. economy or delay in growth recovery; trade, fiscal, taxation and environmental policies in areas where Xcel Energy Inc. and SPS have a financial interest; customer business conditions; actions of credit rating agencies; competitive factors including the extent and timing of the entry of additional competition in the markets served by Xcel Energy Inc. and its subsidiaries; unusual weather; effects of geopolitical events, including war and acts of terrorism; state, federal and foreign legislative and regulatory initiatives that affect cost and investment recovery, have an impact on rates or have an impact on asset operation or ownership or impose environmental compliance conditions; structures that affect the speed and degree to which competition enters the electric and natural gas markets; costs and other effects of legal and administrative proceedings, settlements, investigations and claims; financial or regulatory accounting policies imposed by regulatory bodies; availability of cost of capital; employee work force factors; accounting regulatory; and the other risk factors listed from time to time by Xcel Energy Inc. and SPS in reports filed with the Securities and Exchange Commission, including Risk Factors in Item 1A and Exhibit 99.01 of Xcel Energy Inc.’s and SPS’ Annual Reports on Form 10-K for the year ended Dec. 31, 2013.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

March 31, 2014

Xcel Energy Inc. (a Minnesota corporation)
Southwestern Public Service Company (a New Mexico corporation)

/s/ TERESA S. MADDEN

Teresa S. Madden
Senior Vice President and Chief Financial Officer