

Edgar Filing: XCEL ENERGY INC - Form 35-CERT

XCEL ENERGY INC
Form 35-CERT
November 29, 2001

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

In the Matter of

Xcel Energy Inc.

File No. 70-9635

(Public Utility Holding Company
Act of 1935)

CERTIFICATE

OF

NOTIFICATION

This Certificate of Notification is filed by Xcel Energy Inc. ("Xcel Energy"), a Minnesota corporation, pursuant to Rule 24. Such filing is made pursuant to Xcel Energy's Form U-1 Application-Declaration, as amended (the "Application-Declaration"), and the order of the Securities and Exchange Commission (the "Commission") dated August 22, 2000 (HCAR No. 27218) (the "Order") in the above-referenced file. The Order directed that Xcel Energy file with the Commission certificates pursuant to Rule 24 on a quarterly basis within 60 days from the end of the first three quarters and within 90 days from the end of the last calendar quarter. This certificate reports transactions from July 1, 2001 through September 30, 2001 (the "Third Quarter").

- a.) FOLLOWING IS A COMPUTATION UNDER RULE 53(a) SETTING FORTH XCEL ENERGY'S CONSOLIDATED RETAINED EARNINGS AND AGGREGATE INVESTMENT IN ALL EWGS AND FUCOS:

| | |
|--|--------------------|
| Average consolidated retained earnings: | \$ 2,398.5 million |
| Aggregate investment in all EWGs and FUCOs*: | \$ 910.1 million |

* The balance includes \$781.9 million of Xcel Energy's entire investment in NRG Energy, Inc., not just EWGs and FUCOs.

- b.) FOLLOWING IS A LISTING OF XCEL ENERGY'S AGGREGATE INVESTMENT IN EACH EWG:

(in millions)

Investment in EWGs:

| | |
|-------------------------------------|----------|
| NRG Energy, Inc.* | \$ 781.9 |
| Independent Power International | 37.3 |
| Xcel Energy Argentina Inc. ** | 17.4 |
| Denver City Energy Associates, L.P. | 7.5 |
| | ----- |

Investment in FUCOs

| | |
|--|----------|
| | 844.1 |
| | 66.0 |
| | ----- |
| | \$ 910.1 |
| | ===== |

Edgar Filing: XCEL ENERGY INC - Form 35-CERT

* The aggregate investment represents Xcel Energy's entire investment in NRG Energy, Inc., not just EWGs and FUCOs.

** Xcel Energy Argentina Inc. is an intermediate subsidiary that holds interests in EWGs.

c.) XCEL ENERGY'S CONSOLIDATED CAPITALIZATION RATIO AS OF SEPTEMBER 30, 2001:

| | |
|--|-------|
| Debt as a percentage of capitalization (including approximately \$2,211 million of short-term debt) | 65.3% |
|--|-------|

| | |
|--|-------|
| Common stock equity as a percentage of capitalization* | 31.9% |
|--|-------|

| | |
|---|------|
| Preferred equity as a percentage of capitalization (including mandatorily redeemable preferred securities) | 2.8% |
|---|------|

* Common stock equity includes par value, premium, retained earnings, shares held by ESOP, accumulated other comprehensive income and \$651 million of minority interest.

d.) MARKET-TO-BOOK RATIO OF XCEL ENERGY'S COMMON STOCK AS OF SEPTEMBER 30, 2001:

| | |
|--|------|
| Market-to-book ratio at September 30, 2001 | 1.56 |
|--|------|

e.) NEW EWG PROJECTS IN WHICH XCEL ENERGY INVESTED OR COMMITTED TO INVEST DURING THE THIRD QUARTER:

During the third quarter of 2001, Xcel Energy, through Xcel Energy International, assumed financial responsibility of substantially all of the investments of Independent Power International. Xcel Energy Argentina Inc., a wholly-owned subsidiary of Xcel Energy International, was formed to hold these investments. Subsequent to this purchase, Xcel Energy International contributed an additional \$17.9 million to Xcel Energy Argentina Inc. to provide financing to pay off outstanding debt and for general corporate purposes.

f.) GROWTH IN CONSOLIDATED EARNINGS (SEGREGATING TOTAL EARNINGS GROWTH ATTRIBUTABLE TO EWG PROJECTS FROM THE REVENUE ATTRIBUTABLE TO ALL OTHER SUBSIDIARIES OF XCEL ENERGY):

(in millions)

| | |
|--|----------|
| Retained earnings growth from EWG projects | \$ 452.3 |
| Retained earnings growth from all other Xcel Energy subsidiaries (reflects dividend payments) | (192.3) |

| | |
|---|-------|
| Total increase in consolidated retained earnings for the year | ----- |
|---|-------|

Edgar Filing: XCEL ENERGY INC - Form 35-CERT

ended September 30, 2001

\$ 260.0
=====

2

g.) YEAR-TO-DATE REVENUES AND NET INCOME OF EACH EWG THROUGH SEPTEMBER 30, 2001:

| (in millions) | Revenue ----- | Net ----- |
|-------------------------------------|------------------|--------------|
| NRG Energy, Inc. | \$ 1,391.6 | \$ |
| Independent Power International | 22.8 | |
| Xcel Energy Argentina Inc. | 20.8 | |
| Denver City Energy Associates, L.P. | 25.8 | |

h.) PURCHASE PRICE PER SHARE OF REPORTED SALES OF XCEL ENERGY COMMON STOCK AND THE MARKET PRICE PER SHARE AT THE DATE OF THE AGREEMENT OF SALE.

None sold (other than through dividend reinvestment or benefit plans as described below).

i.) THE TOTAL NUMBER OF SHARES OF COMMON STOCK ISSUED DURING THE THIRD QUARTER UNDER XCEL ENERGY'S DIVIDEND REINVESTMENT PLAN AND XCEL ENERGY SYSTEM EMPLOYEE BENEFIT AND EXECUTIVE COMPENSATION PLANS.

Xcel Energy issued 653,102 shares under its dividend reinvestment plan and 163,391 shares under its system employee benefit and executive compensation plans.

j.) THE NAMES OF THE GUARANTORS AND OF THE BENEFICIARIES OF ANY XCEL ENERGY OR SUBSIDIARY GUARANTEE OR OTHER FORM OF CREDIT SUPPORT ISSUED DURING THE THIRD QUARTER, AND THE AMOUNT, TERM AND PURPOSE OF THE GUARANTEE.

1. The following guarantees were issued during the Third Quarter:

| Guarantor ----- | Beneficiary ----- | Amount ----- | Matures ----- |
|--------------------|---------------------------|-----------------|------------------|
| Xcel Energy | e prime, inc. | \$ 23,000,000 | Continuing |
| Xcel Energy | e prime, inc. | \$ 2,000,000 | 07/31/02 |
| Xcel Energy | e prime, inc. | \$ 2,000,000 | Continuing |
| Xcel Energy | e prime, inc. | \$ 7,000,000 | Continuing |
| Xcel Energy | e prime, inc. | \$ 5,000,000 | 07/30/02 |
| Xcel Energy | e prime, inc. | \$ 2,000,000 | 08/31/02 |
| NRG Energy, Inc. | NRG Power Marketing, Inc. | \$ 1,000,000 | 11/30/02 |
| NRG Energy, Inc. | NRG Power Marketing, Inc. | \$ 10,000,000 | 09/30/02 |
| NRG Energy, Inc. | NRG Power Marketing, Inc. | \$ 10,000,000 | 07/31/02 |
| NRG Energy, Inc. | NRG Power Marketing, Inc. | \$ 10,000,000 | Continuing |
| NRG Energy, Inc. | Pacasmayo Energia SA | \$ 1,553,752 | 10/2002 |

Edgar Filing: XCEL ENERGY INC - Form 35-CERT

| | | | |
|------------------|------------------------|---------------|------------|
| NRG Energy, Inc. | Pacasmayo Energia SA | \$ 1,290,000 | 10/2002 |
| NRG Energy, Inc. | Pacasmayo Energia SA | \$ 1,553,752 | 10/2002 |
| NRG Energy, Inc. | Indian River Power LLC | \$ 1,022,200 | Indefinite |
| NRG Energy, Inc. | Entrade GmbH | \$ 10,000,000 | Indefinite |

3

| | | | |
|--|---------------------------|--------------|------------|
| NRG Energy, Inc. | Meriden Gas Turbine LLC | \$ 9,157,500 | 10/2002 |
| NRG Energy, Inc. | NEO California Power LLC | \$ 5,832,000 | Indefinite |
| NRG Northeast Generating LLC ("NRG NE") | NRG Power Marketing, Inc. | \$ 3,000,000 | 08/31/02 |
| NRG NE | NRG Power Marketing, Inc. | \$ 3,000,000 | 07/31/02 |
| NRG South Central Generating LLC ("NRG SC") | | | |
| | NRG Power Marketing, Inc. | \$ 300,000 | 07/31/02 |
| NRG SC | NRG Power Marketing, Inc. | \$ 3,000,000 | 08/31/02 |
| NRG SC | NRG Power Marketing, Inc. | \$ 5,000,000 | 08/31/02 |
| NRG SC | NRG Power Marketing, Inc. | \$ 2,000,000 | 08/31/02 |
| NRG SC | NRG Power Marketing, Inc. | \$ 4,000,000 | 08/31/02 |

2. The following letters of credit were increased during the Third Quarter:

| Issuing Entity | Beneficiary | Amount |
|------------------|------------------|--------------|
| NRG Energy, Inc. | NRG Energy, Inc. | \$ 1,600,000 |
| NRG Energy, Inc. | NRG Energy, Inc. | \$ 1,250,000 |

3. Xcel Energy guaranteed an additional \$46,946,519 of surety bonds in the Third Quarter. Such guarantees are exempt under Rule 45 (b) (6).

k.) THE AMOUNT AND TERMS OF ANY SHORT-TERM DEBT ISSUED BY XCEL ENERGY DURING THE THIRD QUARTER.

Xcel Energy borrows and repays short-term debt on an on-going basis. As of September 30, 2001, Xcel Energy had \$261,900,000 in short-term debt outstanding at an average cost of 3.74%.

l.) THE AMOUNT AND TERMS OF ANY FINANCINGS CONSUMMATED BY ANY UTILITY SUBSIDIARY THAT ARE NOT EXEMPT UNDER RULE 52.

On an on-going basis Cheyenne Light, Fuel and Power Company (Cheyenne) borrows and repays short-term debt to Xcel Energy. As of September 30, 2001, Cheyenne had \$19,910,000 in short-term debt outstanding at an average

Edgar Filing: XCEL ENERGY INC - Form 35-CERT

cost of 3.86%.

On an on-going basis Black Mountain Gas Company borrows and repays short-term debt to Xcel Energy. As of September 30, 2001, Black Mountain Gas Company had \$3,518,913 in short-term debt outstanding at an average cost of 3.86%.

4

m.) THE AMOUNT AND TERMS OF ANY FINANCINGS CONSUMMATED BY ANY NON-UTILITY SUBSIDIARY DURING THE THIRD QUARTER THAT ARE NOT EXEMPT UNDER RULE 52.

1. Certain short-term inter-company notes are issued and repaid on an on-going basis. The proceeds are used for general corporate purposes. As of September 30, 2001, the following such inter-company notes were outstanding with an average interest rate of 3.86%:

| Lender | Borrower |
|------------------------------------|---|
| Xcel Energy | Xcel Energy WYCO Inc. |
| Xcel Energy | Xcel Energy Services Inc. |
| Xcel Energy | Xcel Energy International Inc. |
| Xcel Energy International Inc. | Xcel Energy Argentina Inc. |
| NCE Communications, Inc. | Xcel Energy Communications Group, Inc. |
| Xcel Energy | Xcel Energy Retail Holdings, Inc. ("Xcel Retail") |
| Xcel Retail | e prime Energy Marketing, Inc. |
| Xcel Retail | Xcel Energy Cadence |
| Xcel Retail | The Planergy Group |
| Xcel Retail | Natrogas, Inc. |
| Xcel Energy Centrus | Xcel Retail |
| XERS Inc. | Xcel Retail |
| Utility Engineering | Xcel Energy Wholesale Group, Inc. |
| Quixx Corporation | Utility Engineering |
| Xcel Energy | Xcel Energy Wholesale Group, Inc. |
| Utility Engineering | Applied Power Associates, Inc. |
| Utility Engineering | Proto-Power Corporation |
| Utility Engineering | Universal Utility Services |
| Utility Engineering | Precision Resource Company |
| Xcel Energy | Xcel Energy Markets Holdings, Inc. |
| Xcel Energy Markets Holdings, Inc. | e prime, inc. |
| Xcel Energy Markets Holdings, Inc. | Viking Gas Transmission Company |
| Texas-Ohio Pipeline, Inc. | Xcel Energy Ventures Inc. |

5

Edgar Filing: XCEL ENERGY INC - Form 35-CERT

- n.) THE AMOUNT AND TERMS OF ANY FINANCINGS CONSUMMATED BY ANY UTILITY SUBSIDIARY DURING THE THIRD QUARTER UNDER THE EXEMPTION PROVIDED UNDER RULE 52.

Northern States Power Company (Minnesota)

On August 16, 2001, Northern States Power Company (Minnesota) renewed its \$300 million credit agreement with several banks until August 15, 2002. The interest rate per annum under the agreement is the Eurodollar Rate plus a spread of .475%. The credit agreement is primarily used as a backup line of credit to support Northern States Power Company's (Minnesota) commercial paper program that is used to fund general corporate needs.

Utility Subsidiaries Short-term Debt

On an on-going basis the Utility Subsidiaries borrow and repay short-term debt. As of September 30, 2001, the Utility Subsidiaries listed below had outstanding short-term debt as follows:

| Utility Subsidiary | Amount | Avg |
|-------------------------------------|---------------|-----|
| Public Service Company of Colorado | \$178,050,000 | 3 |
| Southwestern Public Service Company | \$539,406,000 | 3 |
| Northern States Power-Minnesota | \$218,385,000 | 3 |
| Northern States Power-Wisconsin | \$ 7,200,000 | 3 |

Public Service Company of Colorado

As of September 30, 2001, Public Service Company of Colorado had short-term borrowings outstanding from two of its subsidiaries at an average rate of 3.88%. The amount outstanding for each was \$2,484,000 from 1480 Welton, Inc. and \$1,498,000 from P.S.R. Investments, Inc.

- o.) THE AMOUNT AND TERMS OF ANY FINANCINGS CONSUMMATED BY ANY NON-UTILITY SUBSIDIARY DURING THE THIRD QUARTER UNDER THE EXEMPTION PROVIDED UNDER RULE 52.

- 1.) On an on-going basis PS Colorado Credit Corporation borrows and repays short-term debt. As of September 30, 2001, PS Colorado Credit Corporation had \$82,225,000 outstanding at an average cost of 3.68%.
- 2.) In July 2001, NRG Energy, Inc. sold \$340,000,000 principal amount of 6.75% Senior Notes due July 2006 and \$160,000,000 principal amount of 8.625% Senior Notes due April 2031. These unsecured notes were sold under the following terms and conditions.

| | Per Senior Note due 2006 | Per Senior due 2031 |
|------------------------------|-----------------------------|------------------------|
| Price to Public | 99.875% | 105.763 |
| Underwriting Discount | 00.600% | 00.875 |
| Proceeds to NRG Energy, Inc. | 99.275% | 104.888 |

Edgar Filing: XCEL ENERGY INC - Form 35-CERT

The proceeds to NRG Energy, Inc. were used to pay down its revolving credit facility, other general corporate purposes and to provide capital for planned acquisitions.

6

- 3.) In August 2001, NRG Energy, Inc. entered into a \$290,700,000 loan agreement that rolls over day to day. Proceeds will be used to purchase plant assets.
 - 4.) In September 2001, Saguaro Power Company assumed a \$97,000,000 loan agreement that terminates on April 30, 2005. As of September 30, 2001, there was outstanding \$52,389,919 with an interest rate of 4.575%.
 - 5.) In August 2001, Timber Energy Resources Inc. assumed \$7,285,000 Industrial Development Refunding Revenue Bonds that mature on December 1, 2002. The interest rate on the bonds is 7%.
 - 6.) In August 2001, Eloigne Company refinanced a first mortgage on one of its properties. The amount of the refinancing was \$850,000 at a rate of 7.0% and a maturity of September 1, 2009.
 - 7.) Nuclear Management Company, LLC (of which Xcel Energy, Inc. owns 20%) entered into a capital lease for IT equipment on September 1, 2001. The lease is for 48 months and has an interest rate of 8.9%.
- p.) THE NOTIONAL AMOUNT AND PRINCIPAL TERMS OF ANY INTEREST RATE HEDGE OR ANTICIPATORY HEDGE ENTERED INTO DURING THE THIRD QUARTER AND THE IDENTITY OF THE PARTIES TO SUCH INSTRUMENTS.

NRG Energy, Inc. entered into the following interest rate hedges:

| Notional Amount | 10 year Swap Rate | Effective Date | Expiration Date | Cou |
|-----------------|----------------------|-------------------|--------------------|----------|
| \$ 86,142,112 | 6.680% | 09/28/01 | 02/29/17 | Credit L |
| \$ 90,000,000 | 6.150% | 07/31/03 | 06/30/28 | ABN Amro |
| \$ 94,762,500 | 6.710% | 02/23/93 | 05/02/05 | Credit L |

Additionally, NRG Energy, Inc. reports changes to the following interest rate hedges:

| Notional Amount | 10 year | Effective | Expiration |
|-----------------|---------|-----------|------------|
|-----------------|---------|-----------|------------|

Edgar Filing: XCEL ENERGY INC - Form 35-CERT

| | Swap Rate | Date | Date | Cou |
|---------------|-----------|----------|----------|----------|
| \$ 11,451,919 | 7.65% | 08/05/97 | 09/03/02 | Heleba |
| \$137,624,677 | 8.42% | 12/17/99 | 12/31/10 | Various |
| \$135,000,000 | 4.79% | 06/29/01 | 07/31/03 | ABN Amro |
| \$ 69,216,000 | 7.07% | 01/01/00 | 06/28/02 | Societe |
| \$ 69,216,000 | 7.07% | 06/28/02 | 09/29/06 | Societe |
| \$ 50,500,000 | 7.195% | 01/01/00 | 06/28/02 | ABN Amro |
| \$ 50,500,000 | 7.312% | 06/01/00 | 06/28/02 | ABN Amro |
| \$ 50,000,000 | 6.26% | 12/29/00 | 09/29/06 | ABN Amro |
| \$125,000,000 | 4.243% | 05/31/01 | 06/30/02 | ABN Amro |
| \$ 46,144,000 | 7.195% | 06/30/02 | 09/29/06 | ABN Amro |
| \$ 46,144,000 | 7.312% | 06/30/02 | 09/29/06 | ABN Amro |

q.) THE NAME, PARENT COMPANY AND AMOUNT INVESTED IN ANY NEW INTERMEDIATE SUBSIDIARY OR FINANCING SUBSIDIARY DURING THE THIRD QUARTER.

None.

7

r.) CONSOLIDATED BALANCE SHEETS AS OF THE END OF THE THIRD QUARTER AND SEPARATE BALANCE SHEETS AS OF THE END OF THE THIRD QUARTER FOR EACH COMPANY, INCLUDING XCEL ENERGY, THAT HAS ENGAGED IN FINANCING TRANSACTIONS DURING THE THIRD QUARTER.

The consolidated balance sheets of Xcel Energy, Public Service Company of Colorado, Southwestern Public Service Company, Northern States Power Company (Minnesota), Northern States Power Company (Wisconsin), NRG Energy, Inc., NRG Northeast Generating LLC and NRG South Central Generating LLC as of September 30, 2001 are incorporated by reference. Such balance sheets were filed with the respective company's Form 10-Q for September 30, 2001. The file numbers are as follows:

| | |
|---|-----------|
| Xcel Energy | 1-3034 |
| Public Service Company of Colorado | 1-3280 |
| Southwestern Public Service Company | 1-3789 |
| Northern States Power Company (Minnesota) | 000-31709 |
| Northern States Power Company (Wisconsin) | 10-3140 |
| NRG Energy, Inc. | 001-15981 |
| NRG Northeast Generating LLC | 333-42638 |
| NRG South Central Generating LLC | 333-48900 |

The following balance sheets as of September 30, 2001 were filed under confidential treatment pursuant to Rule 104(b):

Exhibit 1 Xcel Energy Wyco Inc.

Edgar Filing: XCEL ENERGY INC - Form 35-CERT

| | |
|------------|--|
| Exhibit 2 | Xcel Energy Services Inc. |
| Exhibit 3 | Xcel Energy International Inc. |
| Exhibit 4 | Xcel Energy Communications Group, Inc. |
| Exhibit 5 | NCE Communications, Inc. |
| Exhibit 6 | Xcel Energy Retail Holdings, Inc. |
| Exhibit 7 | Xcel Energy Cadence |
| Exhibit 8 | The Planergy Group |
| Exhibit 9 | Viking Gas Transmission |
| Exhibit 10 | Xcel Energy Wholesale Group, Inc. |
| Exhibit 11 | Applied Power Associates, Inc. |
| Exhibit 12 | Proto-Power Corporation |
| Exhibit 13 | Universal Utility Services |
| Exhibit 14 | Precision Resource Company |
| Exhibit 15 | Xcel Energy Markets Holdings, Inc. |
| Exhibit 16 | e prime, inc. |
| Exhibit 17 | Texas-Ohio Pipeline, Inc. |
| Exhibit 18 | Quixx Corporation |
| Exhibit 19 | Xcel Energy Centrus |
| Exhibit 20 | Utility Engineering |
| Exhibit 21 | Cheyenne Light, Fuel and Power Company |
| Exhibit 22 | Black Mountain Gas Company |
| Exhibit 23 | Xcel Energy Ventures Inc. |
| Exhibit 24 | Eloigne Company |
| Exhibit 25 | 1480 Welton, Inc. |
| Exhibit 26 | P.S.R. Investments, Inc. |

8

| | |
|------------|--|
| Exhibit 27 | PS Colorado Credit Corporation |
| Exhibit 28 | e prime Energy Marketing, Inc. |
| Exhibit 29 | Natrogas, Inc. |
| Exhibit 30 | XERS Inc. |
| Exhibit 31 | NRG Power Marketing, Inc. |
| Exhibit 32 | Saguaro Power Company - not available |
| Exhibit 33 | Meriden Gas Turbine LLC. |
| Exhibit 34 | Pacasmayo Energia SA - not available |
| Exhibit 35 | Indian River Power LLC |
| Exhibit 36 | Entrade Gmbh |
| Exhibit 37 | NEO California Power LLC |
| Exhibit 38 | Timber Energy Resources Inc. |
| Exhibit 39 | NSP Nuclear Corporation |
| Exhibit 40 | Nuclear Management Company, LLC |
| Exhibit 41 | Xcel Energy Argentina Inc. - not available |

s.) REGISTRATION STATEMENTS FILED DURING THE THIRD QUARTER

The following registration statements were filed:

None.

I, Paul E. Pender, Treasurer of Xcel Energy Inc., certify that transactions

Edgar Filing: XCEL ENERGY INC - Form 35-CERT

included in this Certificate of Notification have been carried out in accordance with the terms and conditions of and for the purposes represented in the Application-Declaration.

XCEL ENERGY INC.

By: /s/ Paul E. Pender

Paul E. Pender
Treasurer

Dated: November 29, 2001