

affecting the nuclear industry and the availability of more comprehensive and updated information about that proposal.

Keeping our nuclear fleet strong is fundamental to customer value. That's why we were especially pleased in 2011 to reach a settlement with the federal government regarding costs incurred because of the U.S. Department of Energy's failure to begin removing used fuel from our nuclear plant sites by a 1998 deadline. Under the settlement, about \$100 million is in the process of being returned to customers in the Upper Midwest.

Working toward constructive outcomes

Working with state and federal regulators and legislators to achieve constructive regulatory and public policy decisions is vital to our long-term success. We refer to those efforts as "getting the rules right," and we've helped establish a variety of regulatory and legislative mechanisms that ensure fair recovery of our investments. It's a regulatory and public policy compact that protects the welfare of both customers and shareholders. We work hard to ensure our regulators and other public policy officials understand our business plans and challenges.

When the situation merits, we take action on behalf of customers and shareholders. In 2011, we joined a lawsuit filed by numerous states and utilities in the U.S. Court of Appeals in Washington, D.C., against the Environmental Protection Agency (EPA). The lawsuit challenged and sought a stay of a new Clean Air Act rule called the Cross-State Air Pollution Rule (CSAPR).

When it issued CSAPR, the EPA unexpectedly required power plants in Texas to comply with its emission reduction

requirements. The rule would have required that the company comply by January 2012, creating significant cost concerns and potential reliability problems for our Texas and New Mexico customers. At the end of 2011, the D.C. Circuit Court issued a stay on CSAPR. We are hopeful that the court's decision on the merits of the rule, expected later this year, will enable us to comply in a more reasonable, cost-effective manner.

Caring for our communities

Our work for the communities in our service territory is just as purposeful as our work with policymakers because we recognize that we are only as strong as the communities we serve. In 2011, we contributed \$4 million in grants through the Xcel Energy Foundation to promote job training and placement, science and math education, environmental stewardship and access to the arts.

Energized also describes Xcel Energy employees, who support their communities through volunteerism and financial contributions. No effort demonstrates that commitment better than the support of our employees and retirees of local United Way organizations. In 2011, we achieved our highest United Way campaign goal ever, pledging \$2.76 million, which the company matched for a total of \$5.52 million going back into the community.

Employee volunteerism takes many forms. In September 2011, almost 700 Colorado employees and family members took part in a Day of Service to mark the 10th anniversary of the 9/11 terrorist attack. Volunteers contributed their time and talent to 39 nonprofit organizations, with a combined total of 4,610 volunteer hours. The Day of Service also kicked off our United Way campaign in Colorado.

Xcel Energy's Jeremy Thompson (left) worked with Simon Property Group's Laurie Van Dalen (center) and Jennifer Lewis on ways to save energy and money at two shopping malls in Minnesota. Simon Property Group took advantage of lighting retrofit, central plant modernization and roof insulation programs. In addition to saving energy and money, Simon Property Group also earned rebates for their efforts. That prompted them to encourage their property managers in other parts of the country to explore energy efficiency programs.

"We've become the model for other malls in the country," Van Dalen said.