DATA CENTERS & PROCESSES

XCEL ENERGY

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Xcel Energy®

MINNESOTA

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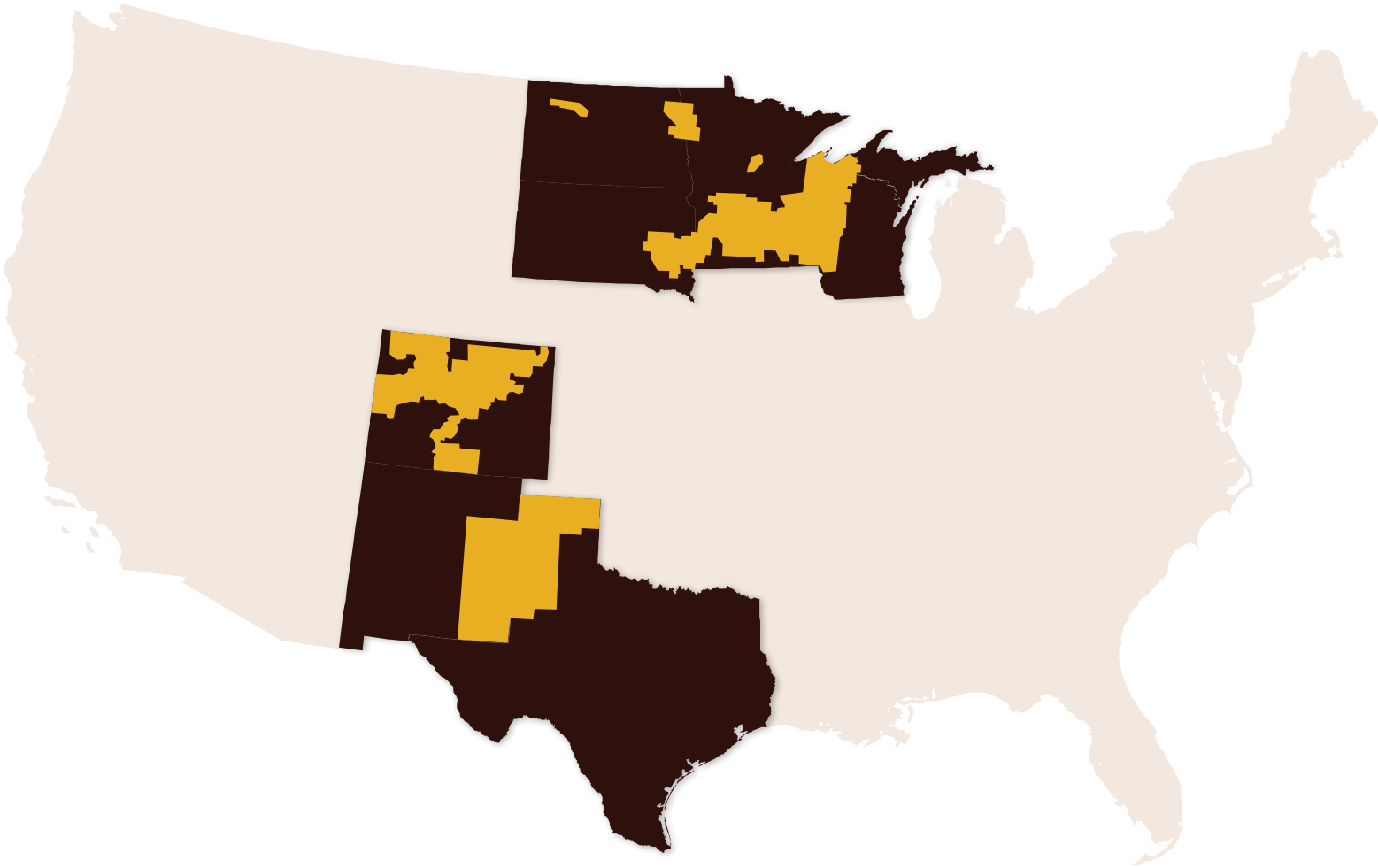
ABOUT XCEL ENERGY

SERVING EIGHT STATES

3.8 million
electric customers

2.2 million
natural gas customers

National leader
- Wind energy
- Energy efficiency
- Carbon emissions reductions
- Storm restoration

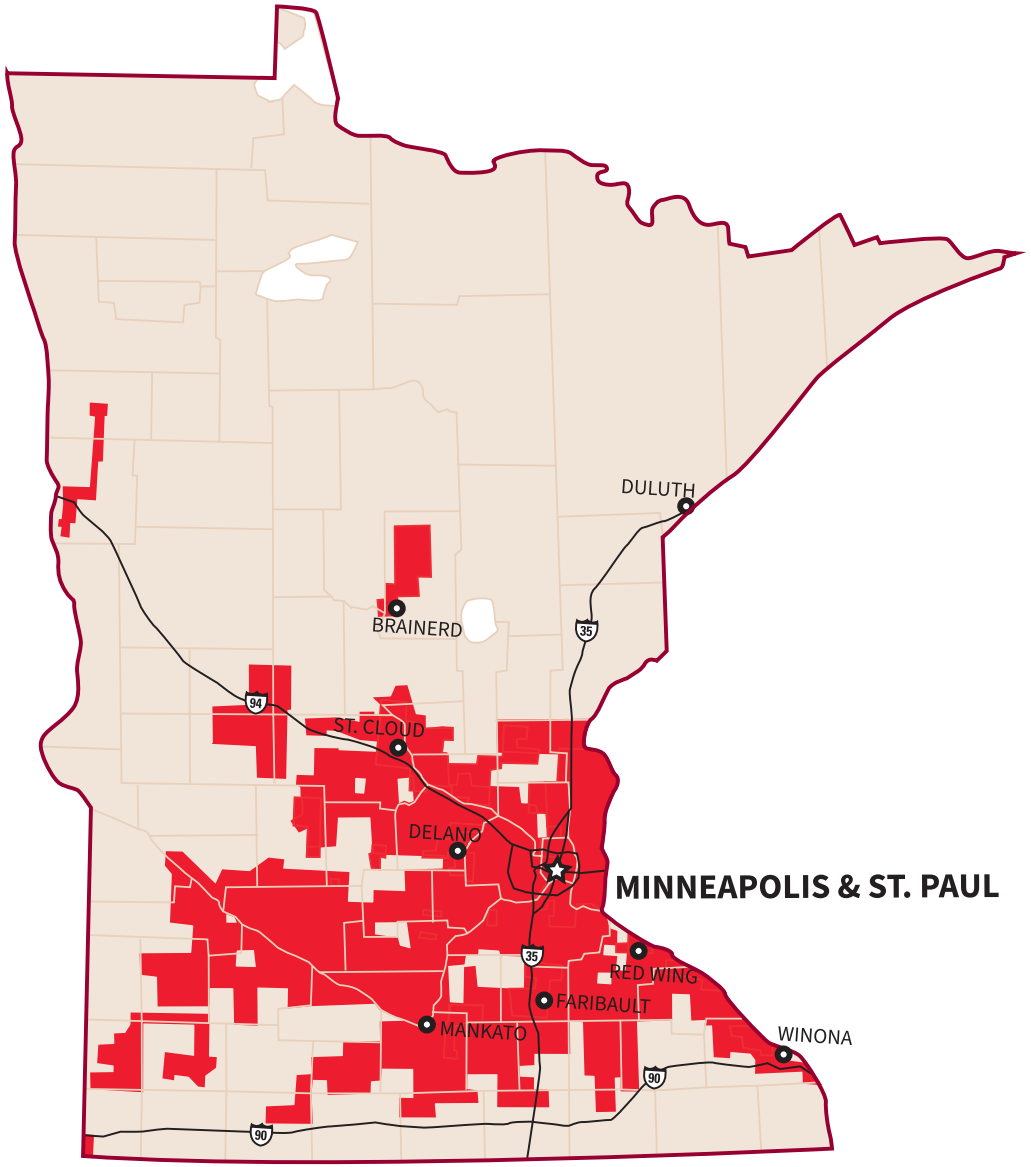


SERVING MINNESOTA

1.4 million
electric customers

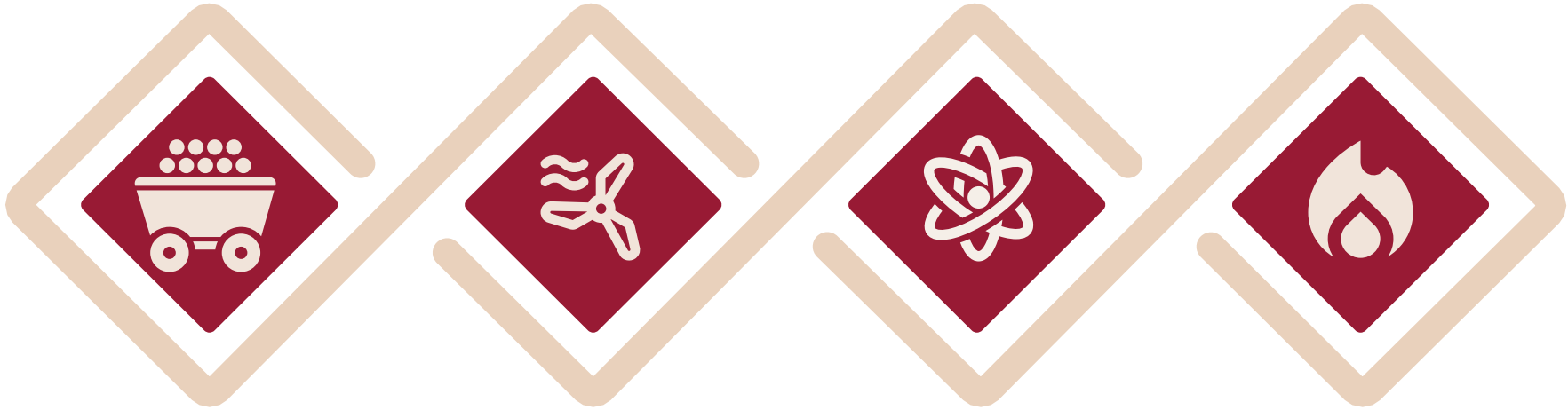
483,000
natural gas customers

99.98%
electric reliability



WE'RE LEADING THE CLEAN ENERGY TRANSITION

The company's Upper Midwest Energy Plan includes significant new investments in battery energy storage systems, wind and solar power, and a natural-gas fired power plant, while extending the lives of Xcel Energy's two carbon-free nuclear plants.



Close coal plants

Retire the last of our coal plants in the Upper Midwest by 2030.

Add renewables

Bring on about 3,980 megawatts of wind and grid-scaled solar energy, along with 600 megawatts of battery energy storage by 2030.

Continue carbon-free nuclear

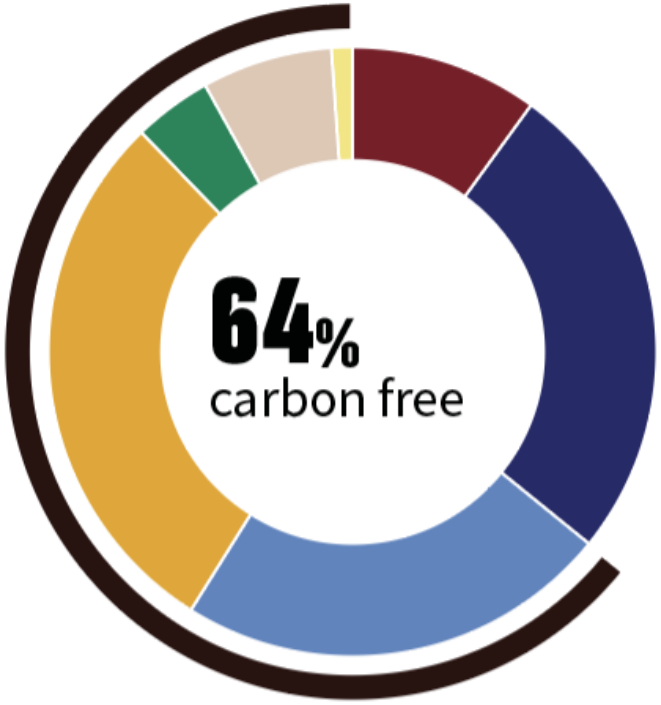
Extend the use of our carbon-free nuclear plants until the early 2050s.

Enable a carbon-free future

Extend existing contracts for gas-fired units and add one new hydrogen-capable natural gas facility in Lyon County, Minnesota.

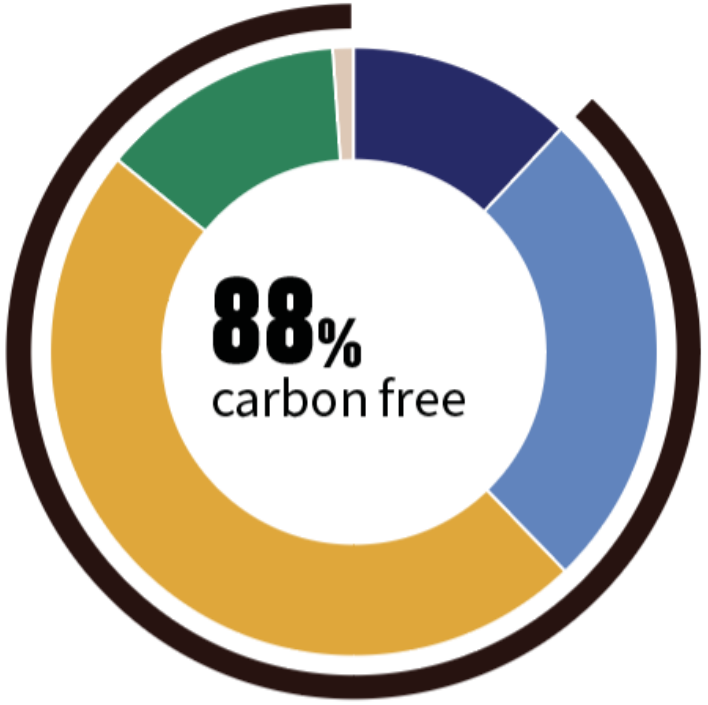
LEADING THE CLEAN ENERGY TRANSITION

2024 Energy Mix – Minnesota



Coal	10%
Natural Gas	26%
Nuclear	23%
Wind	29%
Solar	4%
Other Renewable	7%
Other	1%

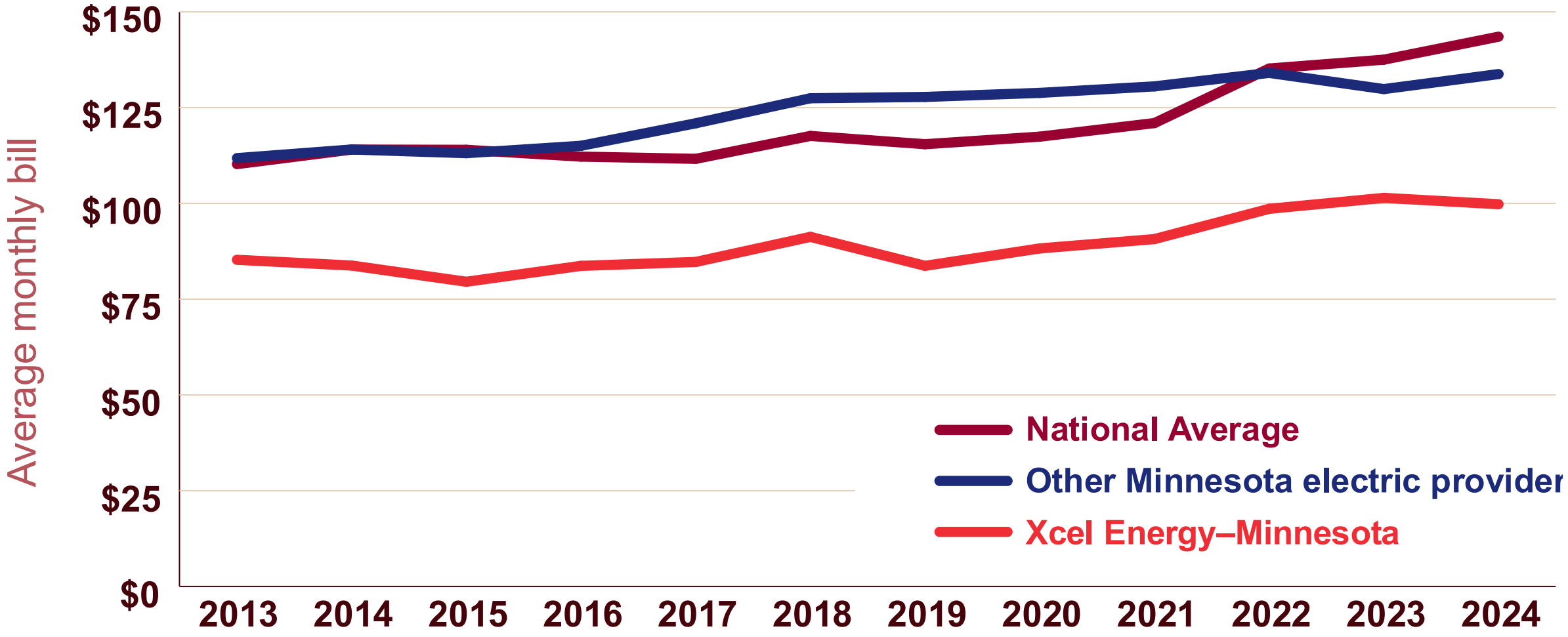
2030 Projected Energy Mix



Natural Gas	12%
Nuclear	26%
Wind	48%
Solar	13%
Other Renewable	1%

2030 projected energy mix values are based on a dispatch model that considers the regulatory cost of carbon.

MINNESOTA RESIDENTIAL ELECTRIC BILLS 31% BELOW NATIONAL AVERAGE



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TRANSMISSION PLANNING & PERMITTING PROCESS

1. Interconnection Request Submission
Initiates the formal process and requires demonstration of site control.

Key submission details include:

- Voltage level and load characteristics
- Ramp rate and system impact potential
- Substation ownership and geographic location

2. System Impact Study (SIS)
Timeline: ~12–18 months | **Cost:** Payment required

- Provides a planning-level assessment of grid upgrades needed to accommodate the project.
- Includes preliminary cost estimates and identifies potential constraints.

3. Facility Study
Timeline: ~4 months | **Cost:** Payment required

- Delivers refined estimates (±30%) for upgrade costs and project timelines.
- Supports more accurate budgeting and scheduling decisions.

4. Post-Study Requirements

✓ **Engineering & Procurement (E&P) Agreement:** Provides capital to cover from studies completion until ESA/IA are done. This unlocks equipment procurement and permitting efforts.

✓ **Transmission Line Permitting:**
State permitting process (~14-24 months) required for new transmission extensions.

✓ **Interconnection Agreement / Electric Service Agreement:**
Formal contract outlining financial responsibilities and delivery commitments between the project and Xcel.

MINNESOTA

NEW DATA CENTER REGULATIONS

Across the country, utilities are grappling with how to manage the surge in energy demand from data centers while **maintaining reliability and meeting clean energy goals**.

Minnesota has taken significant steps to establish a more transparent and robust framework for data center development.

In June 2025, the state legislature passed several requirements for data centers and for electric utilities that will shape their construction, finances, and regulatory permitting process.

PUC Directive for Rate Class

DOCKET NO. E-002/CN-23-212, Order Point 32

- Ensure that all incremental costs attributable to super-large customers are assigned to the super-large class or sub-class.
- Provide electricity to the super-large class or sub-class that achieves each benchmark of the state's electricity standards under Minn. Stat. § 216B.1691.
- Include provisions to ensure that super-large customers financially commit to purchasing a certain level of electricity to protect non-super-large customers from the risk of stranded costs.
- Include provisions to ensure that all super-large customer-related incremental costs will be recovered over the life of the service agreement.
- Include provisions to ensure that, if the super-large customer ceases operations for any reason, all remaining financial commitments will still be paid.

OUR NEW RATE CLASS FOR SUPER-LARGE CUSTOMERS

What Does this Mean for Xcel Energy?

- Xcel Energy must file by July 16, 2025
  DOCKET NO. E002/M-25-289
- Applies to data centers & other large load customers
- Goals: Clean energy compliance, no harm to existing customers, ensure system benefit

Xcel's Proposed Terms

- Customer is responsible for all direct interconnection costs
- Agreements require a minimum commitment of 15 years
- Customers must commit to 75% minimum demand obligation
- Exit fees apply if the customer leaves before the contract ends
- Monthly bills are secured to ensure payment

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FUTURE CONSIDERATIONS

Positive Rate Impacts

Adding large customers with proper safeguards helps spread fixed cost, potentially benefiting all customers.

Clean Energy Options

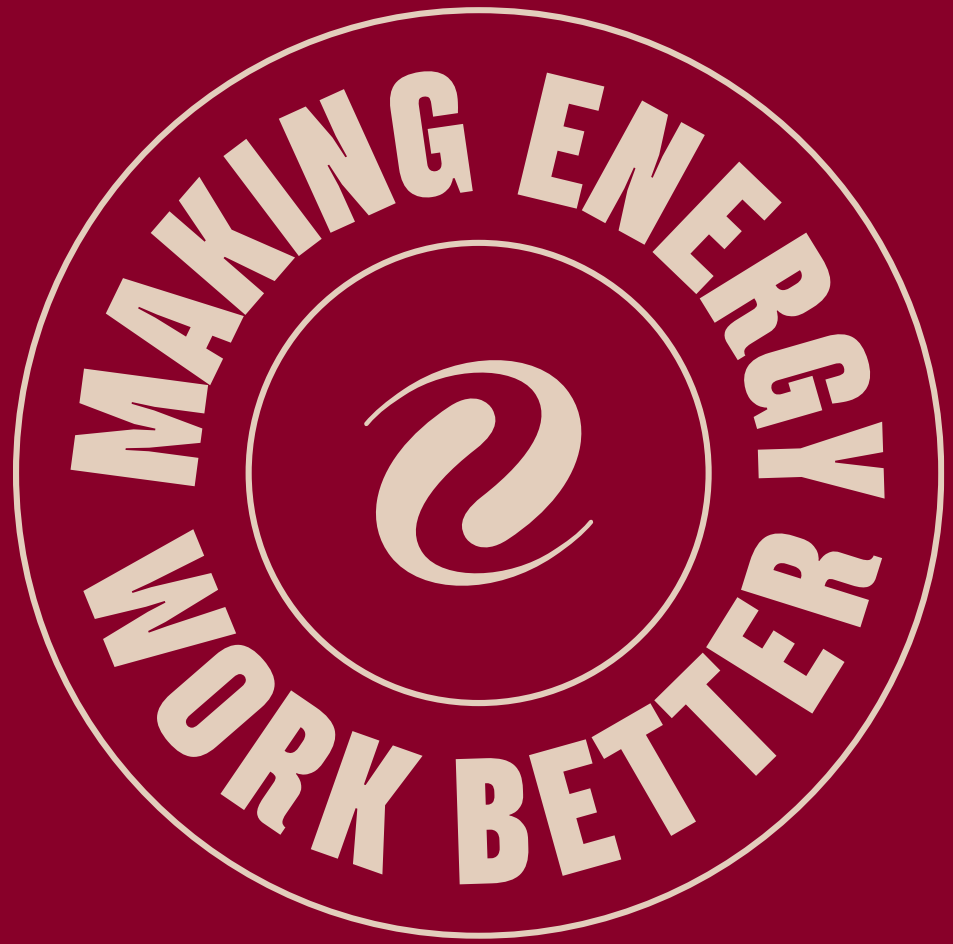
Working with the state and large load customers to advance and implement clean energy initiatives.

Infrastructure That Benefits

Data centers are required to fund their interconnection, should system upgrades be required, there may be a benefit to the broader system

THANK YOU.

Questions?



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