

XCEL ENERGY INC
Form 10-Q
May 10, 2016

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM 10-Q
(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 31, 2016

or

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Commission File Number: 001-3034

Xcel Energy Inc.

(Exact name of registrant as specified in its charter)

Minnesota

41-0448030

(State or other jurisdiction of incorporation or organization) (I.R.S. Employer Identification No.)

414 Nicollet Mall

Minneapolis, Minnesota

55401

(Address of principal executive offices)

(Zip Code)

(612) 330-5500

(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 and Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer", "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer

Accelerated filer

Non-accelerated filer

Smaller reporting company

(Do not check if smaller reporting company)

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes No

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Class Outstanding at May 4, 2016

Common Stock, \$2.50 par value 507,952,795 shares

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Certifications Pursuant to Section 302	1
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This Form 10-Q is filed by Xcel Energy Inc. Xcel Energy Inc. wholly owns the following subsidiaries: Northern States Power Company, a Minnesota corporation (NSP-Minnesota); Northern States Power Company, a Wisconsin corporation (NSP-Wisconsin); Public Service Company of Colorado (PSCo); and Southwestern Public Service Company (SPS). Xcel Energy Inc. and its consolidated subsidiaries are also referred to herein as Xcel Energy. NSP-Minnesota, NSP-Wisconsin, PSCo and SPS are also referred to collectively as utility subsidiaries. The electric production and transmission system of NSP-Minnesota and NSP-Wisconsin, which is operated on an integrated basis and is managed by NSP-Minnesota, is referred to collectively as the NSP System. Additional information on the wholly owned subsidiaries is available on various filings with the Securities and Exchange Commission (SEC).

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PART I — FINANCIAL INFORMATION

Item 1 — FINANCIAL STATEMENTS

XCEL ENERGY INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME (UNAUDITED)

(amounts in thousands, except per share data)

	Three Months Ended March 31	
	2016	2015
Operating revenues		
Electric	\$2,185,119	\$2,224,863
Natural gas	565,689	715,996
Other	21,465	21,360
Total operating revenues	2,772,273	2,962,219
Operating expenses		
Electric fuel and purchased power	861,852	950,132
Cost of natural gas sold and transported	312,117	472,371
Cost of sales — other	8,245	10,049
Operating and maintenance expenses	577,410	585,830
Conservation and demand side management program expenses	57,436	53,805
Depreciation and amortization	320,020	273,098
Taxes (other than income taxes)	145,323	136,626
Loss on Monticello life cycle management/extended power uprate project	—	129,463
Total operating expenses	2,282,403	2,611,374
Operating income	489,870	350,845
Other income, net	4,250	3,161
Equity earnings of unconsolidated subsidiaries	13,182	7,776
Allowance for funds used during construction — equity	13,113	12,660
Interest charges and financing costs		
Interest charges — includes other financing costs of \$6,336 and \$5,698, respectively	156,443	144,940
Allowance for funds used during construction — debt	(5,990)	(6,144)
Total interest charges and financing costs	150,453	138,796
Income before income taxes	369,962	235,646
Income taxes	128,650	83,580
Net income	\$241,312	\$152,066
Weighted average common shares outstanding:		
Basic	508,667	506,983
Diluted	509,150	507,393

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Earnings per average common share:

Basic	\$0.47	\$0.30
Diluted	0.47	0.30

Cash dividends declared per common share	\$0.34	\$0.32
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See Notes to Consolidated Financial Statements

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XCEL ENERGY INC. AND SUBSIDIARIES
 CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
 (UNAUDITED)
 (amounts in thousands)

	Three Months Ended March 31	
	2016	2015
Net income	\$241,312	\$152,066
Other comprehensive income		
Pension and retiree medical benefits:		
Amortization of losses included in net periodic benefit cost, net of tax of \$142 and \$569, respectively	211	876
Derivative instruments:		
Net fair value decrease, net of tax of \$(2) and \$(7), respectively	(4) (11
Reclassification of losses to net income, net of tax of \$604 and \$382, respectively	938	585
	934	574
Marketable securities:		
Net fair value increase, net of tax of \$0 and \$0, respectively	—	1
Other comprehensive income	1,145	1,451
Comprehensive income	\$242,457	\$153,517