We believe our philosophy and programs, which ensure we are competitive in the market, correlate pay to performance and adhere to sound governance principles.

The executive officer compensation program remained substantially the same in 2010 as compared to 2009. We made one change to the program by eliminating the executive perquisite allowance effective January 1, 2010. In December 2010, the Committee approved an annual physical examination benefit for executive officers beginning in 2011.

How does the Committee establish compensation levels for executive officers?

The Committee believes that an effective executive compensation program is critical to the success of the Company, and understands that it is very important to our shareholders. The Committee regularly reviews best practices in executive compensation in order to determine how our program compares with similar utilities. The Committee retains an external compensation consultant to ensure that executive compensation programs are reasonable for our industry. The individual who serves as the lead consultant reports directly to the Committee and that individual provides no other consulting services for Xcel Energy.

The Committee considers several factors, including, but not limited to, market comparative studies, company and individual performance, operating and financial results, internal equity and except with respect to the CEO's compensation, the recommendation of the CEO approving compensation levels for each other executive officer. Through a detailed and comprehensive review of these factors, the Committee approves appropriate levels of compensation for executive officers that support reasonable, competitive rewards that align with shareholder, customer and employee interests. This process ensures the attraction and retention of key executives who are responsible for the creation and execution of the company's strategy which promotes financial and operational excellence.

In December 2009, as the compensation consultant for the Committee, Towers Perrin (which became Towers Watson as of January 1, 2010) prepared an analysis and evaluation of our executive compensation levels relative to survey data. This analysis included an evaluation of the executive officer positions in aggregate, including each NEO. A similar analysis has been completed annually for several years. The Committee does not use the analysis to benchmark compensation; rather it uses the compensation data to obtain a general understanding of current marketplace compensation practices.

The compensation consultant's analysis is based on competitive compensation data collected in two surveys that include data related to approximately 55 investor-owned utility companies, as well as compensation data related to approximately 450 general industry companies. The utility survey is focused on major electric and natural gas companies that are similar to our Company. The data is size adjusted to correlate with the scope and size of each business.

In order to provide a broad perspective of the competitive market for comparative purposes, the compensation consultant analyzed data for various market rates, including: utility industry at the 50th and 75th percentiles, general industry at the 50th percentile and blended industry (a blend of utility and general industry data) at the 50th percentile, where available. We do not benchmark against such data but utilize these survey data to better understand and compare components of compensation. Compensation that is within 15% (above or below) of the median is considered at market.

In addition to reviewing this survey information to gain a general understanding of current compensation practices within the marketplace, the Committee considers several subjective and objective factors, including individual performance, experience, financial results and internal equity. Following consideration of these factors, the Committee exercises its discretion to set specific compensation levels for the CEO and approve the specific compensation levels recommended by the CEO for each executive officer, which may vary within the competitive range. In evaluating our executive compensation program against survey data, the Committee considers only the aggregated survey data. The identities of the companies comprising the survey data is not disclosed to, or considered by, the Committee in its decision-making process.

In 2010, we paid Towers Watson $44,000 for executive officer and director compensation consulting services. In addition, we paid Towers Watson $6.4 million for actuarial, health and welfare and retirement consulting services.

To ensure the independent judgment of the executive compensation consultant to the Committee, there are several internal controls in place.

- The executive consultant reports directly to the Committee and not to Company management;
- The executive consultant may request the opportunity to participate in an executive session without members of management present;
- Xcel Energy management requests for non-executive compensation consulting services are made with other consultants in the consulting firm, not with the executive compensation consultant; and
- The Committee has the exclusive authority to hire, retain, and set the compensation for the consultant.

In addition to the Company's safeguards, the compensation consulting firm is expected to have internal controls in place as well.

- The individual serving as the lead consultant to the Committee does not provide other services to the Company;
- The executive compensation consultant participates in no client development activities related to other services; and
- No part of the executive compensation consultant's pay is directly impacted by growth in the consulting firm's fees from the Company.

The Committee hired the consulting firm Pay Governance LLC as its executive compensation consultant beginning in October 2010. Pay Governance LLC is an independent consulting firm focused on delivering advisory services to compensation committees and does not perform any assignments that are not in support of the committee's charter. We paid Pay Governance LLC $58,000 for executive officer and director compensation consulting services during 2010.

How does the Committee ensure that executive incentive programs do not encourage unnecessary risk-taking?

We understand that compensation and incentives based on specific measures of performance could encourage undue risk-taking by executive officers, managers or employees at all levels of the Company. As part of the annual compensation review, the Committee considers the risk profile of the Company's compensation programs to ensure that the compensation program does not create material risk. The Committee reviews several factors in establishing executive compensation programs, setting compensation levels and selecting target measures for variable compensation programs.

- Performance metrics are clear, easily identifiable and are based on variables that are generally accepted in the market, such as earnings per share and total shareholder return;
- Long-term incentives have multi-year vesting periods to encourage long-term decision making and value creation;

- Programs are designed to align shareholder, customer and employee interests. Our stock ownership policy requires executive officers to hold a minimum level of shares to ensure each executive's interests are aligned to the success of the company; and
- Clawback provisions exist to recoup unwarranted rewards paid to individuals who are later found to have committed fraud or misconduct.

What is the mix of compensation elements within executive compensation?

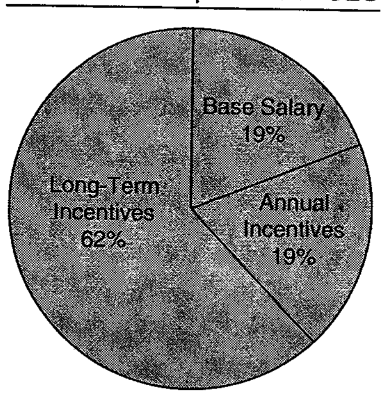
For 2010, the Xcel Energy compensation program for our NEOs had the following elements:

Base Salary Annual Incentives Long-Term Incentives	Total Direct Compensation
Minimal Perquisites Post-Retirement or Other Post-Employment Benefits	Other Compensation

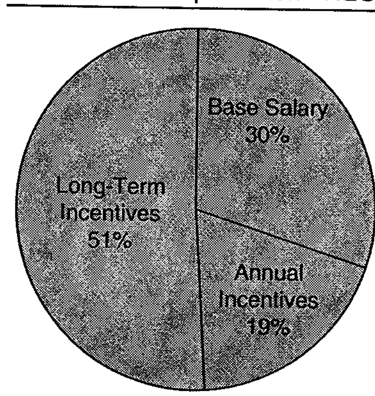
We balance the mix of direct compensation by targeting 50% in the form of base salary and annual (short-term) incentives, with the other 50% comprising long-term incentives for the NEOs in the aggregate. This design achieves an equitable and low-risk balance among the mix of compensation elements. Through this design, the compensation opportunity aligns the NEO's interests with the long-term performance of the Company and encourages long-range thinking and value creation by our executives. This is consistent with the long-term nature of utility operations and the capital investment necessary for such operations.

The charts below illustrate the mix of direct compensation for the CEO and other NEO's (assuming target incentive award payments) for 2010. Please note that target amounts will not correlate with the amounts reported in the compensation tables.

Total Direct Compensation - CEO



Total Direct Compensation - NEOs



How do you maintain compensation consistency among executive officers?

We recognize it is critical to be internally consistent and equitable in order to create the balance necessary to achieve corporate goals and objectives. The total compensation of each officer is evaluated and compared to all other executive officers. This evaluation includes comparing the overall scope and responsibilities of each officer to maintain compensation levels that are internally consistent within each tier of management. These management tiers are:

- Senior corporate officers;
- Major utility operating officers; and
- Other officers.

These three tiers provide a basis for separation in internal pay equity related to officer responsibilities, individual performance and criticality of role. Within each tier, additional evaluation is conducted to ensure intra-tier equity between similarly situated executives based upon overall scope, responsibilities, experience, and performance.

What is the purpose of the various elements of executive compensation?

The following table summarizes the compensation elements of our NEOs with additional detail following the summary.

Component	Element	Purpose
Annual Compensation	Base Salary	Provides a competitive level of pay that recognizes an individual's role and responsibilities.
Short-Term, Performance-based Incentive	Annual Incentive Program	Designed to reward the achievement of annual corporate financial and operational goals.
	Discretionary Annual Award Plan	Designed to reward exceptional individual performance.
Long-Term, Performance-based Incentive	Performance-based Restricted Stock Units and Performance Shares	Designed to reward achievement of EPS growth goals, environmental leadership and total shareholder return relative to peers and to align management's interests with the Company's long-term strategy, and with the interests of our shareholders and our customers. Serves as a tool to retain top talent.
Post-Retirement or Post-Employment	Pension and other Retirement plans	Provides retirement income and retention.
	Deferred Compensation	Allows executives to defer part of their compensation to make up for retirement benefits that cannot be paid under the Company's qualified plans due to IRS Code limitations and other pension plan exclusions.
	Severance and Change in Control Policy	Encourages executive retention in light of a potential transaction. Allows executives to focus on the interests of Xcel Energy by providing a benefit which helps to manage any potential risks and changes.
Perquisites	Various	Various minimal perquisites are provided to promote efficiency and productivity. These are outlined on pages 63-64.

Base Salary

Base salary provides a base or foundational level of regular income that is competitive in the utility industry. As stated earlier, the Company's executive compensation strategy is to compare to the utility industry 50th percentile, with the flexibility to review other data points as appropriate.

Annual Incentives

Annual incentives reward achievement of corporate goals that are designed to benefit our shareholders, customers and employees. Compensation eligibility under the Xcel Energy Inc. Executive Annual Incentive Award Plan begins at the threshold level and provides an opportunity to earn 50% of the target award; targeted compensation is designed to achieve an opportunity to earn 100% of the target award; and exceptional performance provides an opportunity to earn up to 148.4% of the target award. In 2010, Xcel Energy management recommended financial and operational goals to the Committee based on an evaluation of previous performance and available objective metrics. These metrics align with the strategic objectives of the Company for environmental leadership, safety, and financial results.

In December 2009, the Committee set target annual incentive awards for 2010, expressed as a percentage of base salary, for all Xcel Energy officers, including the NEO's as shown in the following table. The Committee believes these rates are appropriate and competitive for the utility industry.

Position	Payout (as a percent of base salary) if Threshold is not Achieved	Payout (as a percent of base salary) if Threshold is Achieved	Payout (as a percent of base salary) if Target is Achieved	Payout (as a percent of base salary) if Maximum or Above is Achieved
Chairman and CEO	0%	50.0%	100%	148.4%
President and COO	0%	35.0%	70%	103.8%
Vice President and CFO	0%	32.5%	65%	96.4%
Vice President and General Counsel	0%	30.0%	60%	89.0%
Vice President and Chief Administrative Officer	0%	27.5%	55%	81.6%

In 2010, annual incentive objectives for the NEOs and all other executive officers were based entirely on attainment of corporate goals, which included targeted EPS, an environmental metric based upon achievement of goals related to emission reductions and a metric based upon improving employee safety. These objectives are critical to our performance and align with our long-term strategy as an environmental leader. Furthermore, these goals do not encourage short-term thinking or behavior that could threaten the value of the Company or the investment of its shareholders.

The specific corporate performance measures and results for the 2010 annual incentive awards were:

2010 Corporate Goal	% Weight	Key Performance Indicator	Threshold Performance	Target Performance	Maximum Performance	Actual 2010 Performance	% Payout
Enhance Environmental Performance	10%	Renewable Energy	150 MW available for commercial operation by Dec. 31, 2010	200 MW available for commercial operation by Dec. 31, 2010	Target plus the sale of 1.27 million RECs by Dec. 31, 2010	201 MW available for commercial operation on Dec. 31, 2010, plus 3.4 million RECs sold	150%
	10%	Emissions Reduction	NA–no payout below 100% - target must be achieved	Retire 73 MW	Target plus achieve additional emissions reduction or offset projects resulting in 500,000 CO_2 equivalent lifetime tons reduction	73 MW Retired plus 488,931 tons CO_2 equivalent lifetime reduction	148.9%
	10%	Energy Efficiency	555 GWh	617 GWh	740 GWh	696 GWh	132.1%
	3.33%	Technology	Complete ICT Project (Cameo CSP) or complete 8 of 10 Company Efficiency Projects	Complete ICT Project (Cameo CSP) and complete 8 of 10 Efficiency Projects	Complete ICT Project (Cameo CSP) and achieve 10 of 10 Efficiency Projects	Completed ICT Project (Cameo CSP) and achieved 10 of 10 Efficiency Projects	150%
Improve Employee Safety	23.33%	Safety (OSHA Recordable Incident Rate)	2.29	1.99	1.69	1.90	115%
	6.67%	Safety–DART (Days Away, Restricted or Transferred)	1.34	1.17	0.99	1.07	127.8%
	3.33%	Behavioral Index(1)	No payout if results fall below 100%	Business Area Targets	Maximum is 100%	Required Training completed	100%
Meet Earnings Target	33.34%	Earnings per share	$1.55	$1.55 - $1.65	$1.65	$1.61	110%

(1) Payout is for target only, no threshold or maximum
MW: Megawatt
REC: Renewable Energy Credit
GWh: Gigawatt hour which relates to the Customer Demand Side Management goal.
ICT: Innovative Clean Technology. ICT Project and Efficiency Projects include 10 projects approved by the Committee which support our environmental leadership strategy.
CSP: Concentrating Solar Photovoltaic

Individual performance and contributions are not considered in the calculation of annual incentive awards under the Executive Annual Incentive program. In December 2009, the Committee approved and adopted the 2010 Executive Annual Discretionary Award Plan. Under this Plan and with the approval of the Committee, an executive's annual incentive award may be adjusted by a multiplier of 1.0 to 2.0 to reflect exceptional individual performance related to business or financial goals of the Company.

For 2010, the Committee approved discretionary awards for all five NEOs based on the application of a discretionary factor. The Committee determines whether to apply a discretionary award factor for the CEO and awarded a factor of 1.34. The CEO does not participate in this determination. The CEO recommended, and the Committee approved, discretionary factors ranging from 1.1 to 1.41 for the President and Chief Operating Officer, the Vice President and Chief Financial Officer, the Vice President and General Counsel and the Vice President and Chief Administrative Officer.

A discretionary award was received by the CEO for his industry leading environmental leadership and the continued successful execution of the Company's environmental strategy. This success is evidenced in part by Xcel Energy's receipt of the Platt's global Power Company of the Year award and for Xcel Energy's position within the top 5 utilities for energy efficiency programs. Additionally, under his leadership the Company has increased total annual shareholder return of 16% and 6.4% over the prior one and three-year periods, respectively and experienced an 8% growth in EPS over 2009 which exceeded the annual growth goal of 5 to 7%.

A discretionary award was received by the President and COO for exemplary leadership within our core utility operations as evidenced by receiving top tier rankings amongst industry leaders for customer satisfaction, and stable, competitively priced energy, and for the provision of both electric and gas reliable service for customers. Additionally, the Company improved safety in 2010 by reducing both the number and severity of employee injuries.

A discretionary award was received by the CFO for successful execution of the Company's financing activities including an issuance of debt in 2010 with the lowest coupon rate yet experienced at the time of issuance. Additionally, the CFO's leadership directly contributed to the Company's achievement of an 8% EPS growth over 2009, an upgrade in the Company's credit rating, and dividend growth of 3.1%.

A discretionary award was received by the Vice President and General Counsel for exemplary strategic leadership in the Calpine acquisitions. Additionally, his contributions directly led to the positive settlement achieved on the COLI dispute.

A discretionary award was received by the Vice President and Chief Administrative Officer for his leadership and direct contributions to a significant decrease in bad debt expense as well as a reduction in days sales outstanding as compared to prior year. This was accomplished while exceeding customer satisfaction goals with an overall satisfaction rate of 92%. Additionally, through his leadership, the Company was able to exceed energy efficiency goals through demand side management activities by over 12%.

2010 Annual Incentive Program awards and Discretionary Plan awards are shown as a percentage of each NEO's base salary in the following table.

Position	Target AIP Award (as a percent of base salary)	Actual AIP Award(1) (as a percent of base salary)	Discretionary Factor	Combined 2010 Payout (as a percent of base salary)
Chairman and CEO	100%	123.5%	1.34	165%
President and COO	70%	86.4%	1.37	118%
Vice President and CFO	65%	80.2%	1.24	100%
Vice President and General Counsel	60%	74.1%	1.10	82%
Vice President and Chief Administrative Officer	55%	67.9%	1.41	96%

(1) Prior to any increase as a result of electing to receive the payout in common stock or shares of restricted stock.

To encourage significant share ownership by executive officers, we provide executive officers an election choice to receive their annual incentive award in shares of common stock or shares of restricted stock (which vest in equal installments over a three-year period). Those who elect common stock receive a five percent premium and those who elect restricted stock receive a twenty percent premium on the award.

Long-Term Incentives

Long-term incentives align management's interests with our long-term strategy and with the interests of our shareholders and customers. Long-term incentives also provide a mechanism to retain and attract executive talent. We target approximately 62% of the CEO's total direct compensation and approximately 50% of the other NEOs' total direct compensation in long-term compensation in order to align their interests with the long-term performance of the Company. All long-term compensation is entirely performance-based with no time vesting provisions.

For 2010, the Company's long-term incentive plan had two components:

- Performance-based restricted stock units; and
- Performance shares.

The use of restricted stock units and performance share plans in long-term incentive programs have increased in prevalence in many industries. Performance-based restricted stock units are targeted to deliver 50% of each executive officer's long-term incentive opportunity, with the remaining 50% delivered through the performance share component. The plan did not materially change in 2010.

At the February 23, 2011 meeting of the Governance, Compensation and Nominating Committee, the Committee approved grants of long-term incentive awards and bonus stock so that individuals newly hired or promoted to vice president and executive officer positions will be eligible to receive a supplemental pro rata grant of bonus stock and outstanding long-term incentive awards. This new policy has the effect of ensuring that the recipient receives a total level of long-term incentive that is consistent with awards that would be granted for that position, adjusted on a pro rata basis to reflect the amount of time during the performance period the individual was in the new role. At the February meeting, Mr. Fowke received 10,432 shares of bonus stock and 13,040 restricted stock units; Mr. Sparby received 8,667 shares of bonus stock and 10,834 restricted stock units; and Mr. McDaniel received 7,587 shares of bonus stock and 9,483 restricted stock units. Performance goals for restricted stock units granted under this new policy were established so that they align with the performance measures of the previous long-term incentive awards.

The following table shows the 2010 long-term incentive award targets for the NEOs.

Executive	2010 Target	Long-Term Incentive Weights: Restricted Stock Units	Long-Term Incentive Weights: Performance Shares
Chairman and CEO	340%	50%	50%
President and COO	210%	50%	50%
Vice President and CFO	150%	50%	50%
Vice President and General Counsel	135%	50%	50%
Vice President and Chief Administrative Officer	135%	50%	50%

Performance-Based Restricted Stock Unit Component. Each restricted stock unit represents one share of our common stock, and earned restricted stock units pay out in shares of common stock. In order to align an executive's interests with those of our shareholders, dividend equivalents are earned on restricted stock units during the restricted performance period to the same extent that dividends are paid on shares of our stock, but they are only paid if the performance goals are achieved.

Prior to the expiration of the restricted performance period, restricted stock units may not be sold, encumbered or otherwise transferred by the participant.

At the end of the restricted performance period, the restrictions on the transfer of the stock units will lapse if performance goals are achieved, and the grants will be awarded. If the goals are not achieved by the end of the restricted performance period, all associated restricted stock units and dividend equivalents are forfeited.

Of the total restricted stock units granted (including earned dividend equivalents) for 2010, 75% have a performance-based vesting schedule based on earnings per share growth. The performance goals will be measured at the end of each fiscal year and the restricted stock units could vest between two and four years from the grant date. The first measurement date for the 2010 awards will be December 31, 2011. If Xcel Energy achieves 15% EPS growth from the fiscal 2009 EPS, and common stock dividends remain at or above $0.98 per share annually, the restriction period will lapse and restricted stock units will be awarded. If the performance goals are not achieved by December 31, 2013, all associated restricted stock units plus dividend equivalents will be forfeited.

The remaining 25% of the restricted stock units (including earned dividend equivalents) have a performance-based vesting schedule related to our strategy as an environmental leader. This goal was selected to further the corporate goal of environmental leadership, which includes prudently reducing our emissions and impact to the environment.

The following table outlines our environmental targets by category and notes each estimated completion date. For the environmental restricted stock units granted in 2010, eight (8) of eleven (11) environmental targets must be achieved on or prior to December 31, 2013 for the restrictions on the restricted stock units to lapse and the awards and associated dividend equivalents to vest.

Renewable Energy (MW)	Efficiency (GWh)(1)	Emissions Reduction	Technology
• 200 additional MW of Company-owned renewable energy into commercial operation (Dec. 31, 2010)	• 617 GWh (for the year ended Dec. 31, 2010)	• Retire 73 MW (Cameo) (Dec. 31, 2010)	• Implement 3 small innovative, clean technology projects (one project associated with each year ended Dec. 31, 2010, 2011 and 2012)
• 150 additional MW of Company-owned renewable energy into commercial operation (Dec. 31, 2011)	• 648 GWh (for the year ended Dec. 31, 2011)	• Complete 70 MW Power Uprate Project (Monticello/Prairie Island) (Dec. 31, 2011)	[Intentionally blank]
• Bayfront Gasifier Project (Dec. 31, 2012)	• 704 GWh (for the year ended Dec. 31, 2012)	[Intentionally blank]	[Intentionally blank]

(1) This target represents the energy reduction targets for our Customer Demand Side Management programs. It represents the annual savings we achieve from our customer goals, resulting in 1,969 GWh total.

As outlined in the table, the performance objectives require accomplishment of a number of specific projects linked to increases in renewable energy sources, emission reductions, efficiency enhancements and technology implementations. Performance against environmental goals will be measured annually at the end of each fiscal year. Restricted stock units may vest between two and four years after the date of the grant.

For the measurement cycle that ended in 2010, three restricted stock unit cycles resulted in a performance based vesting and payout.

- The EPS growth restricted stock units granted effective January 1, 2007 achieved the 18% EPS growth target over a four-year period. The CEO earned 77,957 restricted stock units which included dividend equivalents credited over the performance period. Other NEOs earned from 6,237 to 17,062 restricted stock units which included dividend equivalents credited over the performance period. One NEO, Mr. McDaniel, did not receive a payout of restricted stock units as he was not an executive officer at the time of initial grant.
- The EPS growth restricted stock units granted effective January 1, 2008 achieved the 18% EPS growth target over a three-year period. The CEO earned 71,062 restricted stock units which included dividend equivalents credited over the performance period. Other NEOs earned from 5,385 to 16,534 restricted stock units which included dividend equivalents credited over the performance period.
- The environmental leadership restricted stock units granted effective January 1, 2008 achieved all 13 of the environmental projects related to renewable energy, efficiency, emissions reductions and technology. The CEO earned 23,687 restricted stock units which included dividend equivalents credited over the performance period. Other NEOs earned from 1,795 to 5,511 restricted stock units which included dividend equivalents credited over the performance period.

The following table shows the 13 environmental projects that were achieved under the 2008 — 2010 Environmental Leadership component of the long-term incentive.

Renewable Energy (MW)	Efficiency (GWh)(1)	Emissions Reduction	Technology
• 100 MW Grand Meadow project in service (Dec. 31, 2008)	• 394 GWh (for the year ended Dec. 31, 2008)	• High Bridge Commercial Operation Declaration 624 MW (Dec. 31, 2008)	• Implement 4 MW clean technology project (Dec. 31, 2009)
• Purchased power agreements of contracts for development of Company-owned wind project (Dec. 31, 2009)	• 432 GWh (for the year ended Dec. 31, 2009)	• Riverside Commercial Operation Declaration 508 MW (Dec. 31. 2009)	• Implement 10 MW clean technology project (Dec. 31, 2010)
• 200 additional MW of Company-owned renewable energy into commercial operation (Dec. 31, 2010)	• 540 GWh (for the year ended Dec. 31, 2010)	• Retire 73 MW (Cameo) (Dec. 31, 2010)	• Smart Grid Initiative — SmartGridCity™ build out commenced (Dec. 31, 2008) • SmartGridCity™ completed (Dec. 31, 2009)

(1) This target represents the energy reduction targets for our Customer Demand Side Management Programs. It represents the annual savings we achieve from our customer goals, resulting in 1,366 GWh total.

For 2010, the CEO was awarded 96,774 restricted stock units. Other NEOs were awarded from 11,528 to 34,369 restricted stock units. These awards are included in the Grants of Plan-Based Awards Table on page 64.

Performance Share Component. Awards in the performance share component are denoted in shares, each of which represents the value of one share of Xcel Energy common stock. Performance shares are not credited with dividend equivalent units during the performance period.

Payout of the performance share award is dependent entirely on a single measure, Total Shareholder Return ("TSR") relative to our peers. Xcel Energy's TSR, as measured over a three-year period, is compared to the three-year TSR of other companies in the Edison Electric Institute Electrics Index ("EEI Electrics Index") as a peer group. The EEI Electrics Index is composed of approximately sixty investor-owned domestic electric utilities. The Committee believes this is the appropriate peer group for comparing creation of shareholder value.

Awards of performance shares directly link the interest of executive officers with shareholders by rewarding management for creating shareholder value as compared to utility industry peer companies.

The following table shows the performance shares that would be earned at minimum, target and maximum performance levels.

Xcel Energy's TSR Percentile Ranking vs. EEI Electrics Index	Percent of Target Performance Shares Earned
90th Percentile or Above	200%
50th Percentile (Target)	100%
35th Percentile	25%
Below 35th Percentile	0%

For the measurement cycle that ended in 2010, representing awards granted January 1, 2008, the TSR was at the 82nd percentile, resulting in a payout at 180% of target. The CEO earned 160,699 performance shares. Other NEOs earned from 12,177 to 37,390 performance shares. The earned performance shares were paid 50% in cash and 50% in shares of Xcel Energy common stock.

For 2010 the CEO was awarded 96,774 performance shares. Other NEOs were awarded from 11,528 to 34,369 performance shares. Mr. McDaniel did not receive a payment of performance shares for 2010 as he was not an executive officer at the time of grant. These awards are included in the Option Exercises and Stock Vested Table.

Stock Options. The Company has not granted stock options since December 2001. The CEO and other NEOs received stock option grants from the Company or its predecessors. There is one remaining stock option grant that expires on December 12, 2011 with a grant price of $25.90.

How did Xcel Energy perform against the 2010 performance measurement cycle?

The following table is a summary of 2010 Corporate Performance Measures and results.

Pay Element	Performance Measure	2010 Measurement Cycle Results
Annual Incentive	2010 EPS range of $1.55 — $1.65, Environmental and Safety results	2010 EPS of $1.61, Environmental of 144% and Safety of 116%
Long-Term Incentive — Restricted Stock Unit Award	EPS Growth: Measurement made at the end of the fiscal year and Units could vest between two and four years after the grant date	2007 EPS resulted in 18% growth 2008 EPS resulted in 18% growth
Long-Term Incentive — Restricted Stock Unit Award	Environmental Leadership: Measurement made at the end of the fiscal year and Units could vest between two and four years after the grant date	Achieved 13 of 13 Environmental Projects for the 2008 cycle
Long-Term Incentive — Performance Shares Award	Total Shareholder Return (TSR) relative to peer organizations in the EEI Electrics Index (approximately 60 investor-owned domestic electric utilities). Measured cumulatively over a three year period using overlapping cycles.	TSR results were at the 82nd percentile of peer organizations for the 2008 cycle

What other direct compensation or benefits were in place in 2010?

Effective January 1, 2010, the Committee eliminated the perquisite allowance payments to executive officers. We provide other limited perquisites to our NEOs, to allow them to devote more time to company business and to promote their health and safety. The Committee reviews these perquisites annually to ensure they are consistent with our philosophy and appropriate in magnitude. Perquisites are described on pages 63-64 of this proxy statement as outlined below.

Employment Contracts. None of our executive officers, including our CEO, have employment contracts.

Retirement and Deferred Compensation Benefits. In 2010, the Company provided retirement benefits to executive officers under the Xcel Energy qualified and non-qualified pension plans subject to the same terms as all eligible non-bargaining employees. The role of the pension plans in executive compensation is the same as it is for other employees: to provide income during retirement, and aid in the retention of qualified employees, including executive officers. The qualified pension plan includes earnings up to the Internal Revenue Service's established limits and the benefit may be payable in a manner that results in individual income tax advantages. The non-qualified pension plan includes earnings, if any, above the same Internal Revenue Service limit. The 2010 Internal Revenue Service earnings limit was $245,000.

In 2008, the Board of Directors closed the Supplemental Executive Retirement Plan ("SERP") to new participants. Benefits will continue to accrue for executives who became participants in the SERP before this closure. The SERP provides benefits to these executive officers in addition to those provided through the qualified and non-qualified pension plans. The role of the SERP plan is to provide income during retirement commensurate with the executive officer's income during employment with the Company. The SERP is designed to encourage continued employment on the part of executive officers and aids in the retention of qualified officers. Covered compensation for the purposes of calculating SERP benefits includes base salary and annual incentive and discretionary bonus amounts. Long-term incentive payments are not included in covered compensation. The SERP benefit is valued as a 20-year annuity but is payable as a lump sum after the officer's termination of employment. Unreduced benefits are payable at age 62, or as early as age 55 reduced 5% for each year that the benefit commencement date precedes age 62.

Each executive officer is eligible to participate in Xcel Energy's 401(k) Savings Plan and Deferred Compensation Plan. The plans allow executive officers, like other eligible employees, to defer all or a portion of their base salary and their annual incentive award up to certain limits. For 2010, the Company matched 50% of eligible amounts deferred to both plans up to 8% of base salary. The purpose of the Deferred Compensation Plan is to make up for retirement benefits that cannot be paid under the Company's qualified retirement plans due to the Internal Revenue Service Code limitations and the exclusion of certain compensation elements from pension eligible earnings.

Severance Policy. The Company provides severance benefits to NEOs in accordance with the Xcel Energy Senior Executive Severance and Change in Control Policy (as amended, the "Severance Policy"). The Board of Directors or the Committee may name additional participants. The Committee believes the Severance Policy provides a competitive severance benefit which helps to manage any potential risks and changes in the event the Company undergoes a change in control. Outside of change in control situations, the Severance Policy also encourages executive officers to focus on the interests of Xcel Energy and its shareholders without undue concern that the officer will be terminated without compensation and benefits until the officer obtains another position.

The Committee believes that the Severance Policy aligns the executive officer's interest with that of the Company and shareholders. This is particularly true with respect to a corporate transaction, such as a sale or merger transaction, which may result in an executive officer's termination. Given the protracted nature of such transactions in the utility industry, retaining and continuing to motivate the Company's key executives would be critical to protecting shareholder value. In a change of control situation, outside competitors are also more likely to try to recruit top performers away from the Company, and our executive officers may be more likely to consider these opportunities when faced with uncertainty about retaining their positions. The benefits payable under the Severance Policy for scenarios is discussed in more detail under "Potential Payments Upon Termination or Change in Control" beginning on page 76.

What are the guidelines for stock ownership by executive officers?

The share ownership guideline for each executive is based on the executive's position. Each executive is expected to achieve the applicable ownership guidelines within five years of assuming an executive position. If an executive changes positions, a new timeline is set based upon that position's requirements. As of December 31, 2010, all NEOs have achieved, or are on track to achieve, the stated share ownership guideline by the date specified for guideline achievement. All shares that the executive is entitled to vote count toward compliance with the ownership guidelines. For a given year, the number of shares necessary to satisfy the guidelines is based on the closing price of the Company's stock on the last trading day of the prior fiscal year. For purposes of calculating compliance with the guidelines for 2011, the closing price of $23.55 per share on December 31, 2010, will be used.

Name	Date of 5-Year Guideline Achievement	5-Year Guideline	Ownership Position as of 12/31/10
Richard C. Kelly	July 2010	5x	7.3x
Benjamin G.S. Fowke III	August 2014	4x	2.5x
David M. Sparby	August 2014	3x	2.7x
Michael C. Connelly	May 2012	3x	3.2x
Marvin E. McDaniel	August 2014	3x	1.3x

Xcel Energy prohibits the use of any hedging or similar transactions related to its shares for all employees, including executives. In August 2010, the Board re-examined our policies relating to stock ownership by our executives, directors and other employees. The Board determined to reaffirm the prohibition on hedging and related transactions and also decided to prohibit the pledging of shares by executive officers and directors, unless the executive officer or director receives approval from the securities trading policy committee prior to pledging the shares. The Board believes that these policies are consistent with our philosophy that senior executives' and directors' interests should be aligned with those of our long-term shareholders through equity ownership.

Can Xcel Energy recover any compensation from an executive who has been terminated for fraud or misconduct?

The Committee has a clawback policy in place to provide the Company the right to recover certain payments made to executives. Xcel Energy may recover annual and long-term incentive awards from an executive who is terminated from Xcel Energy for fraud or misconduct resulting in a restatement of Xcel Energy's earnings or financial statements or, for more recent awards, in the event the employee is terminated for fraud or misconduct.

What are Xcel Energy's practices regarding the timing of equity incentive awards?

We have the following practices regarding the timing of equity compensation grants.

- Performance shares and performance-based restricted stock units are normally granted on the date of our regularly scheduled December Committee meeting. Newly-promoted employees and new hires may also receive grants after the trading window opens following the earnings release for the quarter in which the promotion or commencement of employment occurred.
- Annual grants of stock equivalent units to directors are made on the first business day following the annual shareholders meeting.
- In years where we pay out annual incentive awards, we issue the common shares and restricted shares of our common stock to officers who have elected to receive their award in common stock on the regularly scheduled date of the February Governance, Compensation and Nominating Committee meeting.

What is the Impact of Accounting and Tax Treatment on Executive Compensation?

Federal tax law limits the deductibility of executive compensation in excess of $1,000,000 unless certain exceptions are met. It is the Committee's intent to maintain the deductibility of executive compensation to the extent reasonably practicable and to the maximum extent possible but also consistent with its other compensation objectives. For 2010, a portion of the compensation of the CEO was non-deductible as the total of his base salary amount plus his discretionary award for 2010 exceeded $1,000,000.

REPORT OF THE COMPENSATION COMMITTEE

The Governance, Compensation and Nominating Committee, in its capacity as the Compensation Committee of the Board, has reviewed and discussed with management the Compensation Discussion and Analysis in this proxy statement. Based on the review and discussions referred to above, the Committee recommended to the Company's Board of Directors that the Compensation Discussion and Analysis be included in the Company's proxy statement on Schedule 14A.

Compensation Committee

Fredric W. Corrigan, Member
Christopher J. Policinski, Member
A. Patricia Sampson, Member
David A. Westerlund, Chair

TABLES RELATED TO EXECUTIVE COMPENSATION

SUMMARY COMPENSATION TABLE

The following table summarizes the primary elements of compensation paid or granted to our CEO, CFO and three other most highly compensated executive officers (the "Named Executive Officers" or "NEOs") during 2010. See "Compensation Discussion and Analysis" above for a description of our executive compensation program necessary to an understanding of the information disclosed in this table. Beginning in 2008, the Company included a Supplemental Direct Compensation Table which (i) showed the dollar value of rewards actually earned or paid to executives as compared to amounts that were being expensed under the principles of FASB ASC Topic 718 Compensation — Stock Compensation and (ii) removed the change in pension value, since those amounts are not actually received by the executive officer in the applicable year and are subject to time-based considerations. Given the changes that have occurred to the reporting of equity values in the summary compensation table since 2008, we believe that this supplemental table no longer provides significantly more information to our shareholders than that which can be obtained through a review of the executive compensation tables, and as such we have decided to eliminate the supplemental table this year.

Name and Principal Position	Year	Salary ($)(1)	Bonus ($)(2)	Stock Awards ($)(3)	Non-Equity Incentive Plan Compensation ($)(4)	Change in Pension Value and Nonqualified Deferred Compensation Earnings ($)(5)	All Other Compensation ($)(6)	Total ($)
Richard C. Kelly	2010	1,200,000	500,000	3,838,687	1,481,400	2,854,624	81,722	9,956,433
Chairman and CEO	2009	1,175,000	386,762	3,408,824	1,547,046	4,706,771	115,779	11,340,182
	2008	1,175,000	—	3,475,871	—	314,623	108,018	5,073,512
Benjamin G.S. Fowke III	2010	690,000	220,000	1,577,954	417,385	986,916	46,612	3,938,867
President and COO	2009	650,000	101,888	1,206,546	407,551	952,839	66,026	3,384,850
	2008	565,000	—	808,737	—	122,494	61,088	1,557,319
David M. Sparby	2010	510,000	100,000	719,749	409,237	1,260,792	19,231	3,019,009
Vice President and CFO	2009	386,667	—	340,356	333,853	939,468	46,596	2,046,940
	2008	345,000	—	263,388	—	105,659	35,657	749,704
Michael C. Connelly	2010	460,000	35,000	942,045	—	752,443	27,986	2,217,474
Vice President and General Counsel	2009	430,000	—	836,450	—	555,241	50,805	1,872,496
Marvin E. McDaniel, Jr. .... Vice President and Chief Administrative Officer	2010	360,000	100,000	457,275	244,431	229,432	25,300	1,416,438

(1) Amounts in this column reflect base salary earned for the corresponding year regardless of whether or not any portions were deferred under the 401(k) Plan or otherwise.

(2) Amounts in this column reflect discretionary awards attributable to exemplary performance. For 2010, awards were granted under a separate 2010 Executive Annual Discretionary Award Plan.

(3) Amounts in this column reflect the aggregate grant date fair value of performance share stock awards and performance-based restricted stock units granted in 2008, 2009 and 2010. The majority of the amounts in this column do not represent earned or paid compensation as the performance shares and restricted stock units are still subject to performance and vesting conditions. The remaining amounts for 2009 and 2010 include awards earned under the 2005 Annual Incentive Plan that the executive officer elected to receive in shares of unrestricted and restricted common stock, in lieu of a portion of the cash payment. In each instance, the grant date fair value was computed in accordance with FASB ASC Topic 718, excluding the effect of estimated forfeitures. The value of the restricted and unrestricted shares granted under the 2005 Annual Incentive Plan is determined based on the fair market value of our common stock at the time the shares were issued

following the close of the performance year, and includes the premium (5% for unrestricted stock or 20% for restricted stock) payable for the election to receive shares of stock in lieu of cash. The grant date fair value of the performance-based restricted stock units is determined based on the market price of our common stock on the grant date of the award and is based on the assumption that the performance measures will be achieved and the units and future credited dividend equivalents will vest and will not be forfeited. The grant date fair value of the performance shares is determined using the assumption that target performance will be achieved and based on the market price of our common stock on the grant date of the award discounted by the present value of assumed future dividends on our common stock, since grantees have no right to receive payment of dividend equivalents under the terms of the award. For a discussion of the assumptions and methodologies used to calculate the amount reported, see Note 8, Share-Based Compensation, to Xcel Energy's Consolidated Financial Statements, included as part of Xcel Energy's 2010 Annual report on Form 10-K. The value of the performance shares on the grant date assuming the maximum performance conditions will be achieved is:

	Richard C. Kelly	Benjamin G.S. Fowke III	David M. Sparby	Michael C. Connelly	Marvin E. McDaniel, Jr.
2010.........	$3,597,383	$1,277,600	$674,505	$547,559	$428,531

(4) Amounts in this column reflect awards earned under the Company's Annual Incentive Plan. They do not include amounts that the executive elected to receive in shares of unrestricted and restricted shares in lieu of a portion of the cash payment. The value of stock received in lieu of the cash payment plus associated premiums are reflected in the Stock Awards column for the respective years.

(5) Amounts in this column reflect the increase in the present value of the executive officer's benefits under all pension plans established by the Company, using methods that are consistent with those used in the Company's financial statements. The increase from the prior year is generally due to (1) the additional years of service earned by the executive officer under the plans, (2) the increase in the final average salary from the prior year used to determine plan benefits, (3) the interest earned on accumulated benefits during the year (that is, the decrease in the deferral period until benefits commence as the executive officer approaches retirement), and (4) changes in actuarial assumptions. For Mr. Sparby and Mr. Connelly, this amount also includes preferential earnings of approximately $162 and $236, respectively, under a grandfathered non-qualified deferred compensation plan.

(6) Amounts in this column reflect Company contributions into the 401(k) Plan and Xcel Energy's Deferred Compensation Plan, insurance premiums and pay for cashed-out vacation. The specific amounts are detailed in the table below:

Name	Company Matching 401(k) Contributions	Contributions to the Non-Qualified Savings Plan	Imputed Income on Life Insurance Paid by Company	Cashed-Out Vacation Pay	Company Sponsored PHEV	Total
Richard C. Kelly...........................	$8,250	$39,750	$7,524	$23,077	$3,121	$81,722
Benjamin G.S. Fowke III....................	8,250	19,350	2,622	13,269	3,121	46,612
David M. Sparby..........................	1,400	—	4,902	9,808	3,121	19,231
Michael C. Connelly.......................	8,250	10,150	740	8,846	—	27,986
Marvin E. McDaniel, Jr.....................	8,250	6,150	856	6,923	3,121	25,300

The amounts shown in the "Company Sponsored PHEV" column reflect the estimated value of providing the plug-in hybrid electric vehicle from our fleet to the executive from January to May 2010 by estimating the lease expense for a comparable vehicle through our fleet program. The estimated expense takes into account the cost of using the vehicle including fuel, maintenance, license, title and registration fees, and insurance.

Executive officers and their families may use the corporate aircraft for personal travel only when the aircraft is already scheduled to fly to a destination on Company business. The aggregate cost of personal use of the corporate aircraft is determined on a per flight basis and includes the cost of actual fuel used, the hourly cost of aircraft maintenance for the applicable number of flight hours, landing fees, trip related hangar and parking costs, universal weather monitoring costs, if applicable, crew expenses and other variable costs specifically incurred. Because the plane may only be used for personal travel if the aircraft already is scheduled to fly to the destination, there is no incremental cost to the Company for such personal use. The Company has significant corporate operations in Minneapolis, Minnesota, and Denver, Colorado, and some executive officers, including several of the NEOs, split time between those offices and utilize the corporate aircraft to travel between Minneapolis and Denver. Executive officers also have the occasional personal use of event tickets when such tickets are not being used for business purposes, for which we have no incremental costs.

GRANTS OF PLAN-BASED AWARDS TABLE

The following table provides information regarding incentive awards and other stock-based awards granted during 2010 to the Named Executive Officers listed in the Summary Compensation Table.

Name	Grant Date	Date of Committee Action (1)	Estimated Future Payouts Under Non-Equity Incentive Plan Awards(2)			Estimated Future Payouts Under Equity Incentive Plan Awards(3)			Grant Date Fair Value of Stock and Option Awards ($)(4)
			Threshold ($)	Target ($)	Maximum ($)	Threshold (#)	Target (#)	Maximum (#)	
Richard C. Kelly	1/1/10	12/15/09				24,194	96,774	193,548	1,798,691
	1/1/10	12/15/09					72,580.50		1,529,997
	1/1/10	12/15/09					24,193.50		509,999
	1/1/10	12/15/09	600,000	1,200,000	1,780,200				
Benjamin G.S. Fowke III	1/1/10	12/15/09				8,592	34,369	68,738	638,800
	1/1/10	12/15/09					25,777		543,374
	1/1/10	12/15/09					8,592		181,125
	1/1/10	12/15/09				$ 86,940	$ 173,880	$257,951	
	1/1/10	12/15/09	169,050	338,100	501,572				
David M. Sparby	1/1/10	12/15/09				4,536	18,145	36,290	337,252
	1/1/10	12/15/09					13,609		286,872
	1/1/10	12/15/09					4,536		95,624
	1/1/10	12/15/09	165,750	331,500	491,780				
Michael C. Connelly	1/1/10	12/15/09				3,683	14,730	29,460	273,779
	1/1/10	12/15/09					11,048		232,881
	1/1/10	12/15/09					3,683		77,627
	1/1/10	12/15/09				$144,900	$ 289,800	$429,918	
Marvin E. McDaniel Jr.	1/1/10	12/15/09				2,882	11,528	23,056	214,265
	1/1/10	12/15/09					8,646		182,258
	1/1/10	12/15/09					2,882		60,753
	1/1/10	12/15/09	99,000	198,000	293,733				

(1) The Committee approved the awards December 15, 2009, effective as of January 1, 2010.

(2) Amounts show target annual incentive awards pursuant to the 2005 Annual Incentive Plan. Target annual incentive awards, as a percentage of base salary, were set as follows: 100% for Mr. Kelly, 70% for Mr. Fowke, 65% for Mr. Sparby, 60% for Mr. Connelly and 55% for Mr. McDaniel. Payouts of annual incentive awards are dependent on the level of achievement of corporate financial and operational goals approved by the Committee, with each individual having the opportunity to earn from 0% to approximately 148.35% of the target annual incentive award based on the level of achievement of the goals. With approval of the Committee, an executive officer may elect to receive shares of unrestricted and restricted common stock in lieu of a portion of the cash payment for which they were otherwise entitled under the 2005 Annual Incentive Plan. The values shown include the individual's elected forms of payment and associated premium and therefore may include a 5% premium (should the participant elect to receive unrestricted common shares) or a 20% premium (should the participant elect to receive restricted shares). The actual payments of the cash component of these awards are included in the "Non-Equity Incentive Plan Compensation" column in the

Summary Compensation Table. To the extent an executive officer elected to receive restricted or unrestricted shares in lieu of a cash payment for 2010 under the 2005 Annual Incentive Plan, the estimated future payouts of those equity awards are disclosed in dollar amounts in the columns under the caption "Estimated Future Payouts Under Equity Incentive Plan Awards".

(3) Target long-term incentive awards were set as follows: 340% for Mr. Kelly, 210% for Mr. Fowke, 150% for Mr. Sparby, 135% for Mr. Connelly and 135% for Mr. McDaniel. Long-term incentives are awarded 50% as performance shares and 50% as restricted stock units. Share amounts in this column reflect (i) performance shares (top number), (ii) performance-based restricted stock units based on the EPS growth measurement (second number) and (iii) performance-based restricted stock units based on environmental goals (third number) issued under the 2005 Long-Term Incentive Plan. Performance share payout values, while based on percentile performance, are also determined by the price of Xcel Energy common stock at payout. The fourth line reflects the dollar value of 2010 annual incentive award payouts, pursuant to the Plan, exclusive of the leadership-rating factor, to be received in restricted and/or unrestricted shares of common stock in accordance with an executive officer's election. The amounts include a 5% premium for unrestricted shares or a 20% premium for restricted shares. The number of shares to be received is determined based on the fair market value of our common stock at the time the shares are issued following the close of the performance year. The value of the shares actually issued to each executive officer pursuant to 2010 annual incentive awards is included in the "Stock Awards" column in the Summary Compensation Table.

(4) This column shows the grant date fair value pursuant to FASB ASC Topic 718 for equity awards.

Determination of the number of performance shares and restricted stock units. The target number of shares granted each as performance shares and performance-based restricted stock units was calculated by multiplying the executive's base salary by half of their long-term incentive target and dividing the result by the closing common stock price on January 4, 2010.

Terms of performance shares. At the end of each three-year period, the performance share component provides for payout at the target level if Xcel Energy's Total Shareholder Return (TSR) is at the 50th percentile of the peer group and payout at 200% of the target level for performance at or above the 90th percentile of the peer group. The performance share component provides smaller payouts for performance below the 50th percentile. No payout will be made for performance below the 35th percentile. Performance shares do not receive dividend equivalent units during the performance period.

Terms of performance-based restricted stock units. The awards of restricted stock units represent an equal number of shares of Xcel Energy common stock. Restricted stock units may not be sold or otherwise transferred by the recipients prior to the expiration of the restricted period. During the restricted period the restricted stock units are credited with dividend equivalents at the same rate as dividends paid on all other shares of outstanding common stock. The dividend equivalents are subject to all terms of the original grant. Payout of the restricted stock units and the lapsing of restrictions on the transfer of restricted stock units are based on two separate performance criteria. Of the awarded restricted stock units, 75% of them plus associated credited dividend equivalents will be settled, and the restricted period will lapse, after Xcel Energy achieves 15% EPS growth measured against fiscal 2009 EPS. Additionally, Xcel Energy's annual dividend paid on its common stock must remain at $0.98 per share or greater. EPS growth will be measured annually at the end of each fiscal year. In no event will the restrictions lapse prior to December 31, 2011. If the performance criteria are not achieved by December 31, 2013, all associated restricted stock units and dividend equivalents are forfeited.

The remaining 25% of the awarded restricted stock units (plus associated credited dividend equivalents) have a performance-based vesting schedule related to our strategy as an environmental leader. For these restricted stock units, the restriction period will lapse based on the achievement of activities or goals intended to result in emissions reductions. This goal was selected to further the corporate goal of environmental leadership, which includes prudently reducing our emissions and impact on the environment. Performance against these environmental targets will be measured annually at the end of each fiscal year. However, in no event will the restrictions lapse prior to December 31, 2011. If the performance criteria have not been met by December 31, 2013, all associated restricted stock units and dividend equivalents shall be forfeited.

OUTSTANDING EQUITY AWARDS AT FISCAL YEAR-END TABLE

The following table provides additional information regarding stock options, restricted stock, performance-based restricted stock units and performance shares that were outstanding on December 31, 2010 for the Named Executive Officers listed in the Summary Compensation Table. Fractional share amounts have been rounded to the nearest whole share.

	Option Awards			Stock Awards		Equity Incentive Plan Awards	
Name	Number of Securities Underlying Unexercised Options Exercisable (#)	Option Exercise Price ($)	Option Expiration Date	Number of Shares or Units of Stock That Have Not Vested (#)	Market Value of Shares or Units of Stock That Have Not Vested ($)(1)	Number of Unearned Shares, Units or Other Rights That Have Not Vested (#)	Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested ($)(1)
Richard C. Kelly						78,764[4]	1,854,898
						26,255[5]	618,299
						75,043[6]	1,767,263
						25,014[7]	589,088
						193,338[8]	4,553,110
						193,548[9]	4,558,055
Benjamin G.S. Fowke III	29,200	25.90	12/12/11	2,311[2]	54,414	20,921[4]	492,694
				15,208[3]	358,150	6,974[5]	164,231
						26,651[6]	627,638
						8,884[7]	209,213
						51,354[8]	1,209,387
						68,738[9]	1,618,780
David M. Sparby				362[2]	8,533	5,968[4]	140,553
				4,144[3]	97,591	1,989[5]	46,851
						14,070[6]	331,360
						4,690[7]	110,453
						14,650[8]	345,008
						36,290[9]	854,630
Michael C. Connelly	16,000	25.90	12/12/11	4,264[2]	100,411	10,693[4]	251,825
				18,873[3]	444,467	3,564[5]	83,942
						11,422[6]	268,996
						3,807[7]	89,665
						26,248[8]	618,140
						29,460[9]	693,783
Marvin E. McDaniel Jr	4,700	25.90	12/12/11			7,135[4]	168,037
						8,939[6]	210,522
						2,980[7]	70,174
						23,056[9]	542,969

(1) Values were calculated based on a $23.55 closing price of Xcel Energy common stock, as reported on the New York Stock Exchange on December 31, 2010.

(2) Representing restricted stock that the executive officers elected to receive in lieu of cash compensation for which they were otherwise entitled under the 2005 Annual Incentive Plan. The restrictions lapsed on March 1, 2011.

(3) Representing restricted stock that the executive officers elected to receive in lieu of cash compensation for which they were otherwise entitled under the 2005 Annual Incentive Plan. One-third of the restrictions lapsed on March 1, 2011, one-third will lapse on March 1, 2012, and the remaining third of the restrictions will lapse on March 1, 2013 or the next available trading day if the designated date is not a trading day.

(4) Representing performance-based restricted stock units granted January 1, 2009, and credited dividend equivalents, based on an EPS growth rate measured against December 31, 2008 EPS. The earliest these awards could vest was December 31, 2010.

(5) Representing performance-based restricted stock units granted January 1, 2009, and credited dividend equivalents, measured against environmental goals. The earliest these awards could vest was December 31, 2010.

(6) Representing performance-based restricted stock units granted January 1, 2010, and credited dividend equivalents, based on an EPS growth rate measured against December 31, 2009 EPS. The earliest these awards can vest is December 31, 2011.

(7) Representing performance-based restricted stock units granted January 1, 2010, and credited dividend equivalents, measured against environmental goals. The earliest these awards can vest is December 31, 2011.

(8) Representing performance shares granted January 1, 2009 for the performance period January 1, 2009 to December 31, 2011. Actual performance share payout values, while based on percentile performance, are also determined by the price of Xcel Energy common stock at payout. Values in the table assume maximum level performance.

(9) Representing performance shares granted January 1, 2010 for the performance period January 1, 2010 to December 31, 2012. Actual performance share payout values, while based on percentile performance, are also determined by the price of Xcel Energy common stock at payout. Values in the table assume maximum level performance.

OPTION EXERCISES AND STOCK VESTED TABLE

The following table discloses on a grant-by-grant basis the stock or similar awards that vested in 2010 and the transfers for value of awards. Fractional share amounts have been rounded to the nearest whole share.

	Option Awards		Stock Awards	
Name	Number of Shares Acquired on Exercise (#)	Value Realized on Exercise ($)	Number of Shares Acquired on Vesting (#)	Value Realized on Vesting ($)
Richard C. Kelly	—	—	8,207(1)	172,349(2)
			160,699(3)	3,794,103(4)
			77,957(5)	1,841,334(6)
			71,062(7)	1,678,491(6)
			23,687(8)	559,497(6)
Benjamin G.S. Fowke III	—	—	5,874(1)	123,348(2)
			37,390(3)	882,778(4)
			17,062(5)	403,003(6)
			16,534(7)	390,542(6)
			5,511(8)	130,181(6)
David M. Sparby	—	—	916(1)	19,233(2)
			12,177(3)	287,499(4)
			6,331(5)	149,537(6)
			5,385(7)	127,191(6)
			1,795(8)	42,397(6)
Michael C. Connelly	—	—	4,124(1)	86,601(2)
			20,295(3)	479,165(4)
			7,185(5)	169,715(6)
			8,974(7)	211,964(6)
			2,991(8)	70,655(6)
Marvin E. McDaniel Jr	—	—	6,237(5)	147,316(6)
			5,986(7)	141,391(6)

(1) Reflects vesting of restricted stock received in lieu of cash compensation they were otherwise entitled to receive under the 2005 Annual Incentive Plan.

(2) Value is based on the average of the high and low market price of Xcel Energy common stock on March 1, 2010, or $21.00, the date the restrictions lapsed.

(3) Reflects vesting of performance shares for the performance period January 1, 2008 to December 31, 2010. Performance Shares were actually settled on February 23, 2011 following certification of satisfaction of performance measured by the Committee. Upon settlement, each officer received 50% of the performance share award in shares of Xcel Energy common stock with the remaining 50% paid in cash.

(4) Value is based on the average high and low market price of Xcel Energy common stock on February 22, 2011, or $23.61, the date prior to the Committee certification.

(5) Reflects vesting of performance-based restricted stock units based on an EPS growth metric granted in 2007. The number of Units includes credited dividend equivalents associated with the January 20, 2011 dividend as the record date for these dividend equivalents, December 23, 2010, was prior to settlement.

(6) Value is based on the average high and low market price of Xcel Energy common stock on February 23, 2011, or $23.62, the date of Committee certification.

(7) Reflects vesting of performance-based restricted stock units based on an EPS growth metric granted in 2008. The number of Units includes credited dividend equivalents associated with the January 20, 2011 dividend as the record date for these dividend equivalents, December 23, 2010, was prior to settlement.

(8) Reflects settlement of performance-based restricted stock units based on environmental goals granted in 2008. The number of Units includes credited dividend equivalents associated with the January 20, 2011 dividend as the record date for these dividend equivalents, December 23, 2010, was prior to settlement.

PENSION BENEFITS

The Company maintains three defined benefit plans in which the NEOs are eligible to participate.

- The Xcel Energy Pension Plan provides funded, tax-qualified benefits that are subject to compensation and benefit limits under the Internal Revenue Code.
- The Xcel Energy Inc. Nonqualified Pension Plan (referred to as the "Nonqualified Pension Plan") provides unfunded, non-qualified benefits for compensation that is in excess of the limits applicable to the Xcel Energy Pension Plan.
- The Xcel Energy Supplemental Executive Retirement Plan (the "SERP") provides unfunded, non-qualified benefits that are offset by benefits under the Xcel Energy Pension Plan and the Nonqualified Pension Plan. Participation in the SERP is at the discretion of the Committee.

Name	Plan Name	Number of Years Credited Service (#)	Present Value of Accumulated Benefit ($)	Payments During Last Fiscal Year ($) (1)
Richard C. Kelly	Pension Plan	43	929,099	—
	Nonqualified Pension Plan	43	726,571	—
	SERP	43	19,382,950	—
Benjamin G.S. Fowke III	Pension Plan	14	308,976	—
	Nonqualified Pension Plan	14	787,728	250,000
	SERP	14	1,985,220	—
David M. Sparby	Pension Plan	29	839,517	—
	Nonqualified Pension Plan	29	552,246	—
	SERP	29	2,369,047	—
Michael C. Connelly	Pension Plan	20	391,812	—
	Nonqualified Pension Plan	20	490,219	—
	SERP	20	1,314,360	—
Marvin E. McDaniel, Jr.	Pension Plan	23	431,419	—
	Nonqualified Pension Plan	23	299,297	—

(1) In 2010, a $250,000 payment was made from Mr. Fowke's Nonqualified Pension Plan benefit pursuant to a qualified domestic relations order.

Present Value of Accumulated Benefits — The Present Value of Accumulated Benefits is the present value of the annual pension benefit earned as of December 31, 2010 that would be payable under each plan for the executive officer's life beginning at normal retirement age. Certain assumptions regarding interest rates and mortality were used to determine the present value of the benefit. Those assumptions are consistent with those used in Note 9, Benefit Plans and Other Postretirement Benefits, to Xcel Energy's Consolidated Financial Statement, included as part of Xcel Energy's 2010 Annual Report on Form 10-K. Normal retirement age for this purpose is defined by the various plans in which the executives participate. The Present Value of Accumulated Benefits is determined for each plan assuming benefits commence at the age described below:

- *Xcel Energy Pension Plan* — Benefits are calculated assuming the normal retirement age is 65.

- *Nonqualified Pension Plan* — Benefits are calculated assuming normal retirement age is 65.
- *SERP* — Benefits are calculated assuming the normal retirement age is 62.

Payments Made During the Last Fiscal Year — Represents amounts actually paid from the listed plans due to an event calling for payment. The following provides detailed information about the retirement benefits available to the NEOs.

Xcel Energy Pension Plan

There are three general benefit components payable under the Xcel Energy Pension Plan: the basic benefit, the retirement spending account and the social security supplement.

Basic Benefit

The basic benefit is determined under one of three formulas: the Traditional Benefit formula, the Pension Equity Benefit formula or the Account Balance Benefit formula. Mr. Sparby participates under the Traditional Benefit formula. Mr. Fowke, Mr. Connelly and Mr. McDaniel participate under the Pension Equity Benefit formula. Mr. Kelly participates under the Account Balance Benefit formula.

Traditional Benefit Formula

Under the Traditional Benefit formula, the basic benefit is determined as follows:

- Monthly benefit, payable as a single life annuity at the participant's normal retirement age, equal to the sum of 1.1333% of the participant's highest average monthly base pay plus .5% of highest average monthly base pay in excess of one-third of the monthly Social Security Wage Base for the current year, times years of credited service (up to 30 years).
- Highest average monthly base pay is equal to the highest average monthly rate of base pay during any 48 consecutive months of covered employment. Base pay is regular salary, including employee contributions to the 401(k) Savings Plan, the Flexible Benefits Plan and the Deferred Compensation Plan.

If a participant retires after earning 40 years of credited service, or reaching age 62 with 20 years of vesting service, or reaching Rule-of-90, the full accrued benefit described above is payable. If retirement occurs between ages 57 and 62 with at least 20 years of vesting service, the basic benefit is reduced 0.333% for each month that benefits commence prior to age 62.

If a participant terminates employment prior to reaching the retirement eligibility provisions described above, and terminates with at least three years of vesting service and commences benefits on or after age 57, the basic benefit is reduced 0.333% for each month that early commencement precedes age 65. If the participant's age at commencement is less than 57, the benefit payable is the amount that is actuarially equivalent to the benefit payable at age 65.

Pension Equity Benefit Formula

The basic benefit is determined as follows:

- Monthly benefit, payable as a single life annuity at the participant's normal retirement age, which is the actuarial equivalent of the participant's Pension Equity Plan ("PEP") Balance. The PEP Balance is equal to 10% of the participant's highest average pay times years of credited service times twelve (12).

- Highest average pay is equal to the highest average monthly rate of base pay plus incentive pay during any 48 consecutive months of covered employment. Base pay is regular, straight-time earnings, including employee contributions to the 401(k) Savings Plan, the Flexible Benefits Plan and, effective January 1, 2002, the Deferred Compensation Plan.

If a participant terminates employment after completing three years of vesting service, the benefit is calculated as described above but based on service and highest average pay at termination.

Account Balance Benefit Formula

The basic benefit is determined as follows:

- Monthly benefit, payable as a single life annuity at the participant's normal retirement age, which is the actuarial equivalent of the participant's Account Balance. The Account Balance is determined as follows:

(a) *Retirement Program Credits*

A retirement program credit is added to the account balance depending on age plus years of credited service and base pay for the year as follows:

Age + Years of Credited Service	Retirement Program Credits
55-59	5.25%
60-64	6.00%
65-69	7.00%
70-74	8.00%
75-79	9.00%
80 and more	10.00%

Base pay is regular, straight-time earnings, including employee contributions to the 401(k) Savings Plan, the Flexible Benefits Plan and, effective January 1, 2002, the Deferred Compensation Plan.

(b) *Transition Credits*

Employees who were active participants in a predecessor plan may be eligible for transition credits. These credits are granted annually for up to five years from the effective date of the plan.

Age + Years of Credited Service	Transition Credits
56-58	7.00%
59-61	8.00%
62-64	9.00%
65 or more	10.00%

(c) *Interest*

Interest is added to the account balance at the end of each plan year. Interest is based on the account balance at the beginning of the year. The rate of interest applied is equal to the average of the annual rate of interest on 30-year Treasury securities for the months of August and September of the preceding calendar year, but not less than 5% (5% for 2010).

If a participant terminates employment after completing three years of vesting service, the benefit is calculated as described above but based on service and pay through the date of termination. The Account Balance continues to accrue interest until the benefit is commenced.

If the participant elects an annuity and commences payment after age 55, the amount payable is determined by converting the Account Balance at commencement into an annuity based on a table of actuarial conversion factors.

Retirement Spending Account

The Retirement Spending Account annual benefit is the same whether a participant is in the Traditional Benefit formula, the Pension Equity Benefit formula or the Account Balance Benefit formula. In each case, the Retirement Spending Account is a monthly benefit, payable as a single life annuity that is the actuarial equivalent of the Retirement Spending Account balance. The Retirement Spending Account balance is the accumulated value at retirement of the initial account balance, annual credits, and annual interest credits.

- Initial account balance equal to $1,400 times all years of service as of December 31, 2002, for former NCE participants and December 31, 1998 for former NSP participants. For all other participants, the initial account balance is zero.
- Annual credits equal to $1,400.
- Interest credits based on one-year treasury constant maturities plus 1%.

Social Security Supplement

The Social Security Supplement is the same whether a participant is in the Traditional Benefit formula, the Pension Equity Benefit formula or the Account Balance Benefit formula. In each case, the Social Security Supplement is a supplement that is paid from the participant's retirement date to his or her retirement age for purposes of Social Security. The monthly supplement is equal to $50 times the number of years of service (limited to 20 years). Participants are eligible for the Social Security Supplement if they are (1) age 57 with 20 years of service, (2) age 55 and the sum of age and credited service is greater than or equal to 90 or (3) age 65 with 1 year of service.

Credited Service and Distributions

Generally, a participant's years of credited service are based on the years of employment with the Company and its predecessors. However, in certain cases, credit for service prior to participation in the plan may be granted. The years of credited service listed in the above table for the Xcel Energy Pension Plan for all of the Company's NEOs are based only on their period of service while employed by the Company and its predecessors.

Benefits provided under the Xcel Energy Pension Plan are based on compensation up to the compensation limit under Section 401(a)(17) of the Internal Revenue Code ($245,000 in 2010). In addition, benefits provided under the Xcel Energy Pension Plan may not exceed a benefit limit under Section 415(b) of the Internal Revenue Code ($195,000 payable as a single life annuity beginning at normal retirement age in 2010).

Benefits are payable under one of the optional forms of payment elected by the participant, including a lump sum. Benefits under the Xcel Energy Pension Plan are funded by an irrevocable tax-exempt trust. A participant's benefit under the Xcel Energy Pension Plan is payable from the assets held by the tax-exempt trust.

Nonqualified Pension Plan

The Nonqualified Pension Plan replaces the benefit that would have been payable through the Xcel Energy Pension Plan if not limited as noted above by Internal Revenue Code sections 401(a)(17) and 415(b). All active participants must receive their Nonqualified Pension Plan benefit as a lump sum.

Generally, a participant's years of credited service are based on their years of employment with the Company and its predecessors. However, in certain cases, credit for service prior to participation in the plan may be granted. The years of credited service listed above for the Nonqualified Pension Plan for all of the Company's NEOs are based only on their period of service while employed by the Company and its predecessors.

The Nonqualified Pension Plan is unfunded and maintained as a book reserve account. No funds are set aside in a trust or otherwise; participants in the Nonqualified Pension Plan are general creditors of the Company with respect to the payment of their Nonqualified Pension Plan benefits. The executive officer's account under the Nonqualified Pension Plan cannot be sold, transferred or otherwise anticipated before it becomes payable under the terms of the plan.

Supplemental Executive Retirement Plan

In 2008, the Board of Directors closed the SERP to additional participants. The SERP provides a target percentage of final average compensation based on years of service, offset by the benefits received from the Xcel Energy Pension Plan and the Nonqualified Pension Plan. Final average compensation for the SERP is defined as the average of the highest three calendar years of compensation during the five calendar year period immediately preceding the calendar year in which the participant retires or terminates employment. Compensation is defined as the participant's base pay plus any annual incentive earned for that year regardless of whether such annual incentive is paid in that year or in the next year under the Company's regular annual incentive plans.

The SERP benefit, defined as a 20-year certain annuity, accrues ratably over 20 years and, when fully accrued, is equal to (a) 55% of final average compensation minus (b) any other qualified or nonqualified benefits. The Retirement Spending Account and Social Security Supplement are not included in the offset. The SERP benefit is payable single lump-sum amount equal to the actuarial equivalent present value of the 20-year certain annuity. Benefits generally are payable at age 62, or as early as age 55, but would be reduced 5% for each year that the benefit commencement date precedes age 62.

Generally, a participant's years of credited service are based on their years of employment with the Company and its predecessors. However, in certain cases, credit for service prior to participation in the plan may be granted. The years of credited service listed above for the SERP for the NEOs are based only on their period of service while employed by the Company and its predecessors.

The SERP is unfunded and maintained as a book reserve account. No funds are set aside in a trust or otherwise; participants in the SERP are general creditors of the Company with respect to the payment of their SERP benefits. The executive's account under the SERP cannot be sold, transferred or otherwise anticipated before it becomes payable under the terms of the plan. The SERP is a discretionary plan and NEOs who participate in the SERP were by recommendation and approval of the Committee.

NONQUALIFIED DEFERRED COMPENSATION

The following table shows the amounts deferred by the NEOs and the Company's matching contributions during 2010.

Name	Executive Contributions in 2010 ($)(1)	Registrant Contributions in 2010 ($)(2)	Aggregate Earnings in 2010 ($)	Aggregate Withdrawals/ Distributions ($)	Aggregate Balance at Dec. 31, 2010($)(3)
Richard C. Kelly	84,000	39,750	116,812	—	1,209,787
Benjamin G.S. Fowke III	41,400	19,350	61,675	—	491,869
David M. Sparby	112,386	—	95,513	—	897,369
Michael C. Connelly	23,000	10,150	10,728	—	133,044
Marvin E. McDaniel, Jr	18,000	6,150	21,027	—	187,393
Wealth Op Deferred Program:					
David M. Sparby	—	—	8,111	—	174,686
Michael C. Connelly	—	—	11,788	—	253,877

(1) Amounts shown are included in the column titled "Salary" in the Summary Compensation Table on page 62.

(2) Amounts shown reflect our matching contributions (above applicable Internal Revenue Code limits) into our deferred compensation plan during 2010, and are included in "All Other Compensation" in the Summary Compensation Table. These amounts are described in footnote 4 to the Summary Compensation Table.

(3) Of the amounts shown, the following were included in the column titled "Salary" in the Summary Compensation Table for 2008 and 2009: Mr. Kelly: $176,250; Mr. Fowke: $72,900; Mr. Sparby: $216,230; and Mr. Connelly: $17,200.

Deferred Compensation Plans

On an annual basis, executives and key employees may elect to defer up to 75% of base pay, and up to 100% of the annual incentive payable in the following calendar year, into the Deferred Compensation Plan. The Company matches 50% of deferrals into the Deferred Compensation Plan which are immediately vested. The Company may also make discretionary contributions but did not do so in 2010. In addition, if the executive participates under the Account Balance benefit formula or Pension Equity benefit formula of the Company's qualified pension plan, the Company will contribute a matching contribution into the Deferred Compensation Plan.

Wealth Op is a legacy non-qualified deferred compensation plan sponsored by a predecessor company, Northern States Power Company, beginning in 1984 through the late-1990s, when the Company froze the plan to new contributions.

Both the Deferred Compensation Plan and Wealth Op plans are unfunded and represent general unsecured obligations of Xcel Energy. In other words, participants' account balances will be paid only if Xcel Energy has the ability to pay. Accordingly, account balances may be lost in the event of Xcel Energy's bankruptcy or insolvency.

Investment Funds

Deferred Compensation Plan. The investment fund options under the Deferred Compensation Plan consist of those options available to all employees under the 401(k) Plan, including the Xcel Energy Common Stock Fund, except that the Vanguard Brokerage account option is not available under the Deferred Compensation Plan. Company matches are credited to the Xcel Energy Common Stock Fund. As under the 401(k) Plan, participants may change their assumed investment fund on a daily basis.

Wealth Op Plan. Previously deferred amounts into the Wealth Op Plan receive annual interest credits based on either a fixed or a variable interest rate, as elected by the participant at the time of original participation, which election may not be changed. Participants' Wealth Op accounts are credited with earnings based on 120% of the 10-year rolling average of the 10-Year Treasury Note, compounded annually, which was 5.3% for 2010. This additional return is included in the above-market earnings on deferred compensation in the Summary Compensation Table.

Distribution Options

For the Deferred Compensation Plan, the executive's account is payable on the earlier of a specific year or the executive's separation of service or death, and will be paid in a lump sum or in ten equal annual installments as elected by the executive or, if no election is made, in a lump sum.

- If a specific year is elected, then the distribution will be made as a lump sum around January 31 of the elected year.
- The distribution will be made (or will begin) as of the next January 31 or July 31 that first follows the sixth-month anniversary of the executive's separation of service.
- In the event of the executive's death, payment to the executive's beneficiary will be made in a lump sum unless the executive was already receiving installment payments. In that case, the installment payments will continue to be paid to the executive's beneficiary.
- The executive can receive a distribution in the event of an extreme financial hardship that cannot be satisfied by any other means.

For the Wealth Op plan, payments commence the January 31st following a participant's retirement, death, disability or other separation from service.

POTENTIAL PAYMENTS UPON TERMINATION OR CHANGE IN CONTROL

We provide severance benefits to our executive officers under the Xcel Energy Senior Executive Severance and Change in Control Policy (as amended, the "Severance Policy"). As discussed above, we provide the Severance Policy to provide a market-competitive severance benefit and to manage any potential risks and changes in the event the Company undergoes a change in control. Each of our current NEOs are participants in the Severance Policy. Additional participants may be named by the Board or the Governance, Compensation and Nominating Committee from time to time.

Under the Severance Policy, a participant whose employment is terminated will receive severance benefits unless:

- the employer terminated the participant for cause, which for this purpose includes termination for (i) the willful and continued failure of a participant to perform substantially his or her duties, after a written demand for substantial performance, or (ii) the willful engagement by a participant in illegal conduct or gross misconduct which is materially and demonstrably injurious to the Company;
- termination was because of the participant's death, disability or retirement;
- the participant's division, subsidiary or business unit was sold and the buyer agreed to continue the participant's employment with specified protections for the participant; or
- the participant terminated voluntarily.

The severance benefits for executive officers under the Severance Policy include the following payments:

- a lump sum cash payment equal to one times the participant's annual base salary and target annual incentive award;
- prorated target annual incentive compensation for the year of termination paid in a lump sum;
- a lump sum cash payment of $30,000 for outplacement services;
- a lump sum cash payment equal to the value of the additional amounts that would have been credited to or paid on behalf of the participant under pension and retirement savings plans if the participant had remained employed for one additional year; and
- continued medical, dental and life insurance benefits for one additional year.

If the participant is terminated, including a voluntary termination following a diminution in salary, benefits or responsibilities, within two years following a change in control the participant will receive benefits under the Severance Policy similar to the severance benefits described above, except as follows:

- the cash payment of the participant's annual base salary and target annual incentive award will be increased by a severance multiplier of two or three times, depending upon the participant's tier;
- the cash payment for the value of additional retirement savings and pension credits will be for two or three years, depending upon the participant's salary tier; and
- medical, dental and life insurance benefits will be continued for two or three years, depending upon the participant's salary tier.

In addition, each of the participants entitled to enhanced benefits upon a change-in-control will be entitled to receive an additional cash payment to make the participant whole for any excise tax on excess parachute payments that he or she may incur, with certain limitations specified in the Severance Policy.

For these purposes, a change of control generally means (i) any acquisition of 20% or more of either our common stock or combined voting power (subject to limited exceptions for acquisitions directly from us, acquisitions by us or one of our employee benefit plans, or acquisitions pursuant to specified business combinations in which (a) our shareholders will own more than 60% of the shares of the resulting corporation, (b) no one person will own 20% or more of the shares of the resulting corporation, and (c) a majority of the board of the resulting corporation will be our incumbent directors), (ii) directors of the Company as of the date of the Severance Policy and those directors who have been elected subsequently and whose nomination was approved by such directors fail to constitute a majority of the Board, (iii) a merger, share exchange or sale of all or substantially all of the assets of the Company (each, a "business combination") (except those business combinations that satisfy clauses (a), (b) and (c) above), or (iv) shareholder approval of a complete liquidation or dissolution of the Company.

In addition, pursuant to the terms of the Company's incentive compensation plans, upon a change in control, all unvested shares of restricted stock will vest immediately and all cash-based awards, such as performance shares and restricted stock units, will vest and be paid out immediately in cash as if the applicable performance goals had been obtained at target levels. Since all outstanding stock options are already exercisable, a change in control would have no impact on stock options.

The amounts payable in cash for each of the NEOs relating to the performance shares and restricted stock units are included in the "Incentive Compensation" row of the "Termination upon Change in Control" column in the table of Aggregate Termination Payments below. Additionally, restrictions would lapse on the following shares of restricted stock: Benjamin G.S. Fowke III, 17,519 shares with an aggregate value of $412,563; David M. Sparby, 4,506 shares with an aggregate value of $106,124; Michael C. Connelly, 23,137 shares with an aggregate value of $544,878.

To receive the benefits under the Severance Policy, the participant must also sign an agreement releasing all claims against the employer and its affiliates and agreeing not to compete with the employer and its affiliates and not to solicit their employees and customers for one year.

Disability Benefits

All disability benefits for NEOs and all active Xcel Energy employees are provided through an insured arrangement with a third party administrator/insurer. Each of the NEOs is eligible for a disability benefit in the event of a total and permanent disability. This disability benefit is generally available to all employees of the Company.

For participants in the Long-Term Disability benefit, the monthly disability benefit payable is equal to 60% of the participant's basic monthly earnings, limited to a maximum $25,000 monthly benefit. This monthly benefit would be payable until normal retirement age, or for those participants becoming disabled after age 63, for a specific period of time.

Retirement Benefits

Upon retirement, the executive officers will be entitled to receive the retirement benefits described above under the caption "Pension Benefits" on pages 69 to 73 and the nonqualified deferred compensation described under the caption "Nonqualified Deferred Compensation" on pages 74 to 75.

Outstanding Incentive Compensation Awards

As discussed above, pursuant to the terms of the Company's incentive compensation plans, upon a change in control, all stock-based awards, such as stock options and restricted stock, will vest immediately and any awards that may be settled in cash or stock, such as performance shares and restricted stock units, will vest and be paid out immediately in cash as if the applicable performance goals had been obtained at target levels.

The treatment of other stock-based awards, such as restricted stock, restricted stock units, and performance shares in situations other than a change in control, is as follows:

	Voluntary Termination	Involuntary Termination With or Without Cause	Retirement	Death or Disability
Performance Shares	Forfeited	Forfeited	Prorated until date of retirement, with actual payment dependent upon the achievement of performance goals.	Continue to remain outstanding on their original terms and conditions.
Performance-based Restricted Stock Units	Forfeited	Forfeited	Prorated until date of retirement, with actual payment dependent upon the achievement of performance goals.	Continue to remain outstanding on their original terms and conditions.
Restricted Stock	Forfeited	Forfeited	Forfeited	Restrictions will lapse

Aggregate Termination Payments

This section explains the payments and benefits to which the NEOs are entitled in various termination of employment scenarios. The intent of this section is to isolate those payments and benefits for which the amount, vesting or time of payments is altered by the termination of employment in the described circumstances. This section does not cover all amounts the NEOs will receive following termination as they are also entitled to receive their vested balances under pension and deferred compensation plans, as disclosed previously, under all employment termination scenarios as well as the payment of long-term incentive as described in the table above.

For purposes of preparing this table, we have assumed that (i) the NEOs were terminated on December 31, 2010, and (ii) that the price of our common stock was $23.55 (the closing price on December 31, 2010).

	Termination upon Change in Control(6)	Voluntary Termination/ Retirement	Involuntary Termination with Cause	Involuntary Termination without Cause	Death
Richard C. Kelly					
Severance Payments	$ 7,200,000	$ —	$ —	$3,678,000	$ —
Retirement/Pension(1)	—	597,243	597,243	—	—
Benefits(2)	219,235	—	—	16,586	—
Incentive Compensation(3)	9,385,131(4)	—	—	—	1,481,400(5)
Tax gross-up	2,824,104	—	—	—	—
Paid-time-off (PTO) cash out	66,923	66,923	66,923	66,923	66,923
Total	$19,695,393	$664,166	$664,166	$3,761,509	$1,548,323
Benjamin G.S. Fowke III					
Severance Payments	$ 3,519,000	$ —	$ —	$1,713,600	$ —
Retirement/Pension(1)	1,823,272	338,302	338,302	917,931	—
Benefits(2)	139,433	—	—	9,766	—
Incentive Compensation(3)	3,320,422(4)	—	—	—	596,264(5)
Tax gross-up	2,546,397	—	—	—	—
PTO cash out	21,453	21,453	21,453	21,453	21,453
Total	$11,369,977	$359,755	$359,755	$2,662,750	$ 617,717
David M. Sparby					
Severance Payments	$ 2,524,500	$ —	$ —	$1,204,400	$ —
Retirement/Pension(1)	2,761,852	251,140	251,140	1,853,567	—
Benefits(2)	78,774	—	—	16,344	—
Incentive Compensation(3)	1,335,159(4)	—	—	—	409,237(5)
Tax gross-up	2,727,726	—	—	—	—
PTO cash out	52,962	52,962	52,962	52,962	52,962
Total	$ 9,480,973	$304,102	$304,102	$3,127,273	$ 462,199
Michael C. Connelly					
Severance Payments	$ 2,208,000	$ —	$ —	$1,060,400	$ —
Retirement/Pension(1)	1,135,316	493,731	493,731	865,202	—
Benefits(2)	128,840	—	—	16,001	—
Incentive Compensation(3)	1,895,267(4)	—	—	—	340,722(5)
Tax gross-up	1,749,552	—	—	—	—
PTO cash out	7,519	7,519	7,519	7,519	7,519
Total	$ 7,124,494	$501,250	$501,250	$1,949,122	$ 348,241
Marvin E. McDaniel, Jr.					
Severance Payments	$ 1,674,000	$ —	$ —	$ 800,400	$ —
Retirement/Pension(1)	901,950	242,136	242,136	505,854	242,136
Benefits(2)	105,558	—	—	11,864	—
Incentive Compensation(3)	720,217(4)	—	—	—	244,431(5)
Tax gross-up	1,222,036	—	—	—	—
PTO cash out	22,154	22,154	22,154	22,154	22,154
Total	$ 4,645,915	$264,290	$264,290	$1,340,272	$ 508,721

(1) Represents the actuarial present value of pension benefits that would be received upon a specified termination event over and above those included in the Pension Benefits table on page 69, which the executive officers also would be entitled to receive, except upon death, in which case the SERP benefit would be reduced by 50%. The amounts shown in the Pension Benefits Table are based on prescribed assumptions for age at payment, interest rate and mortality. In the event of immediate termination of employment, benefits would be calculated using actual assumptions set forth in the pension plan documents, which differ from the prescribed assumptions used for purposes of calculating the actuarial present value of accumulated benefits for the Pension Benefits table. In addition, the retirement benefits payable subsequent to specific events (for example, a change in control) will be modified as described above. The retirement amounts shown in this section represent the increase, if any, in the present value of pension benefits due to the difference in assumptions for age at payment, interest rates and mortality. These amounts also reflect the increase due to changes in benefit level required for the specific termination event identified in the table.

(2) For these purposes we have assumed that health care costs will increase at the rate of 10% per year.

(3) In addition, executive officers will have the ability, under the circumstances outlined in "Outstanding Incentive Compensation Awards," to exercise the stock options set forth in the Outstanding Equity Awards at 2010 Fiscal Year-End Table on page 66.

(4) Represents the dollar value of all performance shares and restricted stock units that will vest and be paid out immediately in cash as if the applicable performance goals had been obtained at target levels. Does not include the value of restricted stock for which restrictions would lapse, which values are set forth under "Severance and Change in Control Policy" section above.

(5) Represents payout of earned annual incentive awards exclusive of leadership-rating factor. This amount also is included in the Non-Equity Incentive Plan Compensation and/or Stock Awards column.

(6) Amounts in this column relate to amounts payable if a change in control, as defined in the Severance Policy, occurs and the executive officer is terminated within two years of such event.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

Plan Category	Number of Securities to be Issued Upon Exercise of Outstanding Options, Warrants and Rights	Weighted-Average Exercise Price of Outstanding Options, Warrants and Rights	Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans (Excluding Securities Reflected in the First Column)
Equity compensation plans approved by security holders[1]	6,534,051	$30.42	5,224,364
Equity compensation plans not approved by security holders	n/a	n/a	[2]

(1)

Plan Category	Number of Securities to be Issued Upon Exercise of Outstanding Options, Warrants and Rights	Weighted-Average Exercise Price of Outstanding Options, Warrants and Rights	Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans (Excluding Securities Reflected in the First Column)
Xcel Energy Inc. 2005 Long-Term Incentive Plan (amended and restated effective February 17, 2010)	3,229,746[3]	n/a	4,080,321[4]
Xcel Energy Inc. Omnibus Incentive Plan	1,683,400[5]	$25.90	—[6]
NRG Long-Term Incentive Compensation Plan	814,948[7]	$39.76	—
Xcel Energy Inc. Executive Annual Incentive Award Plan (amended and restated effective February 17, 2010)	159,040	n/a	1,040,960
Stock Equivalent Plan for Non-Employee Directors[8]	646,917	—	103,083

(2) The Xcel Energy Stock Equivalent Plan for Non-Employee Directors, as amended and restated, was first approved by shareholders at our 2004 Annual Meeting. For awards made prior to this shareholder approval, the number of shares of the Company's common stock to be used for distribution under this Stock Equivalent Plan are purchased on the open market.

(3) Includes performance shares, performance-based restricted stock units and reinvested dividend equivalents with respect to performance-based restricted stock units. For performance shares, the actual number of securities to be paid out will be dependent upon Xcel Energy's TSR compared to a peer group and awards may be paid out in cash, stock or a combination thereof. Performance-based restricted stock units are subject to forfeiture as described under "Long-Term Incentives" in Compensation Discussion and Analysis above.

(4) Awards can take the form of stock options, stock appreciation rights, restricted stock, bonus stock, restricted stock units, performance shares or performance units.

(5) Reflects outstanding unexercised options at an exercise price of $25.90 that expire on December 12, 2011.

(6) The Xcel Energy Inc. Omnibus Incentive Plan was replaced by the Xcel Energy 2005 Long-Term Incentive Plan, and no additional awards will be made under the Xcel Energy Inc. Omnibus Incentive Plan.

(7) Reflects outstanding unexercised options with exercise prices ranging from $27.92 to $47.00.

(8) The number of shares remaining does not include the additional shares to be authorized pursuant to Proposal No. 2 of this proxy statement.

INFORMATION ABOUT RELATED PERSONS

Related Person Transaction

Robert McDaniel, who is the brother to Marvin McDaniel, Jr., the Company's Vice President and Chief Administrative Officer, is the former Vice President, Transmission and Distribution — West of MYR Group, Inc. and former Vice President of one of its operating subsidiaries, Sturgeon Electric. Sturgeon Electric performs electric transmission and distribution construction and maintenance for two of our operating subsidiaries, PSCO and SPS. Sturgeon Electric does not operate any electrical systems. In his position with MYR Group and Sturgeon Electric, Mr. Robert McDaniel managed MYR Group employees who are directly responsible for negotiating construction and maintenance contracts with both PSCo and SPS. Mr. Robert McDaniel was ultimately responsible for the vendor-client relationship between Sturgeon Electric and PSCo and SPS.

The contracts with MYR Group, Inc. or its subsidiaries are awarded through a competitive bidding process, which considers cost, skill, industry reputation, prior work history, and adaptability of the vendor for use of current technologies for future technology scenarios.

In 2010, PSCo and SPS jointly paid Sturgeon Electric approximately $36.9 million for work related to transmission and distribution system construction. PSCo and SPS also paid another MYR Group subsidiary, Great Southwestern Construction Inc., approximately $7.6 million for work related to transmission and distribution system construction.

Mr. Robert McDaniel was not compensated directly by the MYR Group, Inc. for the amount of work with PSCo or SPS. As an officer of the MYR Group, Inc. he earned a base salary and had an opportunity for incentive compensation based on several factors, including the overall profitability of MYR Group, Inc.

In his position with the Company, Mr. Marvin McDaniel, Jr., is not directly or indirectly involved in the negotiations of contracts or similar agreements with MYR Group, Inc. or its subsidiaries. Mr. Marvin McDaniel, Jr., is not directly or indirectly involved with the performance of contracts or similar agreements with the MYR Group, Inc. or its subsidiaries.

Related Person Transaction Policy

In 2008, the Board adopted a written policy that sets forth our procedures for the review, consideration and approval or ratification of transactions involving Xcel Energy if one of our directors, nominees for director, executive officers or shareholders owning more than five percent of our common stock, or their immediate family members, has a material interest and the amount of the transaction or series of transactions exceeds $120,000. The Committee has the responsibility for reviewing these transactions. In addition, the full Board reviews ordinary course of business transactions in which directors have an interest as part of the Board's annual independence review. In determining whether to approve or ratify any such transactions, the Committee must analyze the following factors, in addition to any other factors the Committee deems appropriate, in determining whether to approve a Related Person Transaction:

- Whether the terms are fair to the Company;
- Whether the transaction is material to the Company;
- The role the Related Person has played in arranging the Related Person Transaction;
- The structure of the Related Person Transaction; and
- The interests of all Related Persons in the Related Person Transaction.

Whether or not a related person has a "material interest" in a transaction is a facts and circumstances determination and the factors for the Committee to consider in this determination include the relationship of the related persons to the transaction, and with each other, the importance of the interest to the person having the interest and the amount involved in the transaction, as well as any other facts or circumstances deemed relevant by the Committee in making such determination. The Committee will approve a Related Person Transaction only if the Committee determines that the Related Person Transaction is beneficial to the Company and the terms of the Related-person Transaction are fair to the Company.

The transaction described above under "Related Person Transaction" was reviewed and ratified under this policy.

REPORT OF THE AUDIT COMMITTEE OF THE BOARD OF DIRECTORS

The role of the Audit Committee is to assist the Board of Directors in its oversight of the Company's financial reporting process. The Board of Directors, in its business judgment, has determined that all members of the Audit Committee are "independent," as required by the listing standards of the New York Stock Exchange. The Audit Committee operates pursuant to its charter, which it reviews at least annually. As set forth in the charter, management of the Company is responsible for the preparation, presentation, and integrity of the Company's financial statements, the Company's accounting and financial reporting principles and internal controls and procedures designed to assure compliance with accounting standards and applicable laws and regulations. Our independent auditors, Deloitte & Touche LLP, are responsible for auditing the Company's consolidated financial statements and expressing an opinion as to whether they are presented fairly, in all material respects, in conformity with accounting principles generally accepted in the United States of America.

In the performance of its oversight function, the Audit Committee has:

- Considered and discussed the audited financial statements with management and our independent auditors. The Audit Committee's review included a discussion of the quality, not just the acceptability, of the accounting principles, the reasonableness of significant judgments and the clarity of disclosures in the financial statements;
- Discussed with our independent auditors the matters required to be discussed by Statements on Auditing Standards No. 114, *The Auditor's Communication with Those Charged with Governance*;
- Received the written disclosures and the letter from our independent auditors required by applicable requirements of the Public Company Accounting Oversight Board regarding the independent accountant's communications with the Audit Committee concerning independence and has discussed the independence of Deloitte & Touche LLP with them;
- Reviewed and pre-approved the services provided by our independent auditors other than their audit services and considered whether the provision of such other services by our independent auditors is compatible with maintaining their independence; and
- Discussed with the Company's internal and independent auditors the overall scope and plans for their respective audits for the year 2010. The Audit Committee meets with the internal and independent auditors, with and without management present, to discuss the results of their examinations, their evaluations of the Company's internal controls and the overall quality of the Company's financial reporting.

Based upon the reports and discussions described in this report, and subject to the limitations on the role and responsibilities of the Audit Committee referred to in the charter, the Audit Committee recommended to the Board of Directors, and the Board has approved, that the audited financial statements be included in our Annual Report on Form 10-K for the year ended December 31, 2010, to be filed with the Securities and Exchange Commission. The Audit Committee has appointed Deloitte & Touche LLP as the Company's independent auditors for 2011. Shareholder ratification of this appointment is included as Proposal No. 7 in these proxy materials.

Submitted by the Audit Committee of the Xcel Energy Board of Directors

Albert F. Moreno, Chair
A. Patricia Sampson
Kim Williams
Timothy V. Wolf

INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Deloitte & Touche LLP has audited the Company's consolidated financial statements since 2002. Audit services provided by Deloitte & Touche LLP in 2010 included the audits of consolidated financial statements and management's assessment of internal control over financial reporting of the Company; reviews of interim consolidated financial information; and consultation on matters related to accounting and financial reporting. Representatives of Deloitte & Touche LLP will be present at the Annual Meeting and will have the opportunity to make a statement if they so desire. Such representatives will be available to respond to appropriate questions from shareholders at the Annual Meeting.

Audit and Non-Audit Fees

The following table presents fees for professional services performed by Deloitte & Touche LLP, the member firms of Deloitte Touche Tohmatsu and their respective affiliates for the annual audit of the Company's and Company subsidiaries' annual financial statements for 2010 and 2009, the review of the Company's and Company subsidiaries' interim consolidated financial statement for each quarter in 2010 and 2009, and for audit-related, tax and other services performed in 2010 and 2009 (thousands of dollars).

	2010	2009
Audit Fees(1)	$4,553	$4,585
Audit-Related Fees(2)	598	399
Tax Fees(3)	131	459
Total	$5,282	$5,443

(1) Includes annual audit of the Company's and Company subsidiaries' financial statements and management's assessment of our internal control over financial reporting, reviews of interim consolidated financial information, consultation on matters related to financial reporting, and comfort letters and agreed upon procedures and consents for securities offerings.

(2) Fees reported for 2010 include $209,000 for employee benefit plan audits, $316,000 for required rate case filing package review procedures in Texas and $73,000 for other audits and accounting consultations. Fees reported for 2009 include $209,000 for employee benefit plan audits and $190,000 for other audits and accounting consultations.

(3) Fees reported for 2010 include $27,000 for tax compliance services and $104,000 for tax planning services. Fees reported for 2009 include $328,000 for tax compliance services and $131,000 for tax planning services.

Audit Committee Pre-Approval Policies

Our Audit Committee has adopted detailed pre-approval policies and procedures pursuant to which audit, audit-related and tax services, and all permissible non-audit services, are pre-approved by category of service. The fees are budgeted, and actual fees versus the budget are monitored throughout the year. During the year, circumstances may arise when it may become necessary to engage the independent auditor for additional services not contemplated in the original pre-approval. In those instances, we will obtain the specific pre-approval of the Audit Committee before engaging the independent auditor. The policies require the Audit Committee to be informed of each service, and the policies do not include any delegation of the Audit Committee's responsibilities to management. The Audit Committee may delegate pre-approval authority to one or more of its members. The member to whom such authority is delegated will report any pre-approval decisions to the Audit Committee at its next scheduled meeting.

All audit-related fees, tax fees and all other fees for 2010 and 2009 were pre-approved by the Audit Committee.

Leased Employees

In connection with their audit of our 2010 annual financial statements, Deloitte & Touche LLP's work was performed 100% by full-time, permanent employees of Deloitte & Touche LLP.

OTHER BUSINESS

Management does not know of any business, other than that described in this proxy statement, that may be presented for action at the Annual Meeting of Shareholders. If any other matters are properly presented at the Annual Meeting for action, the persons named in the accompanying proxy will vote upon them in accordance with their best judgment.

By Order of the Board of Directors,

CATHY J. HART
Corporate Secretary

Minneapolis, Minnesota

DRIVING DIRECTIONS

From the North

Take I-94 East, exit at 4th Street (Exit 230), end at 4th Street and Nicollet Mall.

Parking for the Annual Meeting will not be provided by Xcel Energy. Hourly parking is available at various locations on 4th Street and 5th Street.

From the South

Take I-35W North, exit at 5th Avenue S. (on the left toward Downtown Exits/I-94 W, Exit 16A) turn slight left onto 5th Avenue S., turn left onto 7th Street S., turn right onto Marquette Avenue, turn left onto 5th Street, end at 5th Street and Nicollet Mall.

Parking for the Annual Meeting will not be provided by Xcel Energy. Hourly parking is available at various locations on 4th Street and 5th Street.

From the East

Take I-94 West, exit at Cedar Avenue (Exit 234C), turn right onto Cedar Avenue, merge onto MN-122 W via the ramp on the left toward 3rd Street (MN-122 W becomes 3rd Street), turn left onto 2nd Avenue, turn right onto 5th Street, end at 5th Street and Nicollet Mall.

Parking for the Annual Meeting will not be provided by Xcel Energy. Hourly parking is available at various locations on 4th Street and 5th Street.

From the West

Take I-394 East, exit at 6th Street (Exit 9B), turn slight right onto 6th Street, turn left onto Marquette Avenue, turn left onto 5th Street, end at 5th Street and Nicollet Mall.

Parking for the Annual Meeting will not be provided by Xcel Energy. Hourly parking is available at various locations on 4th Street and 5th Street.

Appendix A

STOCK EQUIVALENT PLAN
FOR NON-EMPLOYEE DIRECTORS OF
XCEL ENERGY INC.

(As Amended and Restated Effective February 23, 2011)

ARTICLE I
PURPOSE, DEFINITIONS AND GENERAL PROVISIONS

1.1. **Purpose.** The purposes of this Plan are: (a) to enable a portion of the compensation of each non-employee director of Xcel Energy Inc. to be tied to the performance of the common stock of the Company; and (b) to permit each such director to defer receipt of all or a portion of his/her retainer, board or committee meeting fees.

Effective January 1, 2009, this Plan was again amended and restated to include all amendments issued after the January 1, 2004 restatement effective date, and to cause the Plan to be compliant with Section 409A of the Internal Revenue Code of 1986, as amended, ("Code") final regulations, IRS Notice 2005-1 and other guidance issued thereunder. Pursuant to IRS Notice 2005-1 and subsequent guidance, Participants were provided the opportunity to make transitional elections regarding the payment of their accounts under Section 2.5.

1.2. **Definitions.**

(a) **"Award"** shall mean the amount, expressed either in dollars of Compensation or in Stock Equivalents, that will be credited to a Participant on an Award Date. The term "Award" includes Conversion Awards, Deferral Awards and Discretionary Awards.

(b) **"Award Date"** shall mean the date an Award is to be credited to a Participant.

(c) **"Board"** shall mean the Board of Directors of the Company.

(d) **"Beneficiary"** shall mean the last person or persons (including, without limitation, the trustees of any testamentary or inter vivos trust) designated in writing by a Participant, on a form approved by and filed with the Committee, to receive payments under the Plan after the death of such Participant, or, in the absence of any such designation or in the event that such designated persons or person shall predecease such Participant, or shall not be in existence or shall otherwise be unable to receive such payments, the person or persons designated under such Participant's last will and testament or, in the absence of such designation, to the Participant's estate. Any Beneficiary designation may be changed from time to time by like notice similarly delivered..

(e) **"Committee"** shall mean the Governance, Compensation and Nominating Committee of the Board of Directors or such other committee designated by the board, provided that such Committee, to the extent required to comply with the listing standards of the New York Stock Exchange, shall consist entirely of independent directors as defined by the rules of the New York Stock Exchange. To the extent not inconsistent with applicable law or stock exchange rules, the Committee may delegate all or any portion of its authority under the Plan to one or more persons who are either members of the Committee or executive officers of the Company.

(f) **"Common Stock Fair Market Value"** shall mean the closing price of a share of Xcel Energy Stock on the New York Stock Exchange (or such other national securities exchange as may at the time be the (the principal market for Xcel Energy Stock) on the day preceding the day of determination. If the Stock is not then listed and traded on a national securities exchange but is quoted on an automated quotation system or by a recognized securities dealer, Common Stock Fair Market Value shall be the closing price of a share of Xcel Energy Stock (or the average of the high bid and low asked prices if selling prices are not reported) on such system or by such dealer on the day preceding the day of determination. In the absence of an established market for Xcel Energy Stock as described above, Common Stock Fair Market Value shall be what the Board determines in good faith and in a manner consistent with Section 409A of the Code to be 100% of the fair market value of a share of Xcel Energy Stock on that date. In cases where no Xcel Energy Stock was traded on the day preceding the day of determination, the next preceding trade day shall be used. If the determination of Fair Market Value is made after the close of regular trading on the national securities exchange on which the Xcel Energy Stock is traded, all references to the day preceding the day of determination shall instead refer to the day of determination.

(g) **"Company"** shall mean Xcel Energy Inc., a Minnesota corporation, and any successor thereof.

(h) **"Compensation"** shall mean payments which the Director receives from the Company for services as a member of its Board of Directors. Such payments may include directors' retainers, including annual retainers and retainers for committee, chair or lead director service, board meeting fees and committee meeting fees, but shall exclude direct reimbursement of expenses.

(i) **"Conversion Award"** shall mean a one-time Award made as of January 1, 1998 to a Director in lieu of benefits earned by that Director under the Xcel Energy Inc. Retirement Plan for Non-Employee Directors, pursuant to an election described in Section 1.5 hereof.

(j) **"Deferral Award"** shall mean an Award made pursuant to a deferral election described in Section 1.4 hereof.

(k) **"Director"** shall mean any member of the Board of Directors of the Company who is not an employee of the Company or of any direct or indirect subsidiary or affiliate thereof.

(l) **"Discretionary Award"** shall mean an Award made at the sole discretion of the Board pursuant to Section 1.3 of this Plan.

(m) **"Xcel Energy Stock"** shall mean the common stock of the Company, par value $2.50 per share.

(n) **"Participant"** shall mean any Director who receives an Award.

(o) **"Plan"** shall mean the Stock Equivalent Plan for Non-Employee Directors of the Company, as from time to time amended and in effect.

(p) **"Stock Account"** shall mean the bookkeeping account to which Awards are credited in the name of a Participant as described in Section 2.2 of this Plan.

(q) **"Stock Equivalents"** shall mean the units, representing a like number of shares of Xcel Energy Stock, that are credited to a Director's Stock Account under Article II of this Plan.

(r) **"Termination of Service"** shall mean the termination (by death, retirement or otherwise) of a Participant's service as a director of the Company and all affiliates and subsidiaries of the Company, which constitutes a "separation from service", as such term is defined in Section 409A of the Code.

1.3. **Discretionary Awards.** Subject to Section 2.8, the Board may make Discretionary Awards to Participants from time to time in such amount and number as the Board shall determine in its sole discretion. Each Discretionary Award shall contain such terms, restrictions and conditions as the Board may determine that are not inconsistent with this Plan. Discretionary Awards shall be granted in Stock Equivalents or as a dollar amount (which shall be converted into Stock Equivalents as provided in Section 2.2), as determined in the sole discretion of the Board.

1.4. **Deferral Awards.** In accordance with this Section, and subject to Section 2.8, a Director may elect to receive Deferral Awards in lieu of all or a portion of his/her Compensation by filing with the Secretary of the Company an election in writing on a form approved by the Committee. Deferral Awards shall be made as of the date such Compensation would have been paid, in a dollar amount equal to the amount of Compensation the Director has elected to defer and shall be credited to a Participant's Stock Account as provided in Section 2.2. A deferral election with respect to Compensation for a calendar year must be made prior to the beginning of that calendar year. In the case of an individual who becomes a Director after the first day of the calendar year, a deferral election must be made within 30 days of the date such individual becomes a Director, and shall be effective only as to Compensation for services performed after the date the election is made. A deferral election shall continue in effect until the Director's Termination of Service or, if the Director provides the Secretary of the Company with earlier written notice to discontinue or change the deferral election, the end of the calendar year in which such written notice is received by the Secretary.

1.5. **Conversion Awards.** In lieu of all benefits otherwise payable under the Xcel Energy Inc. Retirement Plan for Non-Employee Directors ("Retirement Plan"), any Director elected to the Board prior to October 1, 1997 and serving on the Board during the last quarter of 1997 was entitled to make, prior to January 1, 1998, a one-time irrevocable election to receive a Conversion Award under this Plan in a dollar amount equal to the sum of the quarterly retainer payments the Director would have been entitled to receive under the Retirement Plan if the Director's service on the Board ended December 31, 1997. The Award Date for a Conversion Award under this Plan in satisfaction of a Director's conversion election was January 1, 1998.

ARTICLE II
TREATMENT OF AWARDS

2.1 **Stock Accounts.** The Company shall establish on its books a Stock Account in the name of each Participant to reflect the Company's liability to each Participant who has received an Award. To this Stock Account shall be credited Awards plus other items as described hereafter. A Participant's Stock Account may be divided into two or more subaccounts as the Committee determines necessary or desirable for the administration of the Plan, and shall include a subaccount to reflect any Conversion Awards and any other Award credited to the Stock Account prior to December 31, 1997. Payments to a Participant or Beneficiary following Termination of Service shall be debited to the Stock Account. In addition, debits and credits to the Stock Account shall be made in the manner provided hereafter. Despite the maintenance of such Stock Account for each Participant, the Company's obligation to make distributions under the Plan shall be made from the Company's general assets and property. The Company may, in its sole discretion, establish a separate fund or account to make payment to a Participant or Beneficiary hereunder. Whether the Company, in its sole discretion, does establish such a fund or account, no Participant or Beneficiary or any person shall have, under any circumstances, any interest whatever in any particular property or assets of the Company by virtue of this Plan.

2.2. **Crediting of Awards.** An Award in the form of Stock Equivalents shall be credited to a Participant's Stock Account as of the applicable Award Date. An Award in dollars shall be credited to a Participant's Stock Account as of the applicable Award Date by converting the dollar amount of the Award into Stock Equivalents equal to the number of shares of Xcel Energy Stock, to three decimal places, that could be purchased on the Award Date with the dollar amount of such Award at the Common Stock Fair Market Value.

2.3. **Crediting of Dividends/Stock Splits.**

(a) On each date on which a dividend in cash or property (other than a stock dividend) is distributed by the Company on shares of issued and outstanding Xcel Energy Stock, the Stock Account of a Participant shall be credited, subject to Section 2.8, with Stock Equivalents as follows: (i) the dollar amount of the fair market value of the cash or property so distributed per share of issued and outstanding Xcel Energy Stock shall be multiplied by the number of Stock Equivalents (including fractions) in the Participant's Stock Account on the record date for such distribution; (ii) this dollar amount shall then be converted into Stock Equivalents equal to the number of shares of Xcel Energy Stock, to three decimal places, that could be purchased on the payment date for such distribution by dividing such dollar amount by a price per share equal to the Common Stock Fair Market Value.

(b) On each date on which a stock dividend or stock split is distributed with respect to shares of Xcel Energy Stock, a Participant's Stock Account shall be credited with the number of Stock Equivalents equal to the product of (x) the number of shares distributed in such stock dividend or stock split per share of issued and outstanding Xcel Energy Stock and (y) the number of Stock Equivalents (including fractions) in the Participant's Stock Account on the record date for such distribution.

2.4. **Change in Ownership.** If the Company shall be a party or subject to any consolidation, merger, share exchange or other transaction which, in any case, constitutes either a "change in the ownership" of the Company or a "change in the ownership of a substantial portion of the assets" of the Company within the meaning of Section 409A of the Code and its implementing regulations (a "Change in Ownership"), then in connection with such transaction either (i) the acquiring, surviving or successor corporation (or its direct or indirect parent corporation) shall continue the Plan in accordance with Section 3.5 and the Stock Equivalents in each Participant's Stock Account on the day immediately preceding the effective date of such transaction shall be converted into an appropriate number of stock equivalents of such other entity, or (ii) the Board of Directors shall terminate the Plan and the entire remaining balance in each Participant's Account shall be paid in a single distribution to the Participant in shares of Xcel Energy Stock, cash or a combination of both within the time periods permitted by and other wise in accordance with the requirements of Section 409A of the Code. For purposes of any cash payment made pursuant to this Section 2.4, the value of a Stock Equivalent shall be computed as the greater of (a) the Common Stock Fair Market Value on or nearest the date on which the Change in Ownership is deemed to occur, or (b) the highest per share price for shares Xcel of Energy Stock actually paid in connection with the Change in Control.

2.5. **Time of Payment of Awards.**

(a) Except as provided in Section 2.7, Awards shall not be payable to a Participant prior to the Participant's Termination of Service.

(b) Upon Termination of Service, the portion of a Participant's aggregate account balance in his/her Stock Account that is attributable to any Conversion Award and to any other Award credited to the Stock Account prior to December 31, 1997 shall be paid in a single distribution to the Participant (or, in the event of the Participant's death, his/her Beneficiary) within 90 days after the date of Termination of Service, and in no event shall the Participant directly or indirectly be permitted to designate the year of payment. The number of shares of Xcel Energy Stock and cash in lieu of any partial unit of Stock Equivalents to be distributed shall be calculated as set forth in Section 2.6.

(c) Upon Termination of Service, except as provided in subsection (d) below, the remainder of a Participant's Stock Account to be distributed (after taking into account subsection (b) above) shall be paid in the manner selected by the Participant in the form of a lump sum or annual payments in 2-10 year installments, paid between January 1st and January 31st of the year following Termination of Service. The number of shares of Xcel Energy Stock and cash in lieu of any partial unit of Stock Equivalents to be distributed shall be calculated as set forth in Section 2.6. Except as provided in Section 1.1 above, a Participant may only make one distribution election. For a Participant elected to the Board prior to October 1, 1997, the distribution election shall be made prior to January 1, 1998. For a Participant elected to the Board after October 1, 1997, and prior to January 1, 2005, the distribution election shall be made within 60 days of his/her election to the Board, but in no event later than December 31, 2004. For a Participant elected to the board after December 31, 2004, any distribution election must be made at the time he or she makes his or her initial deferral election under section 1.4, or if earlier, the first day of the calendar year for which the participant receives a Discretionary Award. The distribution election must be made in writing on a form approved by the Committee. Once made, the distribution election shall be irrevocable, except as provided in Section 1.1.

(d) Notwithstanding any election made by a Participant, in the event of a Participant's death prior to payment in full of a Participant's Stock Account, the entire remaining balance in the Participant's Account shall be paid in a single distribution to the Participant's Beneficiary within 90 days after the Participant's death (and in no event shall the Beneficiary directly or indirectly be permitted to designate the year of payment).

2.6. **Form of Payment**. Except as otherwise provided in the Plan, Awards shall be payable to a Participant only as a distribution of whole shares of Xcel Energy Stock equal to the number of whole units of Stock Equivalents credited to the Participant's Stock Account to be distributed, and cash for any partial unit of Stock Equivalents to be distributed. In converting a partial unit of Stock Equivalents in a Participant's Stock Account into cash for payment purposes, such conversion shall be based on the Common Stock Fair Market Value of the partial share of Xcel Energy Stock reflected in his/her Stock Account.

2.7. **Acceleration of Payments**. In the event of a Participant's disability, as such term is defined under Section 409A of the Code, the Committee shall accelerate the payment of such Participant's Stock Account balance in a lump sum to such Participant within 90 days following a Participant's disability.

2.8. **Shares Available Under the Plan; Adjustments for Changes in Capitalization.**

(a) The maximum number of Stock Equivalents in respect of which Awards may be granted under the Plan on and after the effective date of this amended and restated Plan and dividends credited under Section 2.3(a) as Stock Equivalents directly or indirectly on such Awards (collectively, the "Post-2003 Awards") shall be a total of ~~750,000~~ 2,750,000 Stock Equivalents. In the event that (i) a Post-2003 Award is settled for cash as to any Stock Equivalents covered thereby, or (ii) any Post-2003 Award is canceled or forfeited for any reason under the Plan without the delivery of shares of Xcel Energy Stock, such Stock Equivalents shall thereafter be again available for award pursuant to the Plan.

(b) In the event of any equity restructuring (within the meaning of FASB ASC Topic 718, *Compensation — Stock Compensation*) that causes the per share value of shares of Xcel Energy Stock to change, such as a stock dividend, stock split, spinoff or rights offering, the Board shall cause an equitable adjustment to be made (i) to the number and kind of stock equivalents, shares or other securities that may be awarded, credited or issued under the Plan as or in connection with Post-2003 Awards, and (ii) to the extent such adjustment is not provided for in Section 2.3(b), the number and kind of stock equivalents subject to then outstanding Awards. No such adjustment shall be authorized under this Section to the extent that such adjustment would cause an Award to be subject to adverse tax consequences under Section 409A of the Code. In the event of any other change in corporate capitalization, which may include a merger, consolidation, reorganization, recapitalization or any partial or complete liquidation of the Company, such equitable adjustments described in the foregoing sentence may be made as determined to be appropriate and equitable by the Board to prevent dilution or enlargement of rights. In either case, any such adjustment shall be conclusive and binding for all purposes of the Plan.

(c) The shares of Xcel Energy Stock to be distributed under this Plan shall be from shares purchased on the open market or, in respect of Post-2003 Awards, from authorized but unissued shares of Xcel Energy Stock or shares purchased on the open market, as determined from time to time by the Board; provided, however, that in no event shall the number of authorized but unissued shares of Xcel Energy Stock distributed under the Plan in respect of Post-2003 Awards exceed ~~750,000~~ 2,750,000 shares, as such number may be appropriately adjusted by the Board as provided in Section 2.8(b).

ARTICLE III
OTHER PROVISIONS

3.1 **Amendment or Termination.** The Board of Directors may amend or terminate this Plan at any time; provided, however, that (i) no amendment or termination shall adversely affect any prior Awards or rights under this Plan, (ii) no amendment may be made to the last sentence of Section 3.5 hereof, and (iii) no amendment may be made without stockholder approval that would be required under the rules of the stock exchange on which shares of Xcel Energy Stock are listed, including an amendment that would materially increase the number of Stock Equivalents available under Section 2.8 (other than as provided for therein), expand the types of Awards available under the Plan, or materially expand the class of employees, directors or other service providers eligible to participate in the Plan. Any termination of this Plan shall comply in all respects to the requirements of Section 409A of the Code and the regulations issued thereunder to the extent applicable.

3.2. **Expenses.** The expenses of administering the Plan shall be borne by the Company, and shall not be charged against any Participant's Awards.

3.3. **Applicable Law.** The provisions of the Plan shall be construed, administered and enforced according to the laws of the State of Minnesota.

3.4. **No Trust.** No action by the Company, the Board or the Committee under this Plan shall be construed as creating a trust, escrow or other secured or segregated fund or other fiduciary relationship of any kind in favor of any Participant, Beneficiary, or any other persons otherwise entitled to Awards. The status of the Participant and Beneficiary with respect to any liabilities assumed by the Company hereunder shall be solely those of unsecured creditors of the Company. Any asset acquired or held by the Company in connection with liabilities assumed by it hereunder, shall not be deemed to be held under any trust, escrow or other secured or segregated fund or other fiduciary relationship of any kind for the benefit of the Participant or Beneficiary or to be security for the performance of the obligations of the Company, but shall be, and remain, a general, unpledged, unrestricted asset of the Company at all times subject to the claims of general creditors of the Company.

3.5. **No Assignability and Successors.** Neither the Participant nor any other person shall acquire any right to or interest in any amount awarded to the Participant, otherwise than by actual payment in accordance with the provisions of this Plan, or have any power, voluntarily or involuntarily, to transfer, assign, anticipate, pledge, mortgage or otherwise encumber, alienate or transfer any rights hereunder in advance of any of the payments to be made pursuant to this Plan or any portion thereof. The obligations of the Company hereunder shall be binding upon any and all successors and assigns of the Company.

3.6. **Withholding**. The Company shall comply with all federal and state laws and regulations with respect to the withholding, deposit and payment of any income taxes relating to the payment of Awards under this Plan.

3.7. **No Impact on Directorship**. This Plan shall not be construed to confer any right on the part of a Participant to be or remain a Director or to receive any, or any particular rate of, Compensation.

3.8. **Interpretations**. The Committee shall administer this Plan and shall have discretionary authority to construe and interpret the terms of this Plan, and to establish such rules and procedures for implementing the Plan as it deems necessary or advisable. Interpretations of, and determinations related to, this Plan made by the Committee in good faith, including any determinations or calculations of Awards or Stock Account balances, shall be conclusive and binding upon all parties; and the Company and the members of the Committee shall not incur any liability to a Participant for any such interpretation or determination so made or for any other action taken by it in connection with this Plan.

3.9. **Shareholder Rights**. Directors shall not be deemed for any purpose to be or have rights as shareholders of the Company with respect to any Stock Equivalents credited to a Stock Account, until and unless a certificate for Xcel Energy Stock is issued upon distribution hereunder.

3.10. **Securities Laws**. Xcel Energy Stock shall not be distributed to a Participant upon distribution of his/her Stock Account unless the issuance complies with all relevant provisions of law, including without limitation, (i) securities laws of Minnesota or any other appropriate state, (ii) restrictions, if any, imposed by the Securities Act of 1933 and the Securities Exchange Act of 1934 and rules and regulations promulgated thereunder by the Securities & Exchange Commission ("SEC"), (iii) rules of any stock exchange on which shares of Xcel Energy Stock are listed, and (iv) if necessary, until the sale of such Xcel Energy Stock has been registered with the SEC.

3.11. **Effective Date**. This Plan was first established and effective on April 23, 1996. The Plan was amended and restated effective on January 1, 2004, and amended and restated effective January 1, 2009. The Plan, as amended and restated by the Board on February 23, 2011 shall be effective on the date thereof except with respect to the amendments to Section 2.8 of the Plan, which shall be effective, subject to the approval of the shareholders of the Company, on the date of the 2011 annual meeting of shareholders of the Company.

Appendix B

~~RESTATED AND~~ AMENDED AND RESTATED
ARTICLES OF INCORPORATION
OF
XCEL ENERGY INC.
(a Minnesota Corporation)

As Amended ________, 2011
~~May 21, 2008~~

These Amended and Restated Articles of Incorporation of Xcel Energy~~, Inc. (formerly known as Northern States Power Company)~~ Inc., a corporation incorporated under Chapter 302A of the Minnesota Statutes, the Minnesota Business Corporation ~~Law~~Act, supersede and take the place of the existing Restated and Amended Articles of Incorporation and all prior amendments thereto.

ARTICLE I.
NAME AND ADDRESS

The name of this ~~corporation shall be~~Corporation is Xcel Energy Inc. At the time of the adoption of these Articles, the address of the registered office of the Corporation is 414 Nicollet Mall, Minneapolis, Minnesota 55401.

ARTICLE II.
PURPOSE

The ~~corporation~~Corporation is organized for general business purposes, including but not limited to acquiring, maintaining and operating facilities by or through which the ~~corporation~~Corporation can provide communication, transportation, water, light, heat, or power to the public and to acquire and hold rights and franchises for the occupation and use of property for providing public utility services.

ARTICLE III.
DURATION

The period of duration of this Corporation shall be perpetual.

ARTICLE IV.
DIRECTORS

1. ~~Names of Directors~~

~~The names and places of residence of directors of the Corporation at the time of the adoption of these Restated Articles (this reference to "these Restated Articles" refers to the Restated Articles filed on June 23, 1980[1](1)):~~

~~David A. Christensen, RR#3, Box 233, Sioux Falls, SD 57101~~

~~W. John Driscoll, 357 Salem Church Road, St. Paul, MN 55118~~

~~N. Bud Grossman, 3412 Oakridge Road, Apt. #210, Minnetonka, MN 55343~~

[1] ~~A listing of directors as of the date these Restated Articles of Incorporation are being filed is no longer required by applicable law. The information in Article IV, Section 1 is restated here as current law requires a complete restatement of the articles of incorporation without amendment.~~

~~Dale L. Haakenstad, 1342 South Ninth, Fargo, ND 58102~~

~~Robert E. Haugan, 2 Shelby Place, St. Paul, MN 55116~~

~~Richard H. Magnuson, 2141 Doswell Avenue, St. Paul, MN 55108~~

~~Donald W. McCarthy, 2862 Gale Road, Wayzata, MN 55391~~

~~M.D. McVay, 2201 Isengard Road, Minnetonka, MN 55343~~

~~William G. Phillips, 2610 West Lafayette Road, Excelsior, MN 55331~~

~~G. M. Pieschel, Route 2, Box 78, Springfield, MN 56087~~

~~Margaret R. Preska, 10 Sumner Hills, Mankato, MN 56001~~

~~D. B. Reinhart, 2425 Main Street, LaCrosse, WI 54601~~

~~Dorothy J. Skwiera, 1260 West Larpenteur Avenue, Apt. #207, St. Paul, MN 55113~~

~~2.~~ Board of Directors

The management of this Corporation shall be vested in a Board of Directors composed of not less than ~~three (3)~~seven and not more than ~~seventeen (17)~~fifteen members, who shall be elected by the ~~stockholders~~shareholders of the Corporation in the manner provided by the Bylaws. It shall not be necessary that directors be ~~stockholders~~shareholders in the Corporation. The number of directors shall be fixed from time to time ~~by the Bylaws, and such number may be increased or decreased within the above limits~~ in such manner as may be provided by the Bylaws. Vacancies in the Board caused by an increase in the number of directors or by death, resignation, disqualification, or other cause, may be filled by the remaining directors or by the ~~stockholders~~shareholders at an annual or special meeting, as may be provided by the Bylaws.

2. Action Without a Meeting

Any action required or permitted to be taken at a meeting of the Board of Directors of the Corporation not needing approval by the shareholders under the Minnesota Business Corporation Act may be taken by written action signed, or consented to by authenticated electronic communication, by the number of directors that would be required to take such action at a meeting of the Board of Directors at which all directors were present.

ARTICLE V.
DESCRIPTION OF CAPITAL STOCK

The total authorized number of shares that may be issued by the Corporation and that the Corporation will henceforth be authorized to have is one billion seven million (1,007,000,000) of the par value per share hereinafter set forth.

A description of the classes of shares and a statement of the number of shares in each class and the relative rights, voting power, and preferences granted to and restrictions imposed upon the shares of each class are as follows:

1. Authorized Number and Classes of Shares

Such shares shall be divided into two classes to be designated, respectively, Preferred Stock and Common Stock. The total authorized number of shares of Preferred Stock is seven million (7,000,000) having a par value of one hundred dollars ($100.00) per share, and the total authorized number of shares of Common Stock is one billion (1,000,000,000) having a par value of two dollars and fifty cents ($2.50) per share.