CONFERENCE CALL OPERATOR:
Good morning, and welcome to Alliant Energy’s conference call for first quarter 2021 results. This call is being recorded for rebroadcast. At this time, all lines are in listen-only mode. I would now like to turn the call over to your host, Susan Gille, Investor Relations Manager at Alliant Energy.

SUSAN GILLE:
Good morning. I would like to thank all of you on the call and on the web cast for joining us today. We appreciate your participation.

Joining me on this call are John Larsen, Chair, President and CEO, and Robert Durian, Executive Vice President and CFO. Following prepared remarks by John and Robert, we will have time to take questions from the investment community.

We issued a news release last night announcing Alliant Energy’s first quarter 2021 financial results. This release, as well as supplemental slides that will be referenced during today’s call, are available on the investor’s page of our website at www.alliantenergy.com.

Before we begin, I need to remind you that the remarks we make on this call and our answers to your questions include forward-looking statements. These forward-looking statements are subject to risks that could cause actual results to be materially different. Those risks include, among others, matters discussed in Alliant Energy’s press release issued last night and in our filings with the Securities and Exchange Commission. We disclaim any obligation to update these forward-looking statements.

In addition, this presentation contains references to non-GAAP financial measures. The reconciliation between non-GAAP and GAAP measures are provided in the earnings release and our 10Q which are available on our website.

At this point, I’ll turn the call over to John.

JOHN LARSEN:
Thank you, Susan. Hello everyone and thank you for joining us today.

Our solid first quarter results were as expected, continuing our long track record of delivering value for our customers, communities, and investors.

We do this by innovating new approaches and delivering important energy solutions for our customers and the communities we proudly serve.

Our Purpose-driven strategy is thoughtful, flexible, and well-executed.

The results speak for themselves.
Later in the call, Robert will share more details on our results, but let me jump to the headline:

- We are re-affirming our consolidated 2021 earnings guidance of 2 dollars and 50 cents to 2 dollars and 64 cents
- We remain committed to delivering on our 5 to 7% growth target
- And our 60 to 70% dividend payout ratio

We ended the year 2020 with:

- 42% less carbon emissions than our 2005 levels
- Nearly 70% reduction in water compared to our 2005 levels
- And nearly 70% of our coal generation is either retired or planned for retirement by 2024.

We will be sharing more of our progress and highlighting new initiatives with the release of our updated Corporate Responsibility Report this summer.

At Alliant Energy we take pride in our long track record of delivering consistent growth for our investors. And what makes this even more meaningful is in HOW we have delivered that growth. By living our values to Care for others and Act for tomorrow we continuously raise the bar when it comes to our Environmental, Social, and Governance commitments. We are proud to be recognized for our efforts:

- We are a double A-rated company by MSCI
- Rank in the top quartile for global utilities by Sustainalytics
- And achieved Envision Platinum certification on major generation projects

Equally important to our environmental efforts are the commitments to our employees, customers, and the communities we serve. We know that when we embrace the diversity of our employees and continue to build upon our strong culture, we create a sense of belonging and inclusion that leads to great things for our customers. I’m very proud of the recognition of our efforts in this space by organizations such as The Human Rights Campaign and to be included in Bloomberg’s Gender Equality Index. In 2020, we were named one of America’s Most Responsible Companies by Newsweek, ranking 12th on the list for our social responsibility efforts.

Turning to recent updates; this week we announced an intent to enter into a settlement agreement for our rate filing in Wisconsin. We continued our open and transparent practices into our rate review process and are very pleased to have reached a settlement in principle with several stakeholder organizations.
including the Citizens Utility Board, the Wisconsin Industrial Energy Group, and the Sierra Club. The key terms with stakeholders continue to manage customer costs and enables our thoughtful transition to a clean energy future, adding certainty and flexibility for our business.

Just prior to this development, we reached another successful milestone: announcing our plans to add 414 megawatts of solar in Wisconsin, rounding out our previously announced plan to accelerate our clean energy transition by adding nearly 1,100 megawatts of solar in the Badger state. Upon completion of this planned expansion, Alliant Energy will own and operate the most solar energy in the state of Wisconsin. These investments are another part of our Clean Energy Blueprint, developed through an extensive and transparent planning process and utilizing our industry best project execution.

In our communities, we are partnering with businesses and community leaders to develop hometown solar projects. These local projects benefit communities through lease payments, supplying clean energy to the local energy grid and powering homes and businesses.

Some of our newest projects include:

- A 1-megawatt Community Solar project located in Perry, Iowa
- A customer hosted project in Dodgeville, Wisconsin located on the rooftop of Iowa County’s new Law Enforcement Center
- And solar generation near our West Riverside Energy Center near Beloit, Wisconsin.

Before I close, I would like to recognize our amazing employees; they came together to serve customers during Winter Storm Uri. As a result of their efforts, coupled with smart investments we’ve made to ensure reliability and resiliency and the proactive planning by our energy markets team, we not only weathered the storm, but our teams continued providing safe, reliable, and affordable energy during this extreme weather event and our customers will not see the significant increases experienced by others around the country.

In summary, 2021 is off to a solid start for our company and we look forward to building on that momentum throughout the year as we focus on:

- Continuing our role as a leader in advancing renewable energy
- Completing customer focused investments on-time and on-budget
- Delivering solid returns for our investors
- And Living our Values as we fulfill our purpose of serving customers and building stronger communities.
Thank you for your interest in Alliant Energy. I will now turn the call over to Robert.

**ROBERT DURIAN:**
Thanks John. Good morning everyone.

Yesterday, we announced first quarter 2021 GAAP earnings of 68 cents per share compared to 70 cents per share in 2020. Similar to last year, the first quarter’s earnings are more than 25% of our 2021 earnings target and represent a strong start to the year.

Our earnings were slightly lower on a year over year basis, largely due to the timing of tax expense impacts which will reverse later this year. For the full year, we are reaffirming our earnings guidance of two dollars and fifty cents per share to two dollars and sixty four cents per share, an increase at the midpoint of more than 6% over 2020 temperature normalized earnings per share of two dollars and forty two cents.

To assist you in modeling our quarterly earnings this year, I wanted to provide some additional context to one of the larger variances shown in our earnings release.

As some may recall in the first quarter of 2020, we recognized 6 cents of favorability due to the timing of income taxes which arose from the large amount of wind generation placed in service in 2020. We had additional tax favorability in the third quarter of 2020 before a full reversal in the fourth quarter of last year. You can expect to see the inverse of that in 2021, with unfavorable variances related to the timing of income tax expense for the sum of the first three quarters followed by a favorable reversal in the fourth quarter of this year.

We continue to see improving economic conditions in our service territories with more businesses returning to normal operations following the lifting of many of the COVID-19 mitigation restrictions and increasing levels of economic development activities in both states.

Of note, our temperature-normalized retail electric sales in the first quarter of 2021 were better than expected and represented an approximate one percent increase over the first quarter of 2020, which was largely pre-pandemic for our service territories. We are also very encouraged by the fact that the number of our customers in arrears or on payment plans today is lower than it was before the pandemic began. This is a testament to the great work of our employees, connecting customers having difficulty making payments with available federal and state resources.

I am also very proud of donations by our company and our customers to the Hometown Care Energy Fund, which provides confidential financial support for Alliant Energy customers faced with financial challenges.
Due to the COVID-19 pandemic in 2020, it was necessary for us to accelerate our cost transformation efforts to offset reduced sales while holding rates flat for our customers last year. Thanks to our employee’s continued focus on cost reductions, we achieved another quarter of solid operating expense reduction in the first quarter of 2021. Over the longer-term, we are targeting to reduce O&M by approximately 3-5% per year for the next several years off of 2019 levels.

We will achieve these savings through efforts that fall under three pillars, all of which are enabled by our customer-focused capital investments. The first and most immediately impactful are our investments in generation transformation. This includes our expansion of wind and solar energy and the sunsetting of coal generation in our portfolio. The second pillar involves investments in electric distribution, particularly in the areas of undergrounding and converting larger portions of our system to 25kv which will enable lower maintenance expense. The third and final pillar includes investments in technology across our company which will enhance productivity and efficiency through automation, customer self-service and telework.

Slide 4 of our supplemental slides has been provided to assist you in modeling the effective tax rates for our two utilities and our consolidated group. We estimate a consolidated effective tax rate of negative 19% for 2021. The primary drivers of the lower tax rate are the additional tax credits from the new wind projects placed in service and the return of excess deferred taxes from federal tax reform to our customers. The production tax credits and excess deferred tax benefits, will flow back to customers resulting in lower electric margins. Thus, the decrease in the effective tax rate is largely earnings neutral.

Turning to our financing plans, we continue to maintain strong balance sheets at our two utilities and the parent company with minimal financing needs in 2021. As a reminder, our financing plans for 2021 include up to 300 million dollars of long-term debt to be issued by our Wisconsin utility and no material debt maturities this year. In addition, the only new common equity forecasted to be issued this year is approximately 25 million dollars through the shareholder direct plan.

We have included our regulatory initiatives of note on slide 5. Starting in our Wisconsin jurisdiction. As John mentioned, earlier this week we filed a notice of intent to settle with key intervening parties in Wisconsin on WPL’s next electric and gas rate review filing. The agreement in principle resulted from collaboration and alignment with these settling parties on total revenue requirements for 2022 and 2023. The agreement would enable key financial terms impacting such revenue requirements including maintaining a
10% return on equity, achieving an effective regulatory equity layer of 54%, and utilizing an innovative recovery mechanism for WPL’s retiring Edgewater coal plant. WPL is working with the stakeholders to finalize the terms of the settlement which will be subject to review and approval by the PSCW. We anticipate a decision from the PSCW on this filing later this year. More details on the terms of the agreement in principle can be found on slide 6.

Additionally, in Wisconsin, we received verbal approval from the PSCW in April of our certificate of authority filing for 675 MWs of new solar generation. This verbal approval is another example of our continued track record of constructive state regulatory decisions approving renewable projects that support our transition to cleaner sources of energy for our customers. In the discussion of this decision, all three commissioners were complimentary of the resource planning process and stakeholder engagement that we conducted as part of our Wisconsin Clean Energy Blueprint. The commission commended our modeling efforts in this process and the consideration paid to affordability and stability of rates, reliability of service, and our path to sustainability for our customers. We would expect a written decision in the coming weeks. We also filed our second certificate of authority application for an additional 414 megawatts of Wisconsin solar in March. We anticipate a decision from the PSCW on this filing in the first half of next year.

Moving to Iowa, we expect to file for advance ratemaking principles in the third quarter for our proposed approximately 400 megawatts of renewables. The advance ratemaking principles process in Iowa includes approval of the return on equity for the life of the asset, depreciation rates, and a cost cap for the project. We anticipate a decision from the Iowa Utilities Board on this filing by the middle of next year.

We appreciate your continued interest in our company and look forward to connecting with many of you virtually over the coming months. At this time, I will turn the call back over to the operator to facilitate the question and answer session.

CONFERENCE CALL OPERATOR: Thank you, Mr. Durian. At this time, the company will open the call to questions from members of the investment community.

(OPERATOR PROVIDES INSTRUCTIONS ON HOW TO ASK A QUESTION)

(Q&A SESSION)

SUSAN GILLE: This concludes Alliant Energy’s first quarter earnings call. A replay will be available through May 14, 2021 at 888-203-1112, for US and Canada, or 719-457-0820 for international. Callers should reference conference ID 4175543 and pin 9578.
In addition, an archive of the conference call and a script of the prepared remarks made on the call will be available on the investor’s section of the company’s website later today. Thank you for your continued support of Alliant Energy and feel free to contact me with any follow-up questions.

The accompanying conference call script includes forward-looking statements. These forward-looking statements can be identified as such because the statements include words such as “planned,” “forward,” “expect,” “targeting,” “will,” “estimate,” “plans,” “would,” “anticipate,” “forecasted,” or other words of similar import. Similarly, statements that describe future financial performance, including earnings guidance, earnings growth, and plans or strategies, including our clean energy transition, financing plans and regulatory initiatives, are forward-looking statements. Such statements are subject to certain risks and uncertainties that could cause actual results to differ materially from those currently anticipated. Actual results could be affected by the following factors, among others:

- the direct or indirect effects resulting from the COVID-19 pandemic on sales volumes, margins, operations, employees, contractors, vendors, the ability to complete construction projects, supply chains, customers’ inability to pay bills, suspension of disconnects, the market value of the assets that fund pension plans and the potential for additional funding requirements, the ability of counterparties to meet their obligations, compliance with regulatory requirements, the ability to implement regulatory plans, economic conditions and access to capital markets;
- the impact of penalties or third-party claims related to, or in connection with, a failure to maintain the security of personally identifiable information, including associated costs to notify affected persons and to mitigate their information security concerns;
- the direct or indirect effects resulting from terrorist incidents, including physical attacks and cyber attacks, or responses to such incidents;
- the impact of customer- and third party-owned generation, including alternative electric suppliers, in IPL’s and WPL’s service territories on system reliability, operating expenses and customers' demand for electricity;
- the impact of energy efficiency, franchise retention and customer disconnects on sales volumes and margins;
- the impact that price changes may have on IPL’s and WPL's customers' demand for electric, gas and steam services and their ability to pay their bills;
- IPL’s and WPL’s ability to obtain adequate and timely rate relief to allow for, among other things, the recovery of and/or the return on costs, including fuel costs, operating costs, transmission costs, deferred expenditures, deferred tax assets, tax expense, capital expenditures, and remaining costs related to electric generating units (EGUs) that may be permanently closed and certain other retired assets, decreases in sales volumes, earning their authorized rates of return, and the payments to their parent of expected levels of dividends;
- federal and state regulatory or governmental actions, including the impact of legislation, and regulatory agency orders;
- the ability to utilize tax credits and net operating losses generated to date, and those that may be generated in the future, before they expire;
- the impacts of changes in tax rates, including minimum tax rates, and adjustments made to deferred tax assets and liabilities;
- employee workforce factors, including changes in key executives, ability to hire and retain employees with specialized skills, ability to create desired corporate culture, collective bargaining agreements and negotiations, work stoppages or restructurings;
- any material post-closing payments related to any past asset divestitures, including the sale of Whiting Petroleum, which could result from, among other things, indemnification agreements, warranties, guarantees or litigation;
- weather effects on results of utility operations;
- issues associated with environmental remediation and environmental compliance, including compliance with all environmental and emissions permits, the Coal Combustion Residuals rule, future changes in environmental laws and regulations, including federal, state or local regulations for carbon dioxide emissions reductions from new and existing fossil-fueled EGUs, and litigation associated with environmental requirements;
- increased pressure from customers, investors, and other stakeholders to more rapidly reduce carbon dioxide emissions;
- the ability to defend against environmental claims brought by state and federal agencies, such as the U.S. Environmental Protection Agency, state natural resources agencies or third parties, such as the Sierra Club, and the impact on operating expenses of defending and resolving such claims;
- continued access to the capital markets on competitive terms and rates, and the actions of credit rating agencies;
inflation and interest rates;
the ability to complete construction of solar projects within the cost targets set by regulators and the ability to efficiently utilize the solar project tax benefits for the benefit of customers;
changes in the price of delivered natural gas, transmission, purchased electricity and coal due to shifts in supply and demand caused by market conditions and regulations;
disruptions in the supply and delivery of natural gas, purchased electricity and coal;
the direct or indirect effects resulting from breakdown or failure of equipment in the operation of electric and gas distribution systems, such as mechanical problems and explosions or fires, and compliance with electric and gas transmission and distribution safety regulations, including regulations promulgated by the Pipeline and Hazardous Materials Safety Administration;
issues related to the availability and operations of EGUs, including start-up risks, breakdown or failure of equipment, performance below expected or contracted levels of output or efficiency, operator error, employee safety, transmission constraints, compliance with mandatory reliability standards and risks related to recovery of resulting incremental costs through rates;
impacts that excessive heat, excessive cold, storms or natural disasters may have on Alliant Energy’s, IPL’s and WPL’s operations and recovery of costs associated with restoration activities or on the operations of Alliant Energy’s investments;
Alliant Energy’s ability to sustain its dividend payout ratio goal;
changes to costs of providing benefits and related funding requirements of pension and other postretirement benefits plans due to the market value of the assets that fund the plans, economic conditions, financial market performance, interest rates, timing and form of benefits payments, life expectancies and demographics;
material changes in employee-related benefit and compensation costs;
risks associated with operation and ownership of non-utility holdings;
changes in technology that alter the channels through which customers buy or utilize Alliant Energy’s, IPL’s or WPL’s products and services;
impacts on equity income from unconsolidated investments from valuations and potential changes to ATC LLC’s authorized ROE;
impacts of IPL’s future tax benefits from Iowa rate-making practices, including deductions for repairs expenditures, allocation of mixed service costs and state depreciation, and recoverability of the associated regulatory assets from customers, when the differences reverse in future periods;
changes to the creditworthiness of counterparties with which Alliant Energy, IPL and WPL have contractual arrangements, including participants in the energy markets and fuel suppliers and transporters;
current or future litigation, regulatory investigations, proceedings or inquiries;
reputational damage from negative publicity, protests, fines, penalties and other negative consequences resulting in regulatory and/or legal actions;
the effect of accounting standards issued periodically by standard-setting bodies; and
the ability to successfully complete tax audits and changes in tax accounting methods with no material impact on earnings and cash flows.

Without limitation, the expectations with respect to 2021 earnings guidance, long-term earnings growth objective, dividend payout ratio and clean energy transition in this script are forward-looking statements and are based in part on certain assumptions made by Alliant Energy, some of which are referred to in the forward-looking statements. Alliant Energy cannot provide any assurance that the assumptions referred to in the forward-looking statements or otherwise are accurate or will prove to be correct. Any assumptions that are inaccurate or do not prove to be correct could have a material adverse effect on Alliant Energy’s ability to achieve the estimates or other targets included in the forward-looking statements. The forward-looking statements included herein are made as of the date hereof and Alliant Energy undertakes no obligation to update publicly such statements to reflect subsequent events or circumstances.