



TRI-STATE AND XCEL ENERGY MOVE FORWARD WITH SIGNIFICANT SOUTHERN COLORADO TRANSMISSION PROJECT PROPOSAL

Utilities file applications with Colorado Public Utilities Commission; public workshops to be held this summer

Denver, May 14, 2009 – [Tri-State Generation and Transmission Association](#) and [Xcel Energy](#) today filed applications with the Colorado Public Utilities Commission (CPUC) to develop a new transmission project that will serve long-term electric grid requirements in southern Colorado.

The proposed [transmission project](#) stretches from the San Luis Valley in the south central part of Colorado to Walsenburg and over to Pueblo and will strengthen the power grid, serve growing electricity needs and provide access for the interconnection of new renewable energy generating resources.

The applications to the CPUC follow the two power suppliers' agreement in October 2008 to jointly pursue transmission projects in southern Colorado. The project was identified through the utilities' participation in the Colorado Coordinated Planning Group, a consortium of utilities and other stakeholders that jointly explore the development of a coordinated transmission network.

“Tri-State and Xcel Energy are building needed transmission infrastructure to serve the state’s long-term needs and support the goals of the New Energy Economy,” said Joel Bladow, Tri-State’s senior vice president of transmission. “This project is a great example of our coordinated efforts to ensure reliable power delivery throughout the region.”

“Working together on transmission projects represents smart planning among the state’s utilities,” said Xcel Energy’s Kent Larson, vice president for transmission and operating services. “We are combining our resources and assets to put forward a strong plan that addresses load growth and supports future renewable energy development.”

The utilities’ applications to the CPUC for a certificate of Public Convenience and Necessity are required for utilities to build and own electricity infrastructure in Colorado. This certificate must be granted to the utilities before construction of the project can begin. In addition, the utilities will need to secure the required land use approvals from local governments in the project area.

The proposed joint project builds on Tri-State's previously proposed San Luis Valley Electric System Improvement Project. In 2007, Tri-State was planning lines from the San Luis Valley to Walsenburg to strengthen the region’s electric system, increase reliability for its two electric cooperatives in the region – San Luis Valley Rural Electric Cooperative based in Monte Vista and San Isabel Electric Association based in Pueblo West – and support renewable energy development. That same year, Xcel Energy began planning for transmission projects to better serve renewable energy zones established by Senate Bill 100.

The new joint project addresses both utilities' goals and provides additional transmission system improvements in southern Colorado.

The new filing will be submitted as the “San Luis Valley – Calumet – Comanche Transmission Project” and will consist of four primary parts. The Calumet Substation will be a new facility that will be located 6 miles north of Walsenburg. The transmission line between San Luis Valley and Calumet Substation is planned to be built as a double-circuit 230-kilovolt line. There will also be a single-circuit, 230-kilovolt segment connecting Calumet to Tri-State’s existing Walsenburg Substation. A new double-circuit, 345-kilovolt line is planned from the Calumet Substation to Comanche Substation, south of Pueblo.

The total project cost is estimated at \$180 million.

Before construction begins, the utilities will also perform detailed environmental assessments and conduct public workshops in accordance with the National Environmental Policy Act process. The meetings provide an opportunity for the utilities to work closely with landowners and stakeholders to refine line routes. Specific dates for the workshops will be announced soon.

For more information and a map of the proposed project, visit:
<http://www.tristate.coop/Transmission/sanluisvalley/index.cfm>.

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About Tri-State Generation and Transmission Association

Based in Denver, Tri-State supplies wholesale power throughout a 250,000-square-mile service territory to 18 electric cooperatives in Colorado, 12 in New Mexico, eight in Wyoming and six in western Nebraska. The 44 co-ops, in turn, provide electricity to more than 600,000 meters – which translates to a population of approximately 1.4 million end-use consumers. More information is available at www.tristate.coop.

Tri-State media contacts:

Brad Jones

Phone: 303-254-3254

Mobile: 303-241-5632

bjones@tristategt.org

Karli Nelson

Phone: 303-254-3133

Mobile: 303-524-5016

knelson@tristategt.org

About Xcel Energy

Xcel Energy is a major U.S. electricity and natural gas company with regulated operations in eight Western and Midwestern states. Xcel Energy provides a comprehensive portfolio of energy-related products and services to 3.4 million electricity customers and 1.9 million natural gas customers through its regulated operating companies. Company headquarters are located in Minneapolis. More information is available at www.xcelenergy.com.

This news release includes forward-looking statements, including but not limited to statements the expected cost and impact of the transmission proposal, that are subject to certain risks, uncertainties and assumptions. Such forward-looking statements are identified in this document by the words “will,” “estimated,” “expect,” “plan,” “possible,” “potential” and similar expressions. Actual results may vary materially. Forward-looking statements speak only as of the date they are made, and we do not undertake any obligation to update them to reflect changes that occur after that date. Factors that could cause actual

results to differ materially include, but are not limited to, those risk factors listed from time to time by Xcel Energy in reports filed with the Securities and Exchange Commission (SEC), including Risk Factors in Item 1A and Exhibit 99.01 of Xcel Energy's Annual Report on Form 10-K for the year ended Dec. 31, 2008.

Xcel Energy media contact:

Tom Henley

Phone: 303-294-2300

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