

XCEL ENERGY INC
Form 424B2
January 14, 2008

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Filed Pursuant to Rule 424(b)(2)

Registration Statement No. 333-134660

Based upon the registration of \$400 million of Junior Subordinated Debt Securities to be offered by means of this prospectus supplement and the accompanying prospectus under the amended registration statement filed January 8, 2008, a filing fee of \$15,720 has been calculated in accordance with Rule 457(r). This fee has been previously transmitted to the SEC. This paragraph shall be deemed to update the "Calculation of Registration Fee" table in the registration statement referred to in the first sentence above.

Prospectus Supplement to Prospectus dated January 8, 2008.

\$400,000,000**Xcel Energy Inc.****7.60% Junior Subordinated Notes, Series due 2068**

This is an offering of \$400,000,000 of 7.60% Junior Subordinated Notes, Series due 2068 to be issued by Xcel Energy Inc., a Minnesota corporation. We will pay interest on the notes at a rate of 7.60% per annum on January 1, April 1, July 1, and October 1 of each year unless payment is deferred as described below. The first such payment will be made on April 1, 2008. The notes will be issued in registered form and in denominations of \$25 and integral multiples thereof. The notes will mature on January 1, 2068.

We may defer interest payments on the notes on one or more occasions for up to 10 consecutive years as described in this prospectus supplement. Deferred interest payments will accrue additional interest at a rate equal to the interest rate on the notes, compounded on each interest payment date, to the extent permitted by law.

We may redeem the notes at our option at the times and the prices described in this prospectus supplement.

We will apply for the listing of the notes on the New York Stock Exchange. If approved for listing, trading on the New York Stock Exchange is expected to commence within 30 days after the notes are first issued. Currently, there is no public market for the notes. Please read the information provided under the caption "Supplemental Description of the Junior Subordinated Notes" in this prospectus supplement and "Description of Junior Subordinated Debt Securities" in the accompanying prospectus for a more detailed description of the notes.

Investing in the notes involves risks. See "Risk Factors" beginning on page S-6 to read about important factors you should consider before investing in the notes.

Neither the Securities and Exchange Commission nor any other regulatory body has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus supplement or the accompanying prospectus. Any representation to the contrary is a criminal offense.

	<u>Per Note</u>	<u>Total</u>
Initial public offering price	\$ 25.00	\$ 400,000,000
Underwriting discount	\$ 0.7875	\$ 12,600,000
Proceeds, before expenses, to Xcel Energy	\$ 24.2125	\$ 387,400,000

The initial public offering price set forth above does not include accrued interest, if any. Interest on the notes will accrue from January 16, 2008 and must be paid by the purchasers if the notes are delivered after January 16, 2008.

The underwriters expect to deliver the notes in book-entry form only through the facilities of The Depository Trust Company against payment in New York, New York on January 16, 2008.

Joint Book-Running Managers

Joint Lead Arranger

Morgan Stanley
(Joint Structuring Advisor)

Citi

JPMorgan
(Joint Structuring Advisor)

Senior Co-Managers

Merrill Lynch & Co.

UBS Investment Bank

Prospectus Supplement dated January 11, 2008

This document is made up of two parts. The first part is the prospectus supplement, which describes our business and the specific terms of the notes offered. The second part, the accompanying prospectus, gives more general information, some of which may not apply to this offering. If the description of the offering varies between the prospectus supplement and the accompanying prospectus, you should rely on the information in this prospectus supplement.

You should rely only on the information contained or incorporated by reference in this prospectus supplement, the accompanying prospectus and any written communication from us or the underwriters specifying the final terms of the offering. We have not authorized anyone to provide you with different information and if given, you should not rely on it. We are not making an offer of these securities in any state where the offer is not permitted. You should not assume that the information in this prospectus supplement, the accompanying prospectus or the documents incorporated by reference is accurate as of any date other than the date on the front of those documents.

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PROSPECTUS SUPPLEMENT SUMMARY

The following information supplements, and should be read together with, the information contained or incorporated by reference in other parts of this prospectus supplement and the accompanying prospectus. This summary highlights selected information from the prospectus supplement and the accompanying prospectus. As a result, it does not contain all of the information you should consider before investing in our notes. You should carefully read this prospectus supplement and the accompanying prospectus, including the documents incorporated by reference, which are described under "Where You Can Find More Information" in the accompanying prospectus. In this prospectus supplement, except as otherwise indicated or as the context otherwise requires, the "Company," "we," "us" and "our" refer to Xcel Energy Inc., a Minnesota corporation.

The Company

General

We are a public utility holding company with four major public utility subsidiaries: Northern States Power Company, a Minnesota corporation ("NSP-Minnesota"); Northern States Power Company, a Wisconsin corporation ("NSP-Wisconsin"); Public Service Company of Colorado, a Colorado corporation ("PSCo"); and Southwestern Public Service Company, a New Mexico corporation ("SPS"). NSP-Minnesota serves approximately 1.4 million electric customers and 0.5 million gas customers in Minnesota, North Dakota and South Dakota. NSP-Wisconsin serves approximately 245,000 electric customers and 100,000 gas customers in northern Wisconsin and Michigan. PSCo serves approximately 1.3 million electric customers and approximately 1.3 million gas customers in Colorado. SPS serves approximately 386,000 electric customers in portions of Texas and New Mexico. We also have several non-utility subsidiaries, including Eloigne Co., which invests in rental housing projects that qualify for low-income tax reported credits.

We were incorporated in 1909 under the laws of Minnesota as Northern States Power Company. On August 18, 2000, we merged with New Century Energies, Inc. and our name was changed from Northern States Power Company to Xcel Energy Inc. Our principal executive offices are located at 414 Nicollet Mall, Minneapolis, Minnesota 55401 and our telephone number is (612) 330-5500.

The Offering

The following summary contains basic information about this offering. For a more complete understanding of this offering, we encourage you to read this entire prospectus supplement, including "Supplemental Description of the Junior Subordinated Notes," and the accompanying prospectus, including "Description of Junior Subordinated Debt Securities."

Issuer	Xcel Energy Inc.
Securities Offered	\$400,000,000 principal amount of 7.60% junior subordinated notes, series due January 1, 2068.
Denominations	\$25 and integral multiples thereof.
Maturity	January 1, 2068.
Interest	<p>The notes will bear interest at a rate of 7.60% per annum payable quarterly in arrears on January 1, April 1, July 1, and October 1 of each year commencing April 1, 2008.</p> <p>See "Supplemental Description of the Junior Subordinated Notes Interest" in this prospectus supplement.</p>
Ranking and Collateral	<p>The notes will be our unsecured junior subordinated obligations and will rank junior in right of payment to all of our Senior Indebtedness (as defined below under Supplemental Description of the Junior Subordinated Notes). As of September 30, 2007, we had approximately \$1.416 billion of Senior Indebtedness outstanding.</p> <p>In addition, the notes are effectively subordinated to all obligations of our subsidiaries. As of September 30, 2007, our subsidiaries had approximately \$14.802 billion of indebtedness and other liabilities outstanding.</p>
Ratings	<p>The notes have been assigned a rating of BBB- by Standard & Poor's Ratings Services, Baa2 by Moody's Investors Service, Inc. and BBB by Fitch Ratings. Ratings from credit rating agencies are not recommendations to buy, sell or hold our securities and may be subject to revision or withdrawal at any time by the applicable rating agency and should be evaluated independently of any other ratings.</p>

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Optional Redemption

We may redeem the notes at our option before their maturity in whole or in part on one or more occasions on or after January 16, 2013 at a redemption price equal to 100% of their principal amount, plus any accrued and unpaid interest thereon to the redemption date. In addition, we may redeem the notes before January 16, 2013 (i) in whole or in part on one or more occasions at a redemption price equal to a make-whole amount (as described under "Supplemental Description of the Junior Subordinated Notes Redemption" below) plus any accrued and unpaid interest thereon; (ii) in whole, but not in part, at a redemption price equal to 100% of their principal amount, plus any accrued and unpaid interest thereon to the redemption date, if certain changes in tax laws, regulations or interpretations occur and (iii) in whole or in part on one or more occasions at a redemption price equal to the Rating Agency Event Make-Whole Amount (as described under "Supplemental Description of the Junior Subordinated Notes Redemption Right to Redeem Upon a Rating Agency Event" below), plus any accrued and unpaid interest thereon to the redemption date, if a rating agency makes certain changes in the equity credit criteria for securities such as the notes. See "Supplemental Description of the Junior Subordinated Notes Redemption" in this prospectus supplement.

Option to Defer Interest Payments

So long as no event of default has occurred and is continuing with respect to the notes, we have the option to defer interest payments on the notes, from time to time, for one or more periods (each, an "Optional Deferral Period") of up to 10 consecutive years per Optional Deferral Period. In other words, we may declare at our discretion up to a 10-year interest payment moratorium on the notes and may choose to do that on more than one occasion. We may not defer payments beyond the maturity date of the notes, and we may not begin a new Optional Deferral Period until we have paid all accrued interest on the notes from any previous Optional Deferral Periods. Any deferred interest on the notes will accrue additional interest at a rate equal to the interest rate on the notes to the extent permitted by law. Once all accrued and unpaid interest on the notes has been paid, we can begin a new Optional Deferral Period. We, however, have no current intention of deferring interest payments on the notes. See "Supplemental Description of the Junior Subordinated Notes Option to Defer Interest Payments" in this prospectus supplement.

Certain Limitations During an Optional Deferral Period

Unless we have paid all accrued and payable interest on the notes, we will not, and will not permit any of our subsidiaries to: (i) declare or pay any dividends or distributions, or redeem, purchase, acquire or make a liquidation payment, on any shares of our capital stock, (ii) make any payment of principal of, or interest or premium, if any, on or repay, purchase or redeem any of our debt securities that rank upon our liquidation on a parity with or junior to the notes, or (iii) make any payments with respect to any guarantee by us of debt securities if such guarantee ranks upon liquidation on a parity with or junior to the notes, subject to certain exceptions as more fully described in this prospectus supplement. See "Supplemental Description of the Junior Subordinated Notes Option to Defer Interest Payments" and "Supplemental Description of the Junior Subordinated Notes Certain Limitations During an Optional Deferral Period" in this prospectus supplement.

Replacement Capital Covenant

On or about the time of the initial issuance of the notes, we will enter into a covenant for the benefit of holders of a designated series of Senior Indebtedness (referred to as the "Replacement Capital Covenant") that we will not redeem or purchase, or otherwise satisfy, discharge or defease (collectively, "defease") the notes, and that none of our subsidiaries will purchase the notes, prior to January 1, 2038 unless, subject to certain limitations, during the 180 days prior to the date of that redemption, purchase, or defeasance we have received a specified amount of proceeds from the sale of qualifying securities that have equity-like characteristics that are the same as, or more equity-like than, the applicable characteristics of the notes at the time of redemption, purchase or defeasance.

The Replacement Capital Covenant is not intended for the benefit of holders of the notes and may not be enforced by them, and the Replacement Capital Covenant is not a term of the notes or of the indenture or the supplemental indenture pursuant to which the notes will be issued. See "Description of the Replacement Capital Covenant" in this prospectus supplement.

Material U.S. Federal Income Tax Considerations

Based upon an analysis of the relevant facts and circumstances, including certain assumptions made by them and representations provided by us to them, Jones Day will provide us with an opinion generally to the effect that under then current law, and assuming full compliance with the terms of the indenture and other relevant documents, the notes will (although the matter is not free from doubt) constitute indebtedness for U.S. federal income tax purposes.

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We agree, and by acquiring an interest in a note, each beneficial owner of a note will agree, to treat the notes as indebtedness for U.S. federal income tax purposes. The remainder of this discussion assumes that the notes are classified as indebtedness for U.S. federal income tax purposes. We intend to treat the notes in the same manner.

We believe that the likelihood of interest deferral on the notes is remote. However, if we elect to defer interest on the notes, you will subsequently be required to accrue income for U.S. federal income tax purposes in the amount of the accrued and unpaid interest payments on the notes, in the form of original issue discount, regardless of your method of accounting and the timing of payments on the notes. See "Material U.S. Federal Income Tax Considerations" in this prospectus supplement.

Reopening of the Series

We may, without the consent of the holders of the notes, increase the principal amount of the series and issue additional notes of such series having the same ranking, interest rate, maturity and other terms as the notes. Any such additional notes may, together with the notes, constitute a single series of securities under the indenture. See "Supplemental Description of the Junior Subordinated Notes" in this prospectus supplement.

Use of Proceeds

We intend to add the net proceeds from the sale of the notes offered hereby to our general funds and use those proceeds to fund equity investments in one or more of our utility subsidiaries that will be used to repay short-term debt of the subsidiary. The balance of the proceeds will be used to repay commercial paper.

Trustee

Wells Fargo Bank, National Association.

Governing Law

The indenture and the supplemental indenture pursuant to which the notes will be issued and the notes will be governed by and construed in accordance with the laws of the State of Minnesota.

Listing

We will apply for the listing of the notes on the New York Stock Exchange. If approved for listing, trading on the New York Stock Exchange is expected to commence within 30 days after the notes are first issued.

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RISK FACTORS

You should carefully consider the risks and uncertainties described below as well as any cautionary language or other information contained or incorporated by reference in this prospectus supplement and the accompanying prospectus, including "Item 1A. Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2006 and our quarterly report on Form 10-Q/A, for the quarter ended September 30, 2007, before investing in our notes. The risks described therein or set forth below are those that we consider to be the most significant to your decision whether to invest in our notes. If any of the events described below occurs, our business, financial condition or results of operations could be materially harmed. In addition, we may not be able to make payments on the notes, and this could result in your losing all or part of your investment.

Our obligations under the notes will be subordinated to all of our Senior Indebtedness.

Our obligations under the notes will be subordinated to all of our Senior Indebtedness (as defined in the prospectus under "Description of the Junior Subordinated Debt Securities Subordination"). This means that we cannot make any payments on the notes until all holders of our Senior Indebtedness have been paid in full, or provision has been made for such payment, if the Senior Indebtedness is in default (subject to certain exceptions for grace periods and waivers). As of September 30, 2007, we had approximately \$1.416 billion of Senior Indebtedness outstanding.

We must rely on cash from our subsidiaries to make payments on the notes.

We are a holding company and thus our investments in our subsidiaries are our primary assets. Substantially all of our operations are conducted by our subsidiaries. Consequently, our operating cash flow and our ability to service our indebtedness depends upon the operating cash flow of our subsidiaries and the payment of funds by them to us in the form of dividends. Our subsidiaries are separate legal entities that have no obligation to pay any amounts due pursuant to our obligations or to make any funds available for that purpose, whether by dividends or otherwise. In addition, each subsidiary's ability to pay dividends to us depends on any statutory, regulatory and/or contractual restrictions that may be applicable to such subsidiary, which may include requirements to maintain minimum levels of equity ratios, working capital or other assets.

Our utility subsidiaries are regulated by various state utility commissions which generally possess broad powers to ensure that the needs of the utility customers are being met. To the extent that the state commissions attempt to impose restrictions on the ability of our utility subsidiaries to pay dividends to us, it could adversely affect our ability to make payments on the notes.

As a holding company, our ability to participate in any distribution of assets of a subsidiary is subordinate to the claims of creditors of the subsidiary. As of September 30, 2007, our subsidiaries had approximately \$14.802 billion of indebtedness and other liabilities outstanding.

We can defer interest payments on the notes for one or more periods of up to 10 years. This may affect the market price of the notes.

We have the option to defer interest payments on the notes, from time to time, for one or more Optional Deferral Periods of up to 10 consecutive years, as described in this prospectus supplement. At the end of an Optional Deferral Period, if all amounts due are paid, we would be permitted to start a new Optional Deferral Period of up to 10 consecutive years. During any Optional Deferral Period, interest on the notes would be deferred but would accrue additional interest at a rate equal to the interest rate on the notes, to the extent permitted by law. See "Supplemental Description of the Junior Subordinated Notes Option to Defer Interest Payments" in this prospectus supplement.

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If we exercise our right to defer interest payments, the notes may trade at a price that does not fully reflect the value of accrued but unpaid interest on the notes or that is otherwise less than the price at which the notes may have been traded if we had not exercised such right. In addition, as a result of our right to defer interest payments, the market price of the notes may be more volatile than other securities that do not have these rights.

We are not permitted to pay current interest on the notes until we have paid all outstanding deferred interest, and this could have the effect of extending interest deferral periods.

During an Optional Deferral Period, we will be prohibited from paying current interest on the notes until we have paid all accrued and unpaid deferred interest plus any accrued interest thereon. As a result, we may not be able to pay current interest on the notes if we do not have available funds to pay all accrued and unpaid deferred interest plus any accrued interest thereon.

Our right to redeem, defease or purchase the notes is limited by a covenant that we are making in favor of certain holders of our senior notes.

We have the right to redeem the notes under circumstances and on terms specified in this prospectus supplement. However, around the time of the initial issuance of the notes, we will enter into a Replacement Capital Covenant, which is described below under "Description of the Replacement Capital Covenant," that will limit our ability to redeem, defease or purchase, and the ability of our subsidiaries to purchase, the notes. In the Replacement Capital Covenant, we will covenant for the benefit of holders of a designated series of our unsecured long-term indebtedness that ranks senior to the notes that we will not redeem, defease or purchase, and none of our subsidiaries will purchase, the notes on or before January 1, 2038, unless, subject to certain limitations, during the 180 days prior to the date of that redemption, purchase or defeasance we or our subsidiaries have received a specified amount of proceeds from the sale of qualifying securities that have equity-like characteristics that are the same as, or more equity-like than, the applicable characteristics of the notes at the time of redemption, purchase or defeasance.

Our ability to raise proceeds from the issuance of qualifying securities during the 180 days prior to a proposed redemption, defeasance or purchase by us or purchase by our subsidiaries will depend on, among other things, market conditions at that time as well as the acceptability to prospective investors of the terms of those qualifying securities. Accordingly, there could be circumstances where we would wish to purchase some or all of the notes, including as a result of a tax or rating agency event, and sufficient cash is available for that purpose, but we are restricted from doing so because of our inability to obtain proceeds from the sale of qualifying securities.

You should consult with your own tax advisor regarding the tax consequences of an investment in the notes.

For more information regarding the tax consequences of purchasing, holding and disposing of the Notes, see below under the caption "Material U.S. Federal Income Tax Considerations" in this prospectus supplement.

If we defer interest payments on the notes, there will be U.S. federal income tax consequences to holders of the notes.

If we defer interest payments on the notes, you will subsequently be required to accrue interest income as original issue discount, referred to in this prospectus supplement as "OID," in respect of the remaining interest on your notes. As a result, for U.S. federal income tax purposes you would be required to include that OID in gross income before you receive interest payments, regardless of your regular method of accounting for U.S. federal income taxes.

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If you sell your notes before the record date for a payment of interest after the commencement of an Optional Deferral Period, you will not receive such interest. Instead, the accrued interest will be paid to the holder of record on the record date regardless of who the holder of record may have been on any other date during the relevant accrual period. Moreover, the accrued OID will be added to your adjusted tax basis in the notes but may not be reflected in the amount you realize on the sale. To the extent the amount realized on a sale is less than your adjusted tax basis, you will recognize a capital loss for U.S. federal income tax purposes. The deductibility of capital losses to offset ordinary income is subject to limitations. See "Material U.S. Federal Income Tax Considerations Tax Consequences to U.S. Holders Sale or Other Disposition of Notes" in this prospectus supplement.

Any lowering of the credit ratings on the notes would likely reduce their value.

As described under "Item 1A. Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2006, our credit ratings could be lowered in the future. Any lowering of the credit rating on our notes would likely reduce the value of the notes offered hereby.

Rating agencies may change rating methodologies, including their views on "notching" practices.

The rating agencies may, from time to time in the future, change the way they analyze securities with features similar to the notes. This may include, for example, changes to the relationship between ratings assigned to an issuer's senior securities and ratings assigned to securities with features similar to the notes, sometimes called "notching." If the rating agencies change their practices for rating these securities in the future, and the ratings of the notes are subsequently lowered, that could have a negative impact on the trading price of the notes in any available after-market. Such a change could occur as part of, or separate from, a change in the equity credit criteria for the notes, which could also lead to a Rating Agency Event, as described below under "Supplemental Description of the Junior Subordinated Notes Redemption Right to Redeem Upon a Rating Agency Event."

The notes have no prior public market and we cannot assure you that any public market will develop or be sustained after the offering.

Although the notes generally may be resold or otherwise transferred by holders who are not our affiliates, they will constitute a new issue of securities without an established trading market. We have been advised by the underwriters that they currently intend to make a market in the notes, but they have no obligation to do so and may discontinue market making at any time without providing notice. There can be no assurance that a market for the notes will develop or, if it does develop, that it will continue. If an active public market does not develop, the market price and liquidity of the notes may be adversely affected. We will apply for the listing of the notes on the New York Stock Exchange. If approved for listing, trading on the New York Stock Exchange is expected to commence within 30 days after the notes are first issued. You should be aware that the listing of the notes will not necessarily ensure that an active trading market will be available for the notes.

You should not rely on the interest payments from the notes through their maturity date they may be redeemed at our option.

The notes may be redeemed, in whole, at any time, or in part, from time to time, prior to January 16, 2013 at a make whole amount and on or after January 16, 2013 at a redemption price equal to 100% of the principal amount thereof plus any accrued and unpaid interest to the redemption date. You should assume that this redemption option will be exercised if we are able to refinance at a lower interest rate or it is otherwise in our interest to redeem the notes.

You should not rely on the interest payments from the notes through their maturity date they may be redeemed upon the occurrence of a Tax Event or a Rating Agency Event.

Upon the occurrence of a Tax Event or Rating Agency Event the notes can be redeemed by us at the prices described below under "Supplemental Description of the Junior Subordinated Notes."

USE OF PROCEEDS

We estimate that our proceeds from the sale of the notes, less underwriting discounts and expenses, will be approximately \$386.9 million. We intend to add the net proceeds from the sale of the notes offered hereby to our general funds and use those proceeds to fund equity investments in one or more of our utility subsidiaries of up to \$150 million that will be used to repay short-term debt of the subsidiary. We intend to use the remaining net proceeds from the sale of the notes to repay commercial paper. As of December 31, 2007, we had approximately \$353 million of outstanding commercial paper with a weighted average interest rate of approximately 5.58%.

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CAPITALIZATION

The following table sets forth our capitalization as of September 30, 2007 on an actual basis and as adjusted to reflect the offering of the notes offered hereby and the use of proceeds as described above in "Use of Proceeds." You should read the information in this table together with the detailed information and financial statements appearing in the documents incorporated by reference in this prospectus supplement and the accompanying prospectus, and with "Selected Consolidated Financial Data" included in this prospectus supplement.

	As of September 30, 2007			
	Actual		As Adjusted(1)	
	(Thousands of Dollars)	% of Capitalization	(Thousands of Dollars)	% of Capitalization
Short-term debt	\$ 420,225	3.0%	\$ 33,325	0.2%
Current portion of long-term debt	306,997	2.2	306,997	2.2
Notes offered hereby			387,400	2.7
Other long-term debt	7,252,800	50.9	7,252,800	50.9
Total debt	7,980,022	56.1	7,980,522	56.0
Preferred stockholders' equity	104,980	0.7	104,980	0.7
Common stockholders' equity	6,157,379	43.2	6,157,379	43.3
Total capitalization	\$ 14,242,381	100.0%	\$ 14,242,881	100.0%

(1)

Adjusted to reflect the issuance and sale of the notes offered pursuant to this prospectus and the application of the estimated net proceeds thereof, after deducting the estimated discount and offering expenses, to (i) fund equity investments in one or more of our utility subsidiaries of up to \$150 million that will be used to repay short-term debt of the subsidiary and (ii) to repay commercial paper. See "Use of Proceeds."

SELECTED CONSOLIDATED FINANCIAL DATA

The following selected consolidated financial data as of December 31, 2006 and 2005, and for the years ended December 31, 2006, 2005 and 2004 have been derived from our audited consolidated financial statements and the related notes. The consolidated financial data as of September 30, 2007 and 2006 have been derived from our unaudited financial statements. The information set forth below should be read together with "Management's Discussion and Analysis," our audited and unaudited consolidated financial statements and related notes and other information contained in our Current Report on Form 8-K/A filed on December 13, 2007 and our Quarterly Report on Form 10-Q/A for the period ended September 30, 2007, which we incorporate by reference in this prospectus supplement and the accompanying prospectus. See "Where You Can Find More Information" in the accompanying prospectus. The historical financial information may not be indicative of our future performance.

	Nine months ended September 30,		Year ended December 31,		
	2007	2006	2006	2005	2004
(Thousands of Dollars)					
Consolidated Income Statement Data:					
Operating revenues	\$ 7,430,951	\$ 7,373,568	\$ 9,840,304	\$ 9,625,477	\$ 8,215,561
Operating expenses	6,368,820	6,426,057	8,663,310	8,532,758	7,139,846
Operating income	1,062,131	947,511	1,176,994	1,092,719	1,075,715
Other income	28,464	19,438	29,130	22,484	42,964
Interest charges and financing costs	409,699	338,127	456,032	442,626	434,480
Income taxes	239,967	156,899	181,411	173,539	161,935
Income (loss) from discontinued operations net of tax	2,376	2,112	3,073	13,934	(166,303)
Net income	\$ 443,305	\$ 474,035	\$ 571,754	\$ 512,972	\$ 355,961

	December 31,		
	September 30, 2007	2006	2005
(Thousands of Dollars)			

Consolidated Balance Sheet Data:			
Current assets	\$ 2,651,811	\$ 2,634,186	\$ 3,141,861
Net property, plant and equipment	16,346,137	15,548,658	14,696,310
Other assets	3,811,733	3,775,502	3,666,749
Total assets	\$ 22,809,681	\$ 21,958,346	\$ 21,504,920
Current portion of long-term debt	306,997	336,411	835,495
Short-term debt	420,225	626,300	746,120
Other current liabilities	1,754,422	1,902,570	2,091,211
Total current liabilities	\$ 2,481,644	\$ 2,865,281	\$ 3,672,826
Deferred credits and other liabilities	6,812,571	6,720,065	6,430,523
Minority interest in subsidiaries	307	1,560	3,547
Long-term debt	7,252,800	6,449,638	5,897,789
Preferred stockholders' equity	104,980	104,980	104,980
Common stockholders' equity	6,157,379	5,816,822	5,395,255
Total liabilities and equity	\$ 22,809,681	\$ 21,958,346	\$ 21,504,920

SUPPLEMENTAL DESCRIPTION OF THE JUNIOR SUBORDINATED NOTES

Please read the following information concerning the notes in conjunction with the statements under "Description of Junior Subordinated Debt Securities" in the accompanying prospectus, which the following information supplements and, in the event of any inconsistencies, supersedes. The following description does not purport to be complete and is subject to, and is qualified in its entirety by reference to, the description in the accompanying prospectus and the Junior Subordinated Indenture dated as of January 1, 2008, as supplemented (the "Subordinated Indenture"), from us to Wells Fargo Bank, National Association, as trustee (the "Trustee"), including the Supplemental Indenture No. 1 dated as of January 16, 2008 (the "Supplemental Indenture"). The Subordinated Indenture is described in the accompanying prospectus and is filed as an exhibit to the registration statement under which the notes are being offered and sold.

General

We will offer \$400 million principal amount of 7.60% Junior Subordinated Notes, Series due 2068 as a series of notes under the Subordinated Indenture. Unless an earlier redemption has occurred, the entire principal amount of the notes will mature and become due and payable, together with any accrued and unpaid interest thereon, on January 1, 2068. The notes will be issued in registered form and in denominations of \$25 and integral multiples thereof.

The notes will be our unsecured obligations and will rank junior in right of payment to our Senior Indebtedness. Holders of the notes will generally have a junior position to claims of creditors of our subsidiaries, including trade creditors, debtholders, secured creditors, taxing authorities, guarantee holders and any preferred stockholders. As of September 30, 2007, we have no secured indebtedness and our unsecured and unsubordinated indebtedness was approximately \$1.416 billion.

In addition, the notes will be effectively subordinated to all existing and future liabilities of our subsidiaries. We are a holding company and conduct business through our various subsidiaries. As a result, our cash flow and consequent ability to meet our debt obligations primarily depend on the earnings of our subsidiaries, and on dividends and other payments from our subsidiaries. Under certain circumstances, regulatory, contractual and legal restrictions, as well as the financial condition and operating requirements of our subsidiaries, could limit our ability to obtain cash from our subsidiaries for the purpose of meeting debt service obligations, including the payment of principal and interest on the notes. Any rights to receive assets of any subsidiary upon its liquidation or reorganization and the consequent right of the holders of the notes to participate in those assets will be subject to the claims of that subsidiary's creditors, including trade creditors, except to the extent that we are recognized as a creditor of that subsidiary, in which case our claims would still be subordinate to any security interests in the assets of that subsidiary. As of September 30, 2007, our subsidiaries had approximately \$14.802 billion of indebtedness and other liabilities outstanding.

Interest

The notes will bear interest at a rate of 7.60% per annum payable quarterly in arrears on January 1, April 1, July 1, and October 1 of each year commencing April 1, 2008. If interest payments are deferred or otherwise not paid, they will accrue and compound until paid at the annual rate of 7.60%, to the extent permitted by law. The amount of interest payable for any quarterly interest period will be computed on the basis of a 360-day year consisting of twelve 30-day months.

General. In this prospectus supplement, the term "interest" includes quarterly interest payments and applicable interest on interest payments accrued but not paid on the applicable interest payment date.

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A "business day" is each Monday, Tuesday, Wednesday, Thursday and Friday that is not a day on which banking institutions or trust companies in the Borough of Manhattan, the City and State of New York, or in the city where the corporate trust office of the Trustee is located, are obligated or authorized by law or executive order to close. The corporate trust office of the Trustee is currently located in Minneapolis, Minnesota.

If an interest payment date or a redemption date of the notes falls on a day that is not a business day, the payment of interest and principal will be made on the next succeeding business day, and no interest on such payment will accrue for the period from and after the interest payment date or the redemption date, as applicable.

So long as the notes remain in book-entry only form registered in the name of DTC or its nominee, the record date for each interest payment date will be the business day immediately preceding the applicable interest payment date.

If the notes are not in book-entry only form registered in the name of DTC or its nominee, the record date for each interest payment date will be the fifteenth calendar day (whether or not a business day) immediately preceding the applicable interest payment date.

Ranking

The notes will be subordinate and junior in right of payment, to the extent set forth in the Subordinated Indenture, to all Senior Indebtedness (as defined below). If:

we make a payment or distribution of any of our assets to creditors upon our dissolution, winding-up, liquidation or reorganization, whether in bankruptcy, insolvency or otherwise;

a default in the payment of principal or interest on any Senior Indebtedness has occurred and is continuing; or

the maturity of any Senior Indebtedness has been accelerated because of a default on that Senior Indebtedness,

then the holders of Senior Indebtedness generally will have the right to receive payment, in the case of the first instance above, of all amounts due or to become due upon that Senior Indebtedness, and, in the case of the second and third instances, of all amounts due on that Senior Indebtedness, or we will make provision for those payments, before the holders of any junior subordinated debt securities (including the notes) have the right to receive any payments of principal or interest on their securities.

"Senior Indebtedness" means, with respect to the notes, the principal, premium, interest and any other payment in respect of any of the following (whether outstanding on the date of execution of the Subordinated Indenture or thereafter incurred):

all of our current and future indebtedness for borrowed or purchase money whether or not evidenced by bonds, debentures, notes or other similar written instruments;

our obligations under synthetic leases, finance leases and capitalized leases;

our obligations for reimbursement under letters of credit, banker's acceptances, security purchase facilities or similar facilities issued for our account;

any of our other indebtedness or obligations with respect to derivative contracts, including commodity contracts, interest rate, commodity and currency swap agreements, forward contracts and other similar agreements or arrangements designed to protect against fluctuations in commodity prices, currency exchange or interest rates; and

all indebtedness of others of the kinds described in the preceding categories which we have assumed or guaranteed.

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Senior Indebtedness will not include trade accounts payable, accrued liabilities arising in the ordinary course of business, indebtedness to our subsidiaries or any indebtedness which is by its terms junior to or on parity with the notes.

Senior Indebtedness will be entitled to the benefits of the subordination provisions in the Subordinated Indenture irrespective of the amendment, modification or waiver of any term of the Senior Indebtedness. We may not amend the Subordinated Indenture to change the subordination of any outstanding Senior Indebtedness without the consent of each holder of Senior Indebtedness that such amendment would adversely affect.

The Subordinated Indenture does not limit the amount of Senior Indebtedness that we may issue.

Option to Defer Interest Payments

So long as no event of default has occurred and is continuing with respect to the notes, at our option, we may, from time to time for one or more Optional Deferral Periods, defer payment of all or part of the current and accrued interest otherwise due on the notes for a period of up to 10 consecutive years. In other words, we may declare at our discretion up to a 10-year interest payment moratorium on the notes and may choose to do that on more than one occasion. A deferral of interest payments may not extend beyond the maturity date of the notes, and we may not begin a new Optional Deferral Period or pay current interest on the notes until we have paid all accrued interest on the notes from the previous Optional Deferral Period.

Any deferred interest on the notes will accrue additional interest at a rate equal to the interest rate on the notes to the extent permitted by law. Once we pay all deferred interest payments on the notes, including any additional interest accrued on the deferred interest, we can again defer interest payments on the notes as described above but not beyond the maturity date of the notes.

We will provide to the Trustee written notice of any optional deferral of interest at least 10 and not more than 60 business days prior to the applicable interest payment date. The Subordinated Indenture provides that this notice will be forwarded promptly by the Trustee to each holder of record of notes.

We have no current intention of deferring interest payments on the notes.

Certain Limitations During an Optional Deferral Period

Unless we have paid all accrued and payable interest on the notes, subject to several exceptions, we will not, and will not permit any of our subsidiaries to, do any of the following:

declare or pay any dividends or distributions, or redeem, purchase, acquire or make a liquidation payment, on any shares of our capital stock,

make any payment of principal of, or interest or premium, if any, on or repay, purchase or redeem any of our debt securities that rank upon our liquidation on a parity with or junior to the notes (provided that we may make partial payment of interest on the notes), or

make any payments with respect to any guarantee by us of debt securities if such guarantee ranks upon liquidation on a parity with or junior to the notes.

However, at any time, including during an Optional Deferral Period, the exceptions will permit:

purchases, redemptions or other acquisitions of our capital stock in connection with any employment contract, benefit plan or other similar arrangement with or for the benefit of employees, officers, directors, agents, consultants or a stock purchase, dividend reinvestment or similar plan, or the satisfaction of our obligations pursuant to any contract or security outstanding on the date that the payment of interest is deferred requiring us to purchase, redeem or acquire our capital stock;

any payment, repayment, redemption, purchase, acquisition or declaration of a dividend as a result of any reclassification of our capital stock or the exchange or conversion of all or a portion of one class or series of our capital stock or debt securities for a class or series of our capital stock;

the purchase of fractional interests in shares of our capital stock pursuant to the conversion or exchange provisions of our capital stock or the security being converted or exchanged, or in connection with the settlement of stock purchase contracts;

dividends or distributions paid or made in our capital stock (or rights to acquire our capital stock), or repurchases, redemptions or acquisitions of capital stock in connection with the issuance or exchange of capital stock (or of securities convertible into or exchangeable for shares of our capital stock) and distributions in connection with the settlement of stock purchase contracts outstanding on the date that the payment of interest is deferred;

redemptions, exchanges or repurchases of, or with respect to, any rights outstanding under a shareholder rights plan or the declaration or payment thereunder of a dividend or distribution of or with respect to rights in the future; and

payments under any trust preferred securities, subordinated debentures or junior subordinated debentures, or guarantees of the foregoing, in each case that rank equal in right of payment to the notes, so long as the amount of payments made on account of such securities or guarantees is paid on all such securities and guarantees then outstanding on a pro rata basis in proportion to the full payment to which each series of such securities and guarantees is then entitled if paid in full.

Redemption

On or after January 16, 2013, we may redeem the notes, in whole or in part on one or more occasions, at 100% of their principal amount plus any accrued and unpaid interest thereon to, but not including, the redemption date.

Before January 16, 2013, we may redeem the notes at any time, in whole or in part, at a "make whole" redemption price equal to the greater of (i) 100% of the principal amount of notes being redeemed or (ii) the sum of the present values of the remaining scheduled payments of principal and interest on the notes being redeemed from the redemption date to January 16, 2013 (assuming, solely for the purposes of this calculation, that the principal amount of the notes to be redeemed was payable on January 16, 2013 and not including any portion of such payments of interest accrued to the redemption date), discounted to the redemption date on a quarterly basis (assuming a 360-day year consisting of twelve 30-day months) at a discount rate equal to the Treasury Yield plus 50 basis points, in each case plus accrued interest to, but not including, the redemption date.

"Treasury Yield" means, for any redemption date, (i) the yield, under the heading which represents the average for the immediately preceding week, appearing in the most recently published statistical release designated "H.15(519)" or any successor publication which is published weekly by the Board of Governors of the Federal Reserve System and which establishes yields on actively traded U.S. Treasury securities adjusted to constant maturity under the caption "Treasury Constant Maturities," for the maturity corresponding to the Comparable Treasury Issue (if no maturity is within three months before or after such time period, yields for the two published maturities most closely corresponding to the Comparable Treasury Issue will be determined and the Treasury Yield will be interpolated or extrapolated from such yields on a straight line basis, rounding to the nearest month); or (ii) if such release (or any successor release) is not published during the week preceding the calculation date or does not contain such yields, the rate per annum equal to the quarterly equivalent yield to maturity of the Comparable Treasury Issue, calculated using a price for the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury

Price for such redemption date. The Treasury Yield will be calculated on the third business day preceding the date fixed for redemption.

"Comparable Treasury Issue" means the U.S. Treasury security selected by an Independent Investment Banker as having a maturity comparable to the time period from the redemption date to January 16, 2013 that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to such time period. If no U.S. Treasury security has a maturity which is within a period from three months before to three months after January 16, 2013, the two most closely corresponding U.S. Treasury securities shall be used as the Comparable Treasury Issue, and the Treasury Yield shall be interpolated or extrapolated on a straight-line basis, rounding to the nearest month using such securities.

"Comparable Treasury Price" means (i) the average of the Reference Treasury Dealer Quotations for the redemption date, after excluding the highest and lowest Reference Treasury Dealer Quotations for the redemption date, or (2) if the Independent Investment Banker obtains fewer than four Reference Treasury Dealer Quotations, the average of all of the quotations received for the redemption date.

"Independent Investment Banker" means any of Morgan Stanley & Co. Incorporated, Citigroup Global Markets Inc., J.P. Morgan Securities Inc. or their respective successors or, if such firms or their successors are unwilling or unable to select the Comparable Treasury Issue, an independent investment banking institution of national standing appointed by us.

"Reference Treasury Dealer" means (i) Morgan Stanley & Co. Incorporated, Citigroup Global Markets Inc., J.P. Morgan Securities Inc. or any other primary U.S. Government securities dealer in New York City (a "Primary Treasury Dealer") designated by, and not affiliated with, Morgan Stanley & Co. Incorporated, Citigroup Global Markets Inc., J.P. Morgan Securities Inc. and their respective successors, provided, however, that if Morgan Stanley & Co. Incorporated, Citigroup Global Markets Inc., J.P. Morgan Securities Inc. or their respective designees cease to be a Primary Treasury Dealer, we will appoint another Primary Treasury Dealer as a substitute and (ii) any other Primary Treasury Dealer selected by us after consultation with the Independent Investment Banker.

"Reference Treasury Dealer Quotations" means, for each Reference Treasury Dealer and any redemption date, the average, as determined by the Independent Investment Banker, of the bid and asked prices for the Comparable Treasury Issue (expressed in each case as a percentage of its principal amount) quoted in writing to the Independent Investment Banker by the Reference Treasury Dealer at 5:00 p.m. on the third business day preceding the redemption date.

If we elect to redeem less than all of the notes, the Trustee will select, in such manner as it deems fair and appropriate, the particular notes or portions of them to be redeemed. Notice of redemption will be given by mail not less than 30 days prior to the date fixed for redemption to the holders of notes to be redeemed (which, as long as the notes are held in the book-entry only system, will be the Depository, its nominee or a successor depository). On and after the date fixed for redemption (unless we default in the payment of the redemption price and interest accrued thereon to such date), interest on the notes or the portions of them so called for redemption will cease to accrue.

We may also redeem the notes before January 16, 2013 (i) in whole, but not in part, if certain changes in tax laws, regulations or interpretations occur, at the redemption price and under the circumstances described below under " Right to Redeem Upon a Tax Event" and (ii) in whole or in part on one or more occasions if a rating agency makes certain changes in the equity credit criteria for securities such as the notes, at the redemption price and under the circumstances described below under " Right to Redeem Upon a Rating Agency Event."

Right to Redeem Upon a Tax Event

Before January 16, 2013, we may redeem the notes, in whole, but not in part, at any time within 90 days after the occurrence and continuation of a Tax Event (as defined below), at a redemption price equal to 100% of the principal amount of the notes, plus any accrued and unpaid interest thereon to, but not including, the redemption date.

A "Tax Event" happens when we have received an opinion of counsel experienced in tax matters that, as a result of:

amendment to or change in the laws or regulations of the United States or any political subdivision or taxing authority of or in the United States that is enacted or issued or becomes effective after the date of this prospectus supplement;

proposed change in those laws or regulations that is announced after the date of this prospectus supplement;

official administrative decision or judicial decision or administrative action or other official pronouncement interpreting or applying those laws or regulations that is announced after the date of this prospectus supplement; or

threatened challenge asserted in writing in connection with an audit of us or our subsidiaries, or a threatened challenge asserted in writing against any other taxpayer that has raised capital through the issuance of securities that are substantially similar to the notes,

which amendment, clarification, or change is effective or the administrative action is taken or judicial decision, interpretation or pronouncement is issued after the date of this prospectus supplement, there is more than an insubstantial risk that interest payable by us on the notes is not deductible, or within 90 days would not be deductible, in whole or in part, by us for U.S. federal income tax purposes.

Right to Redeem Upon a Rating Agency Event

Before January 16, 2013, we may redeem the notes, in whole or in part on one or more occasions, at any time following the occurrence and continuation of a Rating Agency Event (as defined below), at a redemption price equal to the Rating Agency Event Make-Whole Amount (as defined below), plus any accrued and unpaid interest thereon to, but not including, the redemption date.

"Rating Agency Event Make-Whole Amount" means an amount equal to the greater of (i) 100% of the principal amount of the notes being redeemed or (ii) the sum of the present value of each scheduled payment of principal of and interest on the notes from the redemption date to January 16, 2013 (assuming, solely for the purposes of this calculation, that the principal amount of the notes to be redeemed was payable on January 16, 2013 and not including any portion of such payments of interest accrued to the redemption date), discounted to the redemption date on a quarterly basis (assuming a 360-day year consisting of twelve 30-day months) at a discount rate equal to the Treasury Yield plus 50 basis points.

"Rating Agency Event" means a change by any nationally recognized statistical rating organization within the meaning of Section 3(a)(62) of the Securities Exchange Act of 1934, as amended, that currently publishes a rating for us (sometimes referred to as a rating agency) in the equity credit criteria for securities such as the notes resulting in a lower equity credit to us than the equity credit assigned by such rating agency to the notes on the date of this prospectus supplement.

Agreement by Holders to Certain Tax Treatment

Each holder of the notes will, by accepting the notes or a beneficial interest therein, be deemed to have agreed that the holder intends that the notes constitute debt and will treat the notes as debt for U.S. federal, state and local tax purposes.

Events of Default

The following will constitute events of default for the notes:

default in the payment of principal and premium, if any, on the notes when due and payable and continuance of that default for 5 days;

default in the payment of interest on the notes when due and continuance of that default for 30 days (subject to our right to optionally defer interest payments as described above under " Option to Defer Interest Payments"); and

specified events of bankruptcy, insolvency or reorganization of Xcel Energy.

If an event of default occurs and is continuing, either the Trustee or the holders of at least 25% in principal amount of the notes may declare the principal amount of all such securities to be due and payable immediately. For more information, see "Description of Junior Subordinated Securities Events of Default and Remedies" in the accompanying prospectus.

Sinking Fund

The notes do not provide for any sinking fund.

Reopening of Series

We may, from time to time, without the consent of the holders of any notes offered hereby, reopen the notes and issue additional notes with the same terms (including maturity and interest payment terms) as notes offered hereby. Any such additional notes, together with the notes offered hereby, will constitute a single series under the Subordinated Indenture.

Book-Entry Delivery and Settlement

Global Notes

We will issue the notes in the form of one or more global notes in definitive, fully registered, book-entry form. The global notes will be deposited with or on behalf of DTC and registered in the name of Cede & Co., as nominee of DTC. The notes will be issued in denominations of \$25.00 and in integral multiples of \$25.00 in excess thereof.

DTC, Clearstream and Euroclear

Beneficial interests in the global notes will be represented through book-entry accounts of financial institutions acting on behalf of beneficial owners as direct and indirect participants in DTC. Investors may hold interests in the global notes through either DTC (in the United States), Clearstream Banking, *societe anonyme*, Luxembourg, which we refer to as Clearstream, or Euroclear Bank S.A./N.V., as operator of the Euroclear System, which we refer to as Euroclear, in Europe, either directly if they are participants in such systems or indirectly through organizations that are participants in such systems.

Clearstream and Euroclear will hold interests on behalf of their participants through customers' securities accounts in Clearstream's and Euroclear's names on the books of their U.S. depositaries, which in turn will hold such interests in customers' securities accounts in the U.S. depositaries' names on the books of DTC.

DTC has advised us that it is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds securities that its participants deposit with DTC. DTC also facilitates the post-trade settlement among participants of sales and other securities transactions in deposited securities through electronic computerized book-entry transfers and pledges between

participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC, in turn is owned by a number of Direct Participants of DTC and Members of the National Securities Clearing Corporation, Government Securities Clearing Corporation, MBS Clearing Corporation and Emerging Markets Clearing Corporation (NSCC, GSCC, MBSCC and EMCC, are also subsidiaries of DTCC), as well as by the New York Stock Exchange, Inc., the American Stock Exchange, LLC, and the National Association of Securities Dealers, Inc. Access to the DTC system is also available to others such as securities brokers and dealers, banks, trust companies and clearing corporations that clear through or maintain a custodial relationship with a direct participant, either directly or indirectly. The rules that apply to DTC and its direct or indirect Participants are on file with the SEC.

Clearstream has advised us that it is incorporated under the laws of Luxembourg as a professional depository. Clearstream holds securities for its customers and facilitates the clearance and settlement of securities transactions between its customers through electronic book-entry changes in accounts of its customers, thereby eliminating the need for physical movement of certificates. Clearstream provides to its customers, among other things, services for safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Clearstream interfaces with domestic markets in several countries. As a professional depository, Clearstream is subject to regulation by the Luxembourg Commission for the Supervision of the Financial Section. Clearstream customers are recognized financial institutions around the world, including underwriters, securities brokers and dealers, banks, trust companies, clearing corporations and other organizations and may include the underwriters. Indirect access to Clearstream is also available to others, such as banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with a Clearstream customer either directly or indirectly.

Euroclear has advised us that it was created in 1968 to hold securities for participants of Euroclear and to clear and settle transactions between Euroclear participants through simultaneous electronic book-entry delivery against payment, thereby eliminating the need for physical movement of certificates and any risk from lack of simultaneous transfers of securities and cash. Euroclear provides various other services, including securities lending and borrowing and interfaces with domestic markets in several countries. Euroclear is operated by Euroclear Bank S.A./N.V., which we refer to as the Euroclear Operator, under contract with Euroclear Clearance Systems S.C., a Belgian cooperative corporation, which we refer to as the Cooperative. All operations are conducted by the Euroclear Operator, and all Euroclear securities clearance accounts and Euroclear cash accounts are accounts with the Euroclear Operator, not the Cooperative. The Cooperative establishes policy for Euroclear on behalf of Euroclear participants. Euroclear participants include banks (including central banks), securities brokers and dealers, and other professional financial intermediaries and may include the underwriters. Indirect access to Euroclear is also available to other firms that clear through or maintain a custodial relationship with a Euroclear participant, either directly or indirectly.

We understand that the Euroclear Operator is licensed by the Belgian Banking and Finance Commission to carry out banking activities on a global basis. As a Belgian bank, it is regulated and examined by the Belgian Banking and Finance Commission.

We have provided the descriptions of the operations and procedures of DTC, Clearstream and Euroclear in this prospectus supplement solely as a matter of convenience. These operations and procedures are solely within the control of those organizations and are subject to change by them from time to time. None of us, the underwriters nor the Trustee takes any responsibility for these operations or procedures, and you are urged to contact DTC, Clearstream and Euroclear or their participants directly to discuss these matters.

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We expect that under procedures established by DTC:

upon deposit of the global notes with DTC or its custodian, DTC will credit on its internal system the accounts of direct participants designated by the underwriters with portions of the principal amounts of the global notes; and

ownership of the notes will be shown on, and the transfer of ownership thereof will be effected only through, records maintained by DTC or its nominee, with respect to interests of direct participants, and the records of direct and indirect participants, with respect to interests of persons other than participants.

The laws of some jurisdictions may require that purchasers of securities take physical delivery of those securities in definitive form. Accordingly, the ability to transfer interests in the notes represented by a global note to those persons may be limited. In addition, because DTC can act only on behalf of its participants, who in turn act on behalf of persons who hold interests through participants, the ability of a person having an interest in notes represented by a global note to pledge or transfer those interests to persons or entities that do not participate in DTC's system, or otherwise to take actions in respect of such interest, may be affected by the lack of a physical definitive security in respect of such interest.

So long as DTC or its nominee is the registered owner of a global note, DTC or that nominee will be considered the sole owner or holder of the notes represented by that global note for all purposes under the indenture and under the notes. Except as provided below, owners of beneficial interests in a global note will not be entitled to have notes represented by that global note registered in their names, will not receive or be entitled to receive physical delivery of certificated notes and will not be considered the owners or holders thereof under the indenture or under the notes for any purpose, including with respect to the giving of any direction, instruction or approval to the Trustee. Accordingly, each holder owning a beneficial interest in a global note must rely on the procedures of DTC and, if that holder is not a direct or indirect participant, on the procedures of the participant through which that holder owns its interest, to exercise any rights of a holder of notes under the indenture or a global note.

Neither we nor the Trustee will have any responsibility or liability for any aspect of the records relating to or payments made on account of notes by DTC, Clearstream or Euroclear, or for maintaining, supervising or reviewing any records of those organizations relating to the notes.

Payments on the notes represented by the global notes will be made to DTC or its nominee, as the case may be, as the registered owner thereof. We expect that DTC or its nominee, upon receipt of any payment on the notes represented by a global note, will credit participants' accounts with payments in amounts proportionate to their respective beneficial interests in the global note as shown in the records of DTC or its nominee. We also expect that payments by participants to owners of beneficial interests in the global note held through such participants will be governed by standing instructions and customary practice as is now the case with securities held for the accounts of customers registered in the names of nominees for such customers. The participants will be responsible for those payments.

Distributions on the notes held beneficially through Clearstream will be credited to cash accounts of its customers in accordance with its rules and procedures, to the extent received by the U.S. depository for Clearstream.

Securities clearance accounts and cash accounts with the Euroclear Operator are governed by the Terms and Conditions Governing Use of Euroclear and the related Operating Procedures of the Euroclear System, and applicable Belgian law (collectively, the Terms and Conditions). The Terms and Conditions govern transfers of securities and cash within Euroclear, withdrawals of securities and cash from Euroclear, and receipts of payments with respect to securities in Euroclear. All securities in Euroclear are held on a fungible basis without attribution of specific certificates to specific secur