

XCEL ENERGY INC
Form 8-K
May 19, 2010

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) **May 17, 2010**

| 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)

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- o Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

 - o Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

 - o Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 8.01. Other Events.

On May 17, 2010, Southwestern Public Service Company (SPS), a New Mexico corporation, and a wholly owned subsidiary of Xcel Energy Inc., filed a rate case with Public Utility Commission of Texas (PUCT), and the 80 cities in SPS Texas service territory with original rate jurisdiction, seeking an annual base rate increase of approximately \$62 million. On a net basis, the request seeks to increase customer bills by approximately \$53.5 million, or 7 percent. In addition to the base request, SPS proposed that franchise fee cost recovery of \$8.7 million be removed from base rates to a separate charge. SPS also proposed to recover costs associated with two rate riders, Purchased Capacity Recovery Factor and Transmission Cost Recovery Factor, in base rates so that the revenues from these riders will decline by \$13.4 million, and \$4.6 million, respectively.

The rate filing is based on a 2009 test-year adjusted for known and measurable changes, a requested return on equity of 11.35 percent, an electric rate base of \$1.031 billion and an equity ratio of 51.0 percent.

The following table summarizes the request:

| (Millions of Dollars) | Request | |
|------------------------------------|----------------|--------|
| Proposed base rate increase | \$ | 62.0 |
| Franchise fee cost recovery | | 8.7 |
| NOx emission allowances | | 0.8 |
| Purchased capacity recovery factor | | (13.4) |
| Transmission cost recovery factor | | (4.6) |
| Adjusted rate increase | \$ | 53.5 |
| Return on equity | | 11.35% |
| Equity ratio | | 51.0% |
| Electric rate base | \$ | 1,031 |

The filing with the PUCT also includes a request to reconcile SPS fuel and purchased power costs for calendar years 2008 and 2009. As of Dec. 31, 2009, SPS had a fuel cost under-recovery of approximately \$3.3 million. A procedural schedule has not yet been established for the case. SPS expects new rates to go into effect early in 2011, although fully litigated cases would typically take longer for rates to be implemented.

Except for the historical statements contained in this 8-K, the matters discussed herein, are forward-looking statements that are subject to certain risks, uncertainties and assumptions. Such forward-looking statements may be identified in this document by the words would, believe, estimate, expect, likely, may, possible, potential, should and similar expressions. Actual 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 the availability of credit and its impact on capital expenditures and the ability of Xcel Energy and its subsidiaries to obtain financing on favorable terms; business conditions in the energy industry; 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 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; 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; actions of accounting regulatory bodies; and the other risk factors listed from time to time by Xcel Energy and SPS in reports filed with the Securities and Exchange Commission (SEC), including Risk Factors in Item 1A and Exhibit 99.01 of each of Xcel Energy and SPS's Annual Report on Form 10-K for the year ended Dec. 31, 2009 and Quarterly Report on Form 10-Q for the quarter ended March 31, 2010.

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.

May 19, 2010

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

/s/ DAVID M. SPARBY
David M. Sparby
Vice President and Chief Financial Officer