Xcel Energy®

NOTICE TO COUNTIES AND MUNICIPALITIES

UNDER MINN. STAT. §216B.16, SUBD. 1

On October 31, 2025, Northern States Power Company, doing business as Xcel Energy (Xcel Energy or the Company), filed an application with the Minnesota Public Utilities Commission (MPUC) to increase natural gas rates. The request with the MPUC is to increase gross retail natural gas rates by 8.2 percent or $63.40 million effective January 1, 2026, sixty-two (62) days after filing, without suspension, pursuant to Minn. Stat. § 216B.16.

The Company requested, pursuant to Minn. Stat § 216B.16, subd. 3, that a temporary (interim) rate increase of approximately 6.8 percent or $51.47 million overall bill increase, be effective on January 1, 2026. The MPUC elected to suspend the proposed rate increase under Minn. Stat. 216B.16, subd. 2, as discussed in the Company's Notice and Petition for Interim Rates (Petition), included in the Application. The Commission authorized an interim rate increase of approximately 6.8 percent or $51.47 million, overall bill increase, that will be effective on January 1, 2026. The interim revenue request for 2026 will be uniformly billed as a 16.19 percent increase on the base rate portion of customers' bills, which includes the customer charge, distribution charge, and distribution demand charge where applicable (exclusive of fuel and purchased energy costs and certain rate riders). An interim rate will remain in effect until a final rate level is determined.

The typical residential gas customer uses 71 therms per month. On average, the proposed $63.40 million rate change would increase the bill for a typical residential natural gas customer by $7.11 per month or $85.32 annually. The interim increase, for that same monthly amount of 71 therms on average, will be $5.84 per month or $70.08 per year for 2026.

In addition, the Company proposes to implement certain other tariff revisions in its Gas Rate Book, Volume 2D.

Over the past several years, the Company has proceeded through a cycle of capital investments necessary for the safe and reliable operation of its gas system and has continued to incur costs to serve new and existing customers. Xcel Energy has also experienced significant annual increases in inflation, labor costs, and other expenses necessary to serve our customers. Recovering these costs is critical to Xcel Energy's ability to continue to successfully provide safe, reliable, and affordable natural gas service to its customers long into the future.

Typically, final rates become effective within 10 months of the date of the Application, unless the review period is extended by the MPUC. The Company anticipates that the review period will be extended in this proceeding. Any over-collection of interim rates during the review period will be refunded with interest to customers in a manner determined by the MPUC.

Xcel Energy is requesting this rate increase to meet its current cost of providing natural gas services, including a reasonable return on equity. The following tables contain the effect of the interim and proposed rates increases on customer classes:

AVERAGE MONTHLY BILLS

RESIDENTIAL SERVICE

Monthly Therm Use	Present Rates*	Interim Rates	Proposed Rates
10	$19	$21	$23
30	$40	$43	$44
50	$60	$65	$66
71	$82	$88	$89
100	$111	$119	$120
200	$214	$227	$228
300	$316	$336	$336

SMALL COMMERCIAL/INDUSTRIAL SERVICE

Monthly Therm Use	Present Rates*	Interim Rates	Proposed Rates
50	$67	$73	$80
100	$114	$123	$131
189	$199	$211	$221
200	$209	$222	$232
250	$256	$272	$282
350	$350	$371	$383
500	$492	$520	$534
750	$728	$769	$786
1,000	$964	$1,017	$1,039
3,000	$2,851	$3,006	$3,056
5,000	$4,738	$4,994	$5,073

INTERRUPTIBLE RETAIL SERVICE

Class	Monthly Therm Use	Present Rates*	Interim Rates	Proposed Rates
Small	6,745	$4,633	$4,898	$5,001
Medium	46,220	$27,353	$28,555	$30,196
Large	617,483	$350,615	$364,315	$379,449

INTERRUPTIBLE TRANSPORTATION SERVICE
(Does not include the cost of natural gas)

Class	Monthly Therm Use	Present Rates*	Interim Rates	Proposed Rates
Small	6,745	$1,729	$1,998	$2,097
Medium	118,174	$19,722	$22,724	$26,990
Large	2,119,680	$88,455	$99,345	$88,455

* *The present rate levels identified in this application represent the rates authorized in Docket No. G002/GR-23-413.*

Public hearings will be held at various locations in Xcel Energy's natural gas service area. Counties, municipalities, and customers will be notified once the hearings are scheduled.

The proposed rate schedules and a comparison of present and proposed rates are available at:

https://www.xcelenergy.com/company/rates_and_regulations/filings/minnesota_natural_gas_rate_proposal (Make sure "Minnesota" is selected in the top left-hand corner) The documents may be examined during normal business hours at either our General Offices located at 414 Nicollet Mall in downtown Minneapolis or at the Minnesota Department of Commerce, Division of Energy Resources, 85 7th Place East, Suite 280, St. Paul, Minnesota 55101.

Those who wish to intervene or testify in this case should contact the Minnesota Court of Administrative Hearings, P.O. Box 64620, St. Paul, Minnesota 55164-0620, Telephone: (651) 361-7900, TTY: (651) 361-7878. Public notice of hearing dates and locations will be published in local newspapers in Xcel Energy's service area.

Questions on the rate increase may be directed to Amber Hedlund at (612) 337-2268. Comments may also be mailed to Amber Hedlund at 414 Nicollet Mall, 401-7th Floor, Minneapolis, MN 55401.