

# 2026 MINNESOTA NATURAL GAS RATE PROPOSAL

## IMPROVING THE NATURAL GAS SYSTEM THAT SERVES OUR CUSTOMERS



### OUR SERVICE AT A GLANCE



We serve 492,000 natural gas customers in 29 Minnesota counties.



Our Minnesota natural gas system includes 9,840 miles of distribution mains, 64 miles of transmission pipeline and nearly half a million gas meters.

### IN THE COMMUNITY



Last year, we spent more than \$1.2 billion with Minnesota suppliers, including \$179 million with small and local suppliers.



Xcel Energy paid \$200 million in property taxes last year, the most in Minnesota. As one of the state's largest employers, we provide jobs for more than 5,700 Minnesotans.

With two out of three Minnesotans heating their homes with natural gas, customers rely on safe and reliable service. At Xcel Energy, we know it is our job to provide gas safely, 24 hours a day, 365 days a year. That's why we're committed to upgrading and strengthening our infrastructure to ensure system resiliency.

In order to make energy work better for our customers, we submitted a proposal to the Minnesota Public Utilities Commission on Oct. 31, 2025, for new natural gas rates. Xcel Energy last proposed new natural gas rates in 2023.

### Proposed rates

#### If new rates are approved as requested:

- The average residential natural gas customer bill would be 8.7%, or \$7.11, higher per month compared to their current bill. Business customer bills will vary depending on energy usage.
- While the Commission considers our rate proposal, it approved interim rates that began Jan. 1, 2026. The interim rate increase adds about 7.1% or \$5.84, to an average residential customer's monthly bill. If final rates approved by the Commission are lower than interim rates, we would apply a refund in the form of a one-time credit with interest on customers' bills.

### Improvements we're proposing to the natural gas delivery system

- Fire safety systems at our gas peaking plants to ensure continued operational safety and reliability of these plants, which support our overall natural gas system
- Gas transmission and distribution infrastructure to support system reliability for new and existing customers
- Replacing aging vehicles and infrastructure and transitioning to electric vehicles and related equipment
- Updating information technology assets to ensure customers and employees have reliable technology

### Safety is always Xcel Energy's top priority

We design and operate our natural gas system to ensure the safety of our customers, our employees and contractors, and the public. Accordingly, our rate proposal centers around past and near-term safety and reliability investments. It also reflects increasing expenses through ongoing natural gas pipeline initiatives, integrity programs, emergency response and damage prevention programs.

Our safety programs are recognized as some of the best in the industry. Since the beginning of our pipeline renewal programs in Minnesota in 2015, we have renewed and replaced more than 580 miles of distribution pipeline and 21,000 service lines, upgrading to more durable, better-performing materials.

## WE'RE HERE TO HELP



We encourage customers to reach out if they need help paying their energy bills. Find more information at [xcelenergy.com/Residential](https://xcelenergy.com/Residential) or [xcelenergy.com/Business](https://xcelenergy.com/Business).

Learn to save energy and money at [xcelenergy.com/Tips](https://xcelenergy.com/Tips)

Xcel Energy offers customers options such as payment plans and assistance to get them through difficult times. Learn more about assistance and the programs listed below at [xcelenergy.com/EnergyAssistance](https://xcelenergy.com/EnergyAssistance) or call **800-895-4999**.

## INCOME-QUALIFIED PROGRAMS INCLUDE:



- Gas Affordability program (GAP)
- Energy Assistance program (EAP) in Minnesota funded by Low Income Home Energy Assistance program (LIHEAP)
- Low Use Affordability Credit program supports customers who need assistance but may not typically qualify for programs like PowerON and GAP
- Flexible payment plans, budget billing and ability to set a custom monthly due date for bills

## Our vision

Natural gas is a key part of a low-carbon future. We have a goal to achieve net-zero greenhouse gas emissions from our natural gas business by 2050. This proposal's investments align with our Net-Zero Vision to achieve the State's clean energy goals over the coming decades. Our proposal will bring us one step closer to operating the cleanest natural gas delivery system possible while maintaining reliable, affordable service for customers.

## Keeping bills below the national average

We are committed to making investments that deliver value for customers while keeping bills low. If our proposal is approved as requested, our average Minnesota residential customer's natural gas bills will remain well below the national average.

