Alliant Energy
Fourth Quarter 2021 Earnings
February 18, 2022

CONFERENCE CALL OPERATOR:
Good morning, and welcome to Alliant Energy's conference call for fourth quarter and year-end 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, Zac Fields, Lead Investor Relations Analyst at Alliant Energy.

Zac Fields:

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 Chief Executive Officer, 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 fourth quarter and year-end 2021 financial results and updated our 2022 earnings guidance. This release, as well as an earnings presentation, will be referenced during today's call, and 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 which is available on our website.

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

JOHN LARSEN:

Thank you, Zac. Hello everyone -- and thank you for joining us

2021 was another successful year of growth - solid operations - and strong financial performance. I want to thank our talented and dedicated employees for all they do to help us deliver on our Purpose – To Serve Customers and Build Stronger Communities – it shows in

how we work each day -- AND in our results. I'm humbled by their efforts – and proud to be part of the Alliant Energy team. My sincere "Thank You" to our team.

Yesterday - we announced 20-21 GAAP earnings of 2 dollars and 63 cents per share -- compared to 2 dollars and 47 cents per share in 20-20 --- finishing the year at the top of our guidance range. Excluding temperature - and non-recurring items - our earnings per share were up 7% from 20-20. This was our 3rd straight year of delivering 7% E-P-S growth -- and the 19th year of consecutive dividend increases. This consistent growth – driven by solid execution and operational results - showcases the resilience and flexibility of our employees – our strategy -- and our company.

I'll highlight a few of our many strategic and operational achievements from the year -- then turn it over to Robert -- who will provide more details on our solid financial and regulatory outcomes.

From the start of last year with Winter Storm Uri – to the heat waves experienced during the summer months - our employees weathered each-and-every storm -- to keep delivering safe - reliable - and affordable energy to our customers. And our customers noticed --- as we earned the second highest increase in year-over-year JD Power's residential electric customer satisfaction scores among large utilities.

20-21 was also the first full-year of operations for our eleven hundred and fifty megawatts of new wind – delivering clean - reliable - and affordable electricity for our customers. Our forward-thinking in renewable investments also led us to develop our comprehensive Clean Energy Blueprints for Iowa and for Wisconsin – which continue to showcase our commitment to providing a thoughtful path to a clean energy future.

Also, in 20-21 -- we made tremendous progress on advancing the solar and energy storage aspects of our clean energy blueprints. The customer-focused and transparent planning by our teams led to successful regulatory outcomes -- and positions us well for straightforward execution. We received approval for our first Certificate of Authority for 675MW of solar in Wisconsin -- and have advanced into the construction phase. We also filed for an additional 414 MW of solar -- planned for customers in Wisconsin -- and 475 MW of solar and battery storage planned for customers in Iowa – both filings are expected to be decided in 2022. I would like to also note that our teams were well prepared and continue to navigate difficult global supply chain issues – these issues are not over – but these proactive efforts by our talented team – along with leveraging our strong partnerships – have resulted in solid progress on panel and equipment deliveries – resulting in an increase in our Capital Investment plan. Robert will be sharing more details about this positive news later in the call.

Our efforts to build stronger communities were also on full display this past year. While there are many examples I could share – I'll take a little time and highlight a few for you now*:*

Alliant Energy was once again named a Top Utility in Economic Development by Site Selection magazine. Site Selection credits our Economic Development team – in collaboration with local, regional and state partners – with delivering more than $900 million in new capital investment and more than 2,200 new jobs in 20-21. We were honored to receive the award and proud of all we've accomplished to help bring new jobs and continued investment to our communities.

Another way we are making things better in our communities is our pledge to plant 1 million trees by the end of 20-30. These trees will grow to provide shade, reduce greenhouse gases, and improve water quality. We are off to a great start - planting thousands of trees at community events from Ripon, Wisconsin to Cedar Rapids, Iowa. It's just another way we're living our value of Acting for Tomorrow.

Another way we build stronger communities is by nurturing a culture of diversity, equity and inclusion in our workplace. This past year - we earned a perfect score on the Corporate Equality Index issued by the Human Rights Campaign Foundation -- and they named us a "Best Place to Work" for the fifth year in a row.

And we were proud to be named to Newsweek Magazine's *Most Responsible Companies* for the second year in a row. —and we made Forbes' America's Best Mid-Size Employers list for the fourth year in a row.

20-21 was an excellent year for our company – our customers – and our communities. We look forward to building on that momentum in 20-22

I thank you for your continued interest in Alliant Energy. I will now turn the call over to Robert.

ROBERT DURIAN:
Thanks John. Good morning, everyone.

Yesterday, we announced 20-21 GAAP earnings of 2 dollars and 63 cents per share compared to 2 dollars and 47 cents per share in 20-20. On an adjusted basis, which excludes the impacts of temperatures and non-recurring adjustments, our earnings per share increased 7% from 20-20.

Looking year over year, the increases in 20-21 were driven by higher revenue requirements primarily due to increasing rate base at our Wisconsin and Iowa utilities and higher electric sales due to strong demand from commercial and industrial customers and the impacts of warmer summer temperatures.

These favorable drivers were partially offset by higher depreciation and lower allowance for funds used during construction. Our temperature normalized retail electric sales grew 3 percent in 20-21 when compared to 20-20, primarily driven by a resurgence of our commercial and industrial customers as our state economies have strengthened from the worst impacts of the pandemic in 20-20. This recovery was more robust in 20-21 than we had initially forecasted led by stronger industrial sales resulting in total commercial and industrial sales levels for the year

roughly 1% higher than 20-19 levels. As customers across our service territories have gradually been returning to their workplaces, we have seen some decline in residential sales. However, residential sales remain modestly higher than 20-19 levels.

The strong sales we experienced in 20-21 were bolstered by a great year from our economic development efforts, as our team was able to assist with several key industrial customer additions and expansions – ultimately adding about 75 megawatts of load to our system. Additionally, we saw one of the strongest years of incremental customer growth in the past decade. We are announcing an update to our capital expenditure plans for 2022 to 2025 – our new plan is summarized on slide 6 of our earnings presentation.

There are two primary drivers for the updated plans – the first relates to recent progress made with our solar equipment suppliers that will allow us to receive equipment and materials earlier than previously anticipated. These efforts have allowed us to pull forward approximately 300 million dollars of renewable expenditures into 20-22. This enables us to complete these clean energy investments earlier than planned, with 325 megawatts now scheduled to go into service in 20-22 for our Wisconsin customers. The balance of our previously announced solar and battery projects are expected to go in-service in 2023 and 2024.

The second driver of the updated capital expenditure plans involves accelerating our clean energy investments to our generation portfolio in 20-23 through 20-25 to address capacity needs resulting from MISO's proposed seasonal resource adequacy construct. For those who may not be familiar, MISO has proposed to accredit generation capacity on a seasonal basis under this new construct, versus the current state where capacity is accredited on an annual basis. The additive investments included in our updated capital expenditure plans will help satisfy our anticipated seasonal capacity requirements and support reliability for our customers.

Our capital expenditure plans also continue to include investments to replace the capacity from the anticipated exercise of options by WEC Energy and MG&E to purchase a portion of our West Riverside natural gas facility. We anticipate making a certificate of authority filing with the PSCW in the first half of this year for additional capacity resources to replace the capacity expected to be lost with the exercise of these options. We plan to share more details about these resources as we get closer to making our filing.

Turning to this year's earnings guidance, with the updates to our capital expenditures plan, we are increasing our 20-22 earnings guidance and remain well positioned for consistent 5 to 7 percent earnings growth going forward. The midpoint of our updated guidance range is 2 dollars and 74 cents per share which represents a 6 percent increase over 20-21 adjusted earnings. The expected drivers of this increase in earnings include higher earnings on increasing capital investments and higher AFUDC benefits from our solar projects under construction. More details on our 20-22 earnings guidance are provided on slide 7 of our earnings presentation.

In 2022, we estimate a consolidated effective tax rate of 4% – with substantial production tax credits generated by our large wind portfolio helping us maintain the low effective tax rate for the upcoming year and several more years to come. The benefits from these production tax credits are passed on to our electric customers to help manage customer bills and therefore are largely earnings neutral.

Moving on to the financing plans for 20-22 – we plan to issue long term debt of up to 1.4 billion dollars in total for WPL and Alliant Energy Finance. The proceeds from the new debt will be used largely to finance investments in solar projects, as well as to refinance 625 million dollars of debt maturities in 20-22. We also expect to receive approximately 25 million dollars of new common equity under our DRIP plan in 20-22.

Lastly, we have included this year's key regulatory initiatives on slide 8. Related to our customer investments, in Wisconsin, we anticipate a decision on our approval request for 414 megawatts of solar in the first half of this year. And in Iowa, our advance ratemaking filing for 475 megawatts of solar and battery is progressing as expected. The Iowa Utilities Board issued a procedural schedule last month which can be found on slide 9. We anticipate a decision on this advance ratemaking filing in the second half of this year.

In Wisconsin, we also filed a joint application for the sale of a portion of our West Riverside natural gas generating facility to WEC Energy and MG&E at the end of January. We anticipate a decision on this application in either late 20-22 or early 20-23.

These regulatory initiatives are an important part of executing our strategy, and we are thankful for the continued constructive relationships with our regulators in both of our state jurisdictions.

As we conclude another successful year with solid financial results and constructive regulatory outcomes, I want to express my optimism for the year ahead. We've demonstrated the flexibility of our capex plan to shift quickly due to opportunities in the solar projects supply chain, we have regulatory certainty for the next couple years with no major rate reviews planned, and we have dedicated and talented employees working hard every day to serve our customers and shareowners.

We appreciate your continued support of our company and look forward to meeting with many of you virtually and in-person in the coming months. As always, we will make our investor relations materials available on our website. 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)

Zac Fields:
This concludes Alliant Energy's fourth quarter and year-end earnings call. A replay will be available on our investor website.

Thank you for your continued support of Alliant Energy and feel free to contact me with any follow-up questions.