XCEL ENERGY INC
Form 424B5
February 26, 2002

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PROSPECTUS SUPPLEMENT
(To Prospectus Dated February 19, 2002)

Filed pursuant to Rule 424(b)(5)
Registration Statement
333-82352

20,000,000 Shares

Common Stock

We are offering 20,000,000 shares of our common stock. Our common stock is listed on the New York Stock Exchange under the symbol XEL. The last reported sale price of our common stock on February 25, 2002 was $22.95 per share.

Investing in the common stock involves risks. See Risk Factors beginning on page S-8 of this prospectus supplement and page 1 of the accompanying prospectus.

	Per Share	Total
Public Offering Price	$22.50	$450,000,000
Underwriting Discounts and Commissions	$ 0.73	$ 14,600,000
Proceeds to Xcel Energy (before expenses)	$21.77	$435,400,000

We have granted the underwriters a 30-day option to purchase up to 3,000,000 additional shares of the common stock on the same terms and conditions as set forth above to cover over-allotments, if any.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus supplement or the accompanying prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

Lehman Brothers, on behalf of the underwriters, expects to deliver the shares to purchasers on or about February 28, 2002.

LEHMAN BROTHERS

MERRILL LYNCH & CO.
MORGAN STANLEY
ROBERT W. BAIRD & CO.
DRESDNER KLEINWORT WASSERSTEIN
A.G. EDWARDS & SONS, INC.
LEGG MASON WOOD WALKER
INCORPORATED

February 25, 2002

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Prospectus Supplement

Prospectus

This prospectus supplement and the accompanying prospectus incorporate important business and financial information about us and our subsidiaries that is not included in or delivered with these documents. This information is available without charge to security holders upon written or oral request.

You should rely only on the information contained in this document or to which we have referred you. We and the underwriters have not authorized anyone to provide you with information that is different. This document may only be used where it is legal to sell these securities. The information in this document may only be accurate on the date of this document, regardless of the time of delivery of this document or any sale of common stock. In this prospectus supplement, Xcel Energy, we, us and our refer to Xcel Energy Inc. and its subsidiaries, predecessors and acquired businesses unless the context requires otherwise.

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ABOUT THIS PROSPECTUS SUPPLEMENT

This prospectus supplement is a supplement to the accompanying prospectus that is also a part of this document. This prospectus supplement and the accompanying prospectus are part of a registration statement that we filed with the Securities and Exchange Commission using a shelf registration process. Under the shelf registration process, we may sell any combination of the securities described in the accompanying prospectus up to a total dollar amount of $1,000,000,000, of which this offering is a part. In this prospectus supplement, we provide you with specific information about the terms of this offering. Both this prospectus supplement and the accompanying prospectus include important information about us, our common stock and other information you should know before investing in our common stock. This prospectus supplement also adds, updates and changes information contained in the accompanying prospectus. To the extent that any statement that we make in this prospectus supplement is inconsistent with the statements made in the accompanying prospectus, the statements made in the accompanying prospectus are deemed modified or superseded by the statements made in this prospectus supplement. You should read both this prospectus supplement and the accompanying prospectus as well as the additional information described under the heading Where You Can Find More Information beginning on page 3 of the accompanying prospectus before investing in our common stock.

In addition, we have provided certain information about the industry in which we operate in this prospectus supplement under the caption Prospectus Supplement Summary. Unless otherwise indicated, the data and statistics contained in that section is based on internal or industry sources that we believe are reliable.

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PROSPECTUS SUPPLEMENT SUMMARY

The following summary is qualified in its entirety by and should be read together with the more detailed information and financial statements included or incorporated by reference in this prospectus supplement and the accompanying prospectus.

Company Background

We are a public utility holding company with six public utility subsidiaries:

Northern States Power Company, a Minnesota corporation, which serves 1.3 million electric customers and 0.4 million gas customers in Minnesota, North Dakota and South Dakota;

Public Service Company of Colorado, a Colorado corporation, which serves 1.3 million electric customers and 1.1 million gas customers in Colorado;

Southwestern Public Service Company, a New Mexico corporation, which serves 390,000 electric customers in portions of Texas, New Mexico, Oklahoma and Kansas;

Northern States Power Company, a Wisconsin corporation, which serves 230,000 electric customers and 90,000 gas customers in northern Wisconsin and Michigan;

Cheyenne Light, Fuel and Power Company, a Wyoming corporation, which serves 40,000 electric customers and 30,000 gas customers in and around Cheyenne, Wyoming; and

Black Mountain Gas Company, an Arizona corporation, which serves 8,600 customers in Arizona.

Our regulated utility subsidiaries own approximately 15,400 MW of electric generation. Our regulated utility subsidiaries used the following fuels in 2001: coal (55.9%), gas (25.6%), nuclear (10.5%) and hydro/other (8.0%).

We also own or have an interest in a number of nonregulated businesses, the largest of which is NRG Energy, Inc. NRG is a leading global energy company, primarily engaged in the acquisition, development, ownership, and operation of power generation facilities and the sale of energy, capacity and related products. As of December 31, 2001, NRG had interests in power generation facilities (including those under construction) having a total generating capacity of 38,388 megawatts (MW), of which NRG has or will have net ownership of 24,357 MW. This is an increase from 15,007 MW of net ownership interests as of December 31, 2000. Approximately, 19,100 MW, or 78%, of NRG s net MW generation in operation and under construction is located in the United States. NRG also has international power generation projects managed in three distinct markets, Australia/Asia Pacific, Europe and Latin/South America. At December 31, 2001, NRG had net ownership interests of 2,297 MW in Asia Pacific, 1,854 MW in Europe and 1,107 MW in Latin America.

NRG is a majority owned subsidiary of Xcel Energy. As of February 20, 2002, we owned shares of Class A common stock that represent 74% of the total number of NRG s outstanding shares of common stock and Class A common stock combined. Because we own a majority of NRG s common stock, NRG s results are consolidated for accounting purposes on our financial statements.

In addition to NRG s power generation projects, NRG also has interests in district heating and cooling systems and steam transmission operations. As of December 31, 2001, NRG s thermal and chilled water businesses had a steam and chilled water capacity equivalent to 1,506 MW, of which its net ownership interest was 1,379 MW. NRG believes that through its subsidiary, NEO Corporation, it is one of the largest landfill gas generation companies in the United States, extracting methane from landfills to generate electricity. NEO owns 31 landfill gas collection systems and has 46 MW of net ownership interests in related electric generation facilities. NEO also has 42 MW of net ownership interests in 18 small hydroelectric facilities and 109 MW of net ownership interests in seven small distributed generation facilities.

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NRG has also expanded its power marketing activities, which allow NRG to optimize the value of its power generation assets and enable it to better meet its customers energy requirements and improve its power marketing and risk management expertise.

In addition to NRG, our nonregulated subsidiaries include Seren Innovations, Inc. (broadband telecommunications services), e prime, inc. (natural gas marketing and trading), Planergy International Inc. (energy management consulting and demand-side management services) and Eloigne Company (acquisition of rental housing projects that qualify for low-income housing tax credits).

We were incorporated in 1909 under the laws of Minnesota as Northern States Power Company. On August 18, 2000, we merged with New Century Energies, Inc. and our name was changed from Northern States Power Company to Xcel Energy Inc. Our principal executive offices are located at 800 Nicollet Mall, Suite 3000, Minneapolis, Minnesota 55402, and our telephone number at such location is (612)330-5500.

Our Strategy

Our strategy is to maintain a dual growth platform with a balanced portfolio. This dual growth platform is based on a strong core utility operation with diversity of geographic location (which tends to mitigate regulatory, political and economic risk), fuel mix (coal, nuclear, natural gas, oil, and wind), plant type (baseload, intermediate and peaking facilities) and length of supply and sales contracts. Augmenting the growth in utility operations is the growth of NRG, the third largest independent power producer world-wide. NRG s operations mirror our strategy of diversity of geographic location, plant type, fuel mix and sales contracts.

Regulatory Overview

We are registered as a holding company under the Public Utility Holding Company Act of 1935 (PUHCA). As a result, Xcel Energy, our utility subsidiaries and certain of our non-utility subsidiaries are subject to extensive regulation by the SEC under the PUHCA with respect to issuances and sales of securities, acquisitions and sales of certain utility properties and intra-system sales of certain goods and services. In addition, the PUHCA generally limits the ability of registered holding companies to acquire additional public utility systems and to acquire and retain businesses unrelated to the utility operations of the holding company. Upon receipt of the order from the SEC related to increasing our investment in NRG, we believe that we will have adequate authority (including financing authority) under existing SEC orders and regulations for us and our subsidiaries to conduct their businesses as proposed during 2002 and will seek additional authorization when necessary.

The electric and natural gas rates charged to customers of our utility subsidiaries are approved by the FERC and the regulatory commissions in the states in which they operate. The rates are generally designed to recover plant investment, operating costs and an allowed return on investment. We request changes in rates for utility services through filings with the governing commissions. Because comprehensive rate changes are requested infrequently in some states, changes in operating costs can affect our financial results. In addition to changes in operating costs, other factors affecting rate filings are sales growth, conservation and demand-side management efforts, and the costs of capital.

Most of the retail rate schedules for our utility subsidiaries provide for periodic adjustments to billings and revenues to allow for recovery of changes in the cost of fuel for electric generation, purchased energy, purchased natural gas and, in Minnesota and Colorado, conservation and energy management program costs. In Minnesota and Colorado, changes in electric capacity costs are not recovered through these rate adjustment mechanisms. For Wisconsin electric operations, where automatic cost-of-energy adjustment clauses are not allowed, the biennial retail rate review process and an interim fuel cost hearing process provide the opportunity for rate recovery of changes in electric fuel and purchased energy costs in lieu of a cost-of-energy adjustment clause. In Colorado, Public Service Company of Colorado has an incentive cost

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adjustment mechanism that allows for an equal sharing among customers and shareholders of certain fuel and energy costs and certain gains and losses on trading margins.

One of our utility subsidiaries, Southwestern Public Service Company, operates in a number of states, including Texas and New Mexico that had been scheduled to deregulate retail electric service beginning in 2002. During 2001, however, Texas and New Mexico each decided to delay restructuring and deregulation at least as it applies to Southwestern Public Service Company, until 2007. None of the other states where we have significant regulated utility operations has deregulated, or is in the process of deregulating, retail electric service.

Recent Developments Exchange Offer for NRG Energy, Inc.

Our board of directors has approved plans to commence an exchange offer by which we will acquire all of the outstanding publicly held common stock of NRG. In this offer, NRG shareholders would receive 0.4846 of a share of our common stock for each outstanding share of NRG common stock tendered in the exchange offer. Lehman Brothers Inc., one of the underwriters of this offering, is acting as our financial advisor with respect to the exchange offer and will be paid a customary fee for such financial advisory services.

The completion of our exchange offer will be conditioned on the tender by NRG s public shareholders of enough shares so that, when taken together with the shares of common stock that we would hold upon conversion of the NRG Class A common stock that we currently hold, we would own at least 90% of NRG s common stock. In order for this condition to be satisfied, NRG shareholders must tender at least 61% of the number of publicly held NRG shares currently outstanding. This condition may not be waived. If the exchange offer is successfully completed, we will merge NRG into a wholly-owned subsidiary of ours in a short-form merger. In that merger, each remaining share of NRG common stock will be converted (subject to the exercise of appraisal rights by NRG shareholders) into the same number of shares of our common stock as are exchanged in the exchange offer. The exchange offer will be conditioned on receipt of an order from the SEC permitting us to increase our investment in NRG.

We plan to commence the exchange offer as soon as practicable.

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The Offering

Common stock offered by us	20,000,000 shares
Common stock to be outstanding after this offering	366,457,000 shares
Use of proceeds	We plan to use the proceeds received by us in this offering to loan $300 million to NRG to pay down a portion of an outstanding bridge loan at the NRG level. We will use the balance of the net proceeds to repay short-term debt at the Xcel Energy level.
New York Stock Exchange symbol	XEL
Dividend policy	We have been paying a per share dividend to our common stockholders of $1.50 on an annualized basis. We expect to maintain that dividend level, however, the payment of dividends will be determined from time to time by our board of directors.

Except as otherwise indicated, all information in this prospectus supplement assumes no exercise of the underwriters over-allotment option.

Our common stock includes associated rights to purchase common stock pursuant to our Stockholder Protection Rights Agreement (the Rights Agreement) between us and Wells Fargo Bank Minnesota, N.A., as Rights Agent. Each right to purchase common stock entitles its registered holder to purchase from or exchange with us one share of common stock pursuant to the terms of the Rights Agreement. You should read the accompanying prospectus, which provides more detail about the rights, before investing in our common stock.

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Selected Consolidated Financial Data

We are providing the following selected financial information to assist you in analyzing an investment in the shares of our common stock. We derived the financial information presented below as of and for each of the three years in the period ended December 31, 2001 from the audited consolidated financial statements included in Exhibit No. 99.01 in our current report on form 8-K dated February 25, 2002. Certain reclassifications have been made to the 2000 and 1999 amounts to conform to the 2001 presentation. These reclassifications did not affect net income or earnings per share.

The financial information below should be read in conjunction with the historical consolidated financial statements and related notes contained in the annual, quarterly and other reports filed by us with the Securities and Exchange Commission, which we have incorporated by reference into this prospectus supplement.

	Year Ended December 31,		
	2001	2000	1999
		(In thousands)	
Income Statement Data:			
Operating revenues	$15,028,204	$11,591,796	$7,837,526
Operating income	$ 1,942,948	$ 1,568,608	$1,205,332
Interest charges and financing costs	$ 821,199	$ 696,105	$ 453,077
Net income	$ 794,966	$ 526,828	$ 570,933

	December 31, 2001
	(In thousands)
Balance Sheet Data:	
Total assets	$28,735,062
Minority interest	$ 654,670
Long-term debt	$12,117,516
Short-term debt (including current maturities)	$ 2,907,019
Total debt	$15,024,535
Mandatorily redeemable preferred stock of subsidiary trusts	$ 494,000
Preferred stockholders equity	$ 105,320
Common stockholders equity	$ 6,194,477
Total capitalization (includes short-term debt and minority interests)	$22,473,002

RISK FACTORS

An investment in our common stock involves significant risks. You should carefully consider these risk factors and the risk factors in the accompanying prospectus as well as all of the other information contained or incorporated by reference in this prospectus supplement and the accompanying prospectus before you decide to invest in our common stock.

Risks Related to the Proposed NRG Transaction

There can be no assurances that we will consummate the previously announced NRG transaction.

In the proposed transaction with NRG, we are offering to exchange each share of NRG common stock for 0.4846 of an Xcel Energy common share. This is a fixed exchange ratio and we do not intend to adjust the exchange ratio. The NRG transaction will be subject to several conditions, including the receipt of all required regulatory approvals, the tender by NRG s public shareholders of enough shares so that, when taken together with the shares of NRG common stock that Xcel Energy currently holds, Xcel Energy would own at least 90% of NRG s common stock and the absence of an injunction or litigation concerning the exchange offer. Shortly following the announcement of the proposed transaction, a series of nine largely identical lawsuits were filed in the Delaware Chancery Court against NRG, Xcel Energy and NRG s directors, including certain present or former directors and officers of Xcel Energy. The complaints allege violation of fiduciary duty in the proposed transaction, which is assertedly being undertaken in an unfair and coercive manner, at an unfairly low price and with inadequate disclosure. The complaints seek preliminary and permanent injunctions to stop the transaction or, in the alternative, rescission or rescissory damages. Xcel Energy and the other defendants have not yet responded to the complaints, but Xcel Energy believes there are both factual and legal defenses available and intends to pursue them actively. There can be no assurances that we will consummate the NRG transaction or that the transaction will be consummated upon the previously announced terms.

If we are unable to consummate the NRG transaction, we will continue to evaluate our options with respect to our investment in NRG. As previously announced, Xcel Energy intends to infuse approximately $600 million of equity into NRG in 2002. There can be no assurances, however, that such equity infusion would enable NRG to meet its liquidity and working capital needs. If the NRG transaction is not consummated and the combination of future equity infusions by Xcel Energy and other plans to manage liquidity at the NRG level does not enable NRG to satisfy its liquidity and working capital needs, the value of our investment in NRG and our business, financial condition and results of operations could be adversely affected. In addition, if the ratings of NRG s senior unsecured debt were to be reduced below investment grade, as discussed below under the caption Risks Related to Our Business, NRG s liquidity and financial condition would be adversely affected, which also would adversely affect the value of our investment in NRG and our business, financial condition and results of operations.

Anticipated benefits of the NRG transaction may not be realized.

We believe that a combination of Xcel Energy and NRG is the organizational structure that will put us in the best position to generate additional value for all Xcel Energy stockholders. However, for various reasons, we may not be able to achieve these anticipated benefits or achieving them may require more time than we currently anticipate.

Risks Related to Our Business

Any reduction in our credit ratings or NRG s credit ratings could materially and adversely affect our business, financial condition and results of operations.

Our senior unsecured debt has been assigned a rating by Standard & Poor s Ratings Group, a division of The McGraw-Hill Companies, Inc. (S&P), of BBB+ (negative outlook), by Moody s Investors Service, Inc. of A3 (negative outlook) and by Fitch, Inc. of A- (negative outlook). NRG s senior unsecured debt has been assigned a rating by S&P of BBB- (positive outlook) and by Moody s Investors

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Service, Inc. of Baa3 (negative outlook). While our non-regulated and international operations, including those conducted through NRG, have a higher level of risk than our regulated utility operations, we will seek to maintain a solid investment grade rating through prudent capital management and financing structures. However, we cannot assure you that any of our current ratings or NRG s current ratings will remain in effect for any given period of time or that a rating will not be lowered or withdrawn entirely by a rating agency if, in its judgment, circumstances in the future so warrant. Any downgrade could require substantial support from letters of credit or cash collateral and otherwise have a material adverse effect on our business, financial condition and results of operations. While the foregoing indicates ratings from these agencies, we note that these ratings are not a recommendation to buy, sell or hold our securities or NRG s securities and that each rating should be evaluated independently of any other rating.

We may not be able to implement our strategy if we are unable to access capital at competitive rates.

If we are not able to access capital at competitive rates, our strategy will be adversely affected. A number of factors could adversely affect our ability to access capital, including: (1) general economic conditions; (2) capital market conditions; (3) market prices for electricity and gas; (4) the overall health of the utility industry; (5) our ability to maintain our investment-grade credit ratings; and (6) our capital structure.

We may not be able to successfully make strategic acquisitions or integrate businesses we acquire into our operations.

Our ability to successfully make strategic acquisitions and investments will depend on: (1) the extent to which acquisitions and investment opportunities become available; (2) our success in bidding for the opportunities that do become available; and (3) our access to capital and the terms upon which we obtain capital. If we are unable to make strategic investments and acquisitions we may be unable to realize the growth we anticipate. Our ability to successfully integrate acquired businesses into our operations will depend on: (1) the adequacy of our implementation plans; (2) our ability to achieve desired operating efficiencies; and (3) regulatory approval of the acquisitions on favorable terms. If we are unable to successfully integrate new businesses into our operations, we could experience increased costs and losses on our investments.

There may be changes in the regulatory environment that impair our ability to pass through costs to our customers.

As a result of the energy crisis in California and the recent high natural gas prices in North America, the regulatory environments in which our utility business operates have received an increased amount of public attention. The profitability of our utility operations is dependent on our ability to pass through costs related to providing energy to our customers. Although we believe that the current regulatory environment applicable to our utility business would permit us to recover our costs, it is possible that there could be changes in the regulatory environment that would impair our ability to recover costs historically absorbed by our customers.

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FORWARD-LOOKING STATEMENTS

This prospectus and the documents it incorporates by reference contain statements that are not historical fact and constitute forward-looking statements . When we use words like believes, expects, anticipates, intends, plans, estimates, may, should, or similar expressions, o discuss our strategy or plans, we are making forward-looking statements. Forward-looking statements are not guarantees of performance. They involve risks, uncertainties and assumptions. Our future results may differ materially from those expressed in these forward-looking statements. These statements are necessarily based upon various assumptions involving judgments with respect to the future and other risks, including, among others:

general economic conditions, including their impact on capital expenditures and our ability and the ability of our subsidiaries to obtain financing on favorable terms;

business conditions in the energy industry;

demand for electricity in the nonregulated marketplace;

competitive factors, including the extent and timing of the entry of additional competition in the markets served by us and our subsidiaries;

unusual weather;

state, federal and foreign legislative and regulatory initiatives that affect cost and investment recovery, have an impact on rate structures and affect the speed and degree to which competition enters the electric and gas markets;

risks associated with the California power market;

currency translation and transaction adjustments;

the higher degree of risk associated with our nonregulated businesses compared to our regulated businesses;

the risk of a significant slowdown in growth or decline in the U.S. economy, the risk of delay in growth in recovery in the U.S. economy or the risk of increased cost for insurance premiums, security and other items as a consequence of the September 11, 2001 terrorist attacks;

the completion of the exchange offer for NRG s outstanding public common stock, and the realization of the expectations regarding the reacquisition of the NRG common stock, which may be affected by the satisfaction of conditions to the exchange offer, actual results of Xcel Energy following completion of the transaction, the ability to dispose or terminate projects, to reduce expenses and to realize synergies, cash levels and similar matters; and

the other risk factors listed from time to time by us in reports filed with the Securities and Exchange Commission.

You are cautioned not to rely unduly on any forward-looking statements. These risks and uncertainties are discussed in more detail under the captions Management s Discussion and Analysis and Notes to Consolidated Financial Statements in our current report on form 8-K dated February 25, 2002 containing our audited financial statements and other documents on file with the Securities and Exchange Commission. You may obtain copies of these documents as described under the caption Where You Can Find More Information in the accompanying prospectus.

We undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. The foregoing review of factors should not be construed as exhaustive.

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USE OF PROCEEDS

Our net proceeds from the sale of the 20,000,000 shares of our common stock offered in this offering are expected to be approximately $435.4 million, after deducting the underwriters discounts and commissions but before deducting the expenses of this offering. If the underwriters over-allotment option is exercised in full, we estimate that the net proceeds will be approximately $500.7 million. We intend to use a portion of the net proceeds to loan $300 million to NRG to repay a portion of an outstanding bridge loan that bears interest at LIBOR plus 80 basis points (approximately 2.7% per annum at December 31, 2001). An affiliate of Merrill Lynch, Pierce, Fenner & Smith Incorporated, one of the underwriters of this offering, is a lender under that loan. At a later date, we expect to convert the $300 million loan into equity of NRG. We will use the balance of the net proceeds of this offering to repay short-term debt incurred for working capital purposes. Our short-term indebtedness (excluding current maturities of long-term debt) totaled approximately $2.2 billion as of December 31, 2001 and had a weighted average interest rate of 3.4% per annum.

PRICE RANGE OF COMMON STOCK

Our common stock is currently listed on the New York Stock Exchange under the symbol XEL. The following table sets forth the high and low closing prices for transactions involving our common stock for each calendar quarter, as reported on the New York Stock Exchange Composite Tape, and related dividends paid per common share during such periods.

	High	Low	Dividend
2002:			
First Quarter (through February 25, 2002)	$28.49	$22.49	$0.375
2001:			
Fourth Quarter	$29.77	$25.30	$0.375
Third Quarter	$29.51	$25.00	$0.375
Second Quarter	$31.85	$27.39	$0.375
First Quarter	$30.35	$24.19	$0.375
2000:			
Fourth Quarter	$30.00	$25.00	$0.375
Third Quarter	$27.56	$20.13	$0.375
Second Quarter	$23.81	$19.50	$0.368
First Quarter	$20.56	$16.13	$0.363

On February 25, 2002 the last reported sale price of our common stock on the New York Stock Exchange was $22.95 per share.

Historical stock price information for periods prior to August 19, 2000 is information for the common stock of Northern States Power Company (which was listed on the New York Stock Exchange under the symbol NSP), the predecessor of Xcel Energy. Xcel Energy was formed on August 18, 2000 by the merger of Northern States Power Company with New Century Energies, Inc.

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CAPITALIZATION

The following table sets forth our short-term debt and capitalization as of December 31, 2001 on an actual basis and (1) on an as adjusted basis reflecting the sale of 20,000,000 shares of our common stock offered pursuant to this prospectus supplement after deducting the underwriting discounts and commissions and estimated offering expenses that we will pay, and the application of the net proceeds as described in this prospectus supplement under the caption Use of Proceeds and (2) on a supplemental as adjusted basis reflecting the sale of 20,000,000 shares of our common stock offered pursuant to this prospectus supplement after deducting the underwriting discounts and commissions and estimated offering expenses that we will pay, and the application of the net proceeds as described under Use of Proceeds and the issuance of approximately 24.7 million shares of our common stock in connection with the NRG transaction as described under Prospectus Supplement Summary.

	As of December 31, 2001				
	Actual	**As Adjusted**	**% of Capitalization**	**Supplemental As Adjusted**	**% of Capitalization**
		(unaudited)		**(unaudited)**	
	(Dollars in millions)				
Short-term debt, including current maturities	$ 2,907	$ 2,472	11.0%	$ 2,472	11.0%
Minority interest	655	655	2.9	78	0.3
Long-term debt	12,118	12,118	53.9	12,118	53.9
Mandatorily redeemable preferred securities of subsidiary trusts	494	494	2.2	494	2.2
Preferred stockholders equity	105	105	0.5	105	0.5
Common stockholders equity	6,194	6,629	29.5	7,205	32.1
Total capitalization (including short-term debt and minority interest)	$22,473	$22,473	100.0%	$22,472	100.0%

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SELECTED HISTORICAL AND UNAUDITED

PRO FORMA CONSOLIDATED FINANCIAL STATEMENTS

We are providing the following selected historical and unaudited pro forma consolidated condensed financial data to show what our results of operations and financial position might have been (1) on a pro forma basis had the sale of 20,000,000 shares of our common stock offered pursuant to this prospectus supplement been completed at an earlier date and (2) on a supplemental pro forma basis had both this offering and the exchange offer for shares of NRG common stock and the subsequent merger with NRG described in this prospectus supplement under the caption Prospectus Supplement Summary been completed at an earlier date. The pro forma income statement data for the year ended December 31, 2001 give effect to (1) this offering and (2) both this offering and the exchange offer for shares of NRG common stock and subsequent merger with NRG as if we had completed each such transaction as of January 1, 2001. The unaudited pro forma balance sheet data gives effect to (1) this offering and (2) both this offering and the exchange offer and subsequent merger with NRG as if we had completed each such transaction on December 31, 2001.

The pro forma consolidated financial statements are presented for informational purposes only and do not purport to be indicative of the results of operations and financial position of Xcel Energy that would have been achieved if (1) this offering or (2) both this offering and the exchange offer and subsequent merger had been completed as of the dates indicated. In addition, the pro forma consolidated financial statements are not necessarily indicative of the results of operations or financial condition that may be achieved by us in the future. They also do not reflect the effect of any payment that may be required to be made in connection with the exercise of appraisal rights by NRG stockholders under Delaware law in connection with the subsequent merger.

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	December 31, 2001				
	Historical	**Pro Forma Adjustments**	**Pro Forma**	**Supplemental Pro Forma Adjustments[2]**	**Supplemental Pro Forma**
	(Dollars in millions, except per share data)				
Balance Sheet Data:					
Current assets	$ 3,311		$ 3,311	$ (10)[3]	$ 3,301
Property, plant and equipment, at cost	21,165		21,165		21,165
Other assets	4,259		4,259	9 [3]	4,268
Total assets	$28,735		$28,735		$28,734
Current portion of long-term debt	682		682		682
Short-term debt	2,225	(435)[1]	1,790		1,790
Other current liabilities	2,543		2,543		2,543
Total current liabilities	5,450		5,015		5,015
Deferred credits and other liabilities	3,719		3,719		3,719
Minority interest	655		655	(577)[4]	78
Long-term debt	12,118		12,118		12,118
Mandatorily redeemable preferred securities of subsidiary trusts	494		494		494
Preferred stockholders equity	105		105		105
Common stockholders equity	6,194	435 [1]	6,629	576 [5]	7,205
Total liabilities and equity	$28,735		$28,735		$28,734
Income Statement Data:					
Operating revenue	$15,028		$15,028		$15,028
Operating expense	13,085		13,085		13,085
Operating income	1,943		1,943		1,943
Interest income and other nonoperating income net of other expenses	72		72		72
Interest charges and financing costs	(821)	15 [1]	(806)		(806)