

Alliant Energy Corporation

Supplemental Information

August 3, 2018 Earnings Call



Forward Looking Statements

The information regarding forecasted effective income tax rates and regulatory plans contain forward-looking statements. Actual results could differ materially because the realization of those results is subject to many uncertainties, including: the state of the economy in the service territories of IPL and WPL; state and federal legislation and regulatory actions; weather; and other factors discussed in more detail in Alliant Energy Corporation's earnings release dated August 2, 2018 and in Alliant Energy's SEC filings. Alliant Energy cannot provide any assurance that the assumptions used in the forward-looking statements or otherwise are accurate or will prove to be correct. All forward-looking statements included in this presentation are based upon information presently available, and Alliant Energy assumes no obligation to update any forward-looking statements.

DAEC PPA Amendment (SPU-2018-0008)



- Replacing Iowa nuclear energy with additive Iowa wind energy
- Significant customer cost reductions as a result of this agreement including nearly \$300 million in energy cost savings, or a 2 to 3 percent reduction in a customer's bill, depending on customer class, starting in 2021
- Shorten term of DAEC purchase power agreement (PPA) to December 31, 2020, 5 years earlier than current expiration
- One time payment to buyout current PPA in the amount of \$110 million. Requesting regulatory approval from the Iowa Utilities Board for recovery of buyout payment and financing costs at IPL's pretax weighted average cost of capital over a five year period.
- Enter into wind repower PPAs below:

Wind Project	Nameplate Capacity	Term of PPA
Crystal Lake I	150 MW	20 years (commencing in 2020)
Cerro Cordo	39 MW	20 years (commencing in 2021)
Endeavor II	50 MW	20 years (commencing in 2020)
Hancock County	77 MW	20 years (commencing in 2021)

- Requested decision from the Iowa Utilities Board by November 2018

WPL Retail Electric and Gas Rate Settlement for 2019-2020 (6680-UR-121)



- Maintain 2017 base rates through 2020 for Wisconsin customers
- Retail electric revenue requirements increase of \$61 million in 2019 and \$133 million in 2020 were offset by fuel cost reductions and savings from tax reform
- The key drivers include West Riverside Generating Facility^(a) startup
- AFUDC treatment for 100% of CWIP balances for new CA/CPCN not reflected in rate review and deferral of related incremental depreciation if placed in service prior to January 1, 2021 (Applies to CA for 150 MW of wind)
- Comprehensive rate settlement approved by the Public Service Commission of Wisconsin on August 2, 2018

(\$ in millions)	2019		2020	
	Average rate base ^(b)	Return on NIRB ^(b)	Average rate base ^(b)	Return on NIRB ^(b)
Retail electric	\$3,507	6.95%	\$3,955	7.08%
Retail gas	\$363	6.84%	\$387	6.97%
Return on common equity		10.0%		10.0%
Common equity component of the regulatory capital structure		52.57%		52.53%
Updated ROE sharing mechanism				
10.00% - 10.25%		No sharing		
10.25% - 10.75%		50/50 sharing		
>10.75%		100% customer		

(a) WPL's 2019 and 2020 retail revenue requirements reflect impacts of the joint ownership by certain wholesale customers, but do not reflect the estimated impacts of potential future joint ownership by other investor-owned Wisconsin public utilities.

(b) Average rate base amounts are higher than previous forecasts for 2019-2020 and the return on net investment rate base (NIRB) amounts are lower than prior rate case periods due to the impacts of accounting and rate making treatment of excess deferred taxes (EDT) balances authorized by the PSCW. The net impact on revenue requirements from the higher rate base amounts and the lower return on NIRB amounts is not material.

Q2 2017 to Q2 2018 GAAP Earnings Walk



Q2 2017 GAAP earnings per share from continuing operations	\$0.41
Utilities and Corporate Services:	
Estimated temperature impact on retail electric and gas sales	\$0.06
Higher margins primarily from earning on increasing rate base	0.04
Higher depreciation expense	(0.04)
Higher operation and maintenance expenses (largely due to timing of generation expenses)	(0.04)
Other	0.02
Total Utilities and Corporate Services	0.04
Non-utility and Parent:	
Other (primarily due to the timing of tax expense)	(0.02)
Total Non-utility and Parent variances	(0.02)
Q2 2018 GAAP earnings per share from continuing operations	\$0.43

Q2 2017 to Q2 2018 Utilities and Corporate Services GAAP Earnings Variances



	IPL	WPL	Corporate Services	Total
Utilities and Corporate Services:				
Estimated temperature impact on retail electric and gas sales	\$0.04	\$0.02	\$—	\$0.06
Higher margins primarily from earning on increasing rate base ^(a)	0.02	0.02	—	0.04
Higher depreciation expense	(0.03)	(0.01)	—	(0.04)
Higher operation and maintenance expenses (largely due to timing of generation expenses)	(0.01)	(0.03)	—	(0.04)
Other	0.01	—	0.01	0.02
Total Utilities and Corporate Services	\$0.03	\$—	\$0.01	\$0.04

(a) Higher margins from earning on increasing rate base -

- IPL due to higher margins from retail electric base rate increase
- WPL due to higher margins from lower transmission cost recovery amortizations

2017 and Forecasted 2018 Statutory versus Overall Annual Effective Tax Rates



	AEC		IPL		WPL	
	2018	2017	2018	2017	2018	2017
Statutory federal income tax rate	21%	35%	21%	35%	21%	35%
Statutory state income tax rate (net of federal)	7	6	9	7	6	5
IPL's tax benefit riders ^(a)	(2)	(8)	(4)	(19)	—	—
Effect of rate-making on property-related differences	(8)	(9)	(13)	(19)	(3)	(2)
Production tax credits	(5)	(6)	(5)	(7)	(7)	(7)
Effects of Federal Tax Reform ^(b)	—	(3)	—	2	—	(6)
Other items, net	(1)	(2)	(2)	(4)	—	—
Overall income tax rate	12%	13%	6%	(5%)	17%	25%

(a) The tax impacts of IPL's tax benefit riders were \$41 million in 2017 and are forecasted to be \$12 million in 2018.

(b) Impact of the Tax Cuts and Jobs Act (Federal Tax Reform), which was effective in December 2017. Federal Tax Reform impacts for 2018 are represented in each individual line item, where applicable.

Financing Plan Update



(\$ in millions)	2018 Plan		2018 Completed Financings	2019 Plan	
Equity					
Common Equity	up to \$200		~\$125	up to \$400	
Long-Term Debt					
	Issuances	Maturities		Issuances	Maturities
Interstate Power and Light	up to \$600	\$350		up to \$500	\$—
Wisconsin Power and Light	\$—	\$—		up to \$400	\$250
Alliant Energy Finance	\$1,000	\$595 ^(a)	\$300 two year term loan \$400 of 3.75% five year senior notes \$300 of 4.25% ten year senior notes		

(a) Includes \$95 million short term debt maturity

Key Regulatory Initiatives



**Estimated
Dates**

Interstate Power and Light

Iowa Utilities Board

Decision regarding Retail Electric Base Rate Review - Test Year 2016 (RPU-2017-0001)



Decision regarding Wind Expansion Advance Ratemaking Principles (RPU-2017-0002)



Decision regarding ratemaking treatment of the effect of Tax Cut and Jobs Act of 2017 (INU-2018-0001)



Decision regarding DAEC PPA Amendment (SPU-2018-0008)

Q4 2018

Decision regarding 2019-2023 Energy Efficiency Plan (EEP-2018-0003)

Q1 2019

Decision regarding Retail Gas Base Rate Review - Test Year 2017 (RPU-2018-0002)

Q1 2019

Federal Energy Regulatory Commission (FERC)

Decision regarding authorized ROE amounts for MISO transmission owners' second complaint

H2 2018

Wisconsin Power and Light

Public Service Commission of Wisconsin

Decision regarding the purchase of an interest in Forward Wind Energy Center (5-BS-101)



Decision regarding ratemaking treatment of the effect of Tax Cut and Jobs Act of 2017 (05-AF-101)



Decision regarding Retail Electric and Gas Rate Review - Test Periods 2019 and 2020 (6680-UR-121)



Decision regarding Wind Expansion Construction Authority (6680-CE-181)

Q1 2019

FERC

Decision regarding the purchase of an interest in Forward Wind Energy Center (FERC 203 filing)



Decision regarding authorized ROE amounts for MISO transmission owners' second complaint

H2 2018