

PUBLIC SERVICE CO OF COLORADO
Form 8-K
April 05, 2010

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

**Pursuant to Section 13 or 15(d) of
the Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported) **April 2, 2010**

| Commission File Number | Exact Name of Registrant as Specified in its Charter; State of Incorporation; Address of Principal Executive Offices; and Telephone Number | IRS Employer Identification Number |
|-----------------------------------|---|---|
| 001-3034 | XCEL ENERGY INC. (a Minnesota corporation) 414 Nicollet Mall Minneapolis, Minnesota 55401 (612) 330-5500 | 41-0448030 |
| 001-3280 | PUBLIC SERVICE COMPANY OF COLORADO (a Colorado corporation) 1225 17th Street Denver, Colorado 80202 (303) 571-7511 | 84-0296600 |

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

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- o Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

 - o Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

 - o Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

 - o Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 1.01. Entry into a Material Definitive Agreement.

On April 2, 2010, Public Service Company of Colorado (PSCo), a Colorado Corporation and a wholly owned subsidiary of Xcel Energy Inc., reached an agreement with Riverside Energy Center LLC and Calpine Development Holdings, Inc. to purchase the Rocky Mountain Energy Center and Blue Spruce Energy Center natural gas generation assets for \$739 million. The acquisition is expected to close in December 2010. The acquisition is subject to state and federal regulatory approvals including cost recovery.

The acquisition developed out of the 2007 resource plan in which the assets were offered as part of the Colorado Public Utilities Commission (CPUC) competitive bidding process. The offer was the least cost option for thermal resources to be acquired under the plan.

The Rocky Mountain Energy Center is a 621-MW combined cycle natural gas fired power plant that began commercial operations in 2004. The Blue Spruce Energy Center is a 310-MW simple cycle natural gas-fired power plant that began commercial operations in 2003. Both power plants currently provide energy and capacity to PSCo under power purchase agreements, which were set to expire in 2013 and 2014.

PSCo anticipates issuing long-term debt to fund a portion of the acquisition price. Xcel Energy expects to issue approximately \$500 million of long-term debt during 2010 and approximately \$400 million of equity in 2010 or 2011. Proceeds from these offerings will be used to fund an equity investment into PSCo, to pay down short-term debt incurred at Xcel Energy and to fund a \$359 million December 2010 Xcel Energy debt maturity.

Xcel Energy anticipates that the acquisition will be accretive in 2011, assuming reasonable regulatory recovery and normal access to the capital markets at reasonable terms.

See additional information in the News Release furnished as exhibit 99.01.

Item 9.01. Financial Statements and Exhibits

(d) Exhibits

| Exhibit No. | Description |
|--------------------|--|
| 99.01 | News Release of Xcel Energy dated April 5, 2010. |

Except for the historical statements contained in this 8-K, the matters discussed herein, including the expected impact of acquisitions are forward-looking statements that are subject to certain risks, uncertainties and assumptions. Such forward-looking statements may be identified in this document by the words would, believe, estimate, expect, likely, may, possible, potential, should and similar expressions. 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: general economic conditions, including the availability of credit and its impact on capital expenditures and the ability of Xcel Energy and its subsidiaries to obtain financing on favorable terms; business conditions in the energy industry; actions of credit rating agencies; competitive factors, including the extent and timing of the entry of additional competition in the markets served by Xcel Energy and its subsidiaries; unusual weather; effects of geopolitical events, including war and acts of terrorism; state, federal and foreign legislative and regulatory initiatives that affect cost and investment recovery, have an impact on rates or have an impact on asset operation or ownership; structures that affect the speed and degree to which competition enters the electric and natural gas markets; costs and other effects of legal and administrative proceedings, settlements, investigations and claims; actions of accounting regulatory bodies; and the other risk factors listed from time to time by Xcel Energy and PSCo in reports filed with the Securities and Exchange Commission (SEC), including Risk Factors in Item 1A and Exhibit 99.01 of each of Xcel Energy's and PSCo's Annual Report on Form 10-K for the year ended Dec. 31, 2009.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

April 5, 2010

Xcel Energy Inc.

(a Minnesota corporation)

Public Service Company of Colorado

(a Colorado corporation)

/s/ DAVID M. SPARBY

David M. Sparby

Vice President and Chief Financial Officer